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Mentor Capital Posts 1 Cent Net Profit on a 4 Cent Share Price in 10-Q

Yearly Sales per Share Approach Eight Times Current Share Price

PLANO, Texas--(BUSINESS WIRE)-- Mentor Capital, Inc. (OTCQB: MNTR) announced annualized sales of \$7,034,692 for the trailing twelve months or \$0.31 per share against a share price of \$0.04 per share in its quarterly Form 10-Q filing for the second quarter ended June 30, 2022, filed with the Securities and Exchange Commission.

The Company reports that for the six months ended June 30, 2022, Mentor had revenues of \$3,717,518 and a gross profit of \$1,283,852, with a resulting net profit attributable to Mentor of 0.9 cents per share. This represents a 38.0% increase in revenue and a 57.5% increase in gross profit over the prior-year quarter ended June 30, 2021, in which Mentor had revenues of \$2,693,262, gross profit of \$815,027, and resulting net loss attributable to Mentor of (1.6 cents) per share.

For the three months ended June 30, 2022, Mentor had revenues of \$1,868,619 and a gross profit of \$583,969, with a resulting net profit attributable to Mentor of 1.3 cents per share. This represents a 36.1% increase in revenue and a 54.2% increase in gross profit over the prior-year quarter ended June 30, 2021, in which Mentor had revenues of \$1,372,638, gross profit of \$378,636, and a resulting net loss attributable to Mentor of (0.9 cents) per share.

On June 30, 2022, the Company had 22,941,357 common shares and 11 Series Q convertible preferred shares outstanding, plus 6,250,000 Series D warrants outstanding with an exercise price of \$1.60 per share.

In the second quarter of 2022, independent director David Carlile completed a market purchase of 100,000 common shares. No equity was granted to directors, insiders, consultants, or investor relations firms during the eight quarters ending June 30, 2022.

A long-term share repurchase plan was authorized in 2014, and on June 30, 2022, a total of 255,252 shares remain to be repurchased under the plan.

The Company's shares finished the quarter at a closing price of \$0.04 per share, representing a market capitalization of \$917,654 compared to a 2021 year-end closing price of \$0.0508 per share and a corresponding market capitalization of \$1,160,828. The Company finished the quarter with a book value of \$2,771,985, or \$0.12 per share, and a price-to-book ratio of 0.33x compared to a book value of \$2,078,677, or \$0.09 per share and a price to book ratio of 0.56x at 2021 year-end.

The Series Q Convertible Preferred Stock, for accredited investors, first valued at \$10,000 per share on May 30, 2018, was valued at \$19,219.11 per share on June 30, 2022, and 11 Series Q shares could have been converted at a Conversion Price of \$0.063 per share into

3,355,717 Mentor common shares, which is a 17.3% compound annual rate of return for each of the last four years.

As of the quarter ended June 30, 2022, the Company had invested \$396,666 into a Legal Recovery Purchase Agreement with Electrum Partners, LLC increasing total legal funding involvement to \$590,694. This funding supports Electrum's action against Aurora Cannabis Inc., pending in the Supreme Court of British Columbia.

On June 5, 2022, Mentor received a \$50,000 loan from its CEO, which bears interest at 7.8% per annum compounded quarterly. In total, since March 2021, the Company has received \$250,000 in loans from the CEO under the same interest rate terms. The loans are due upon demand.

The Company is managed by Chairman and CEO Chet Billingsley (69), who founded Mentor Capital first as an acquisition partnership in 1985. Mr. Billingsley's interest is reported at 9.58% on a fully diluted basis as of June 30, 2022, with other directors and officers holding an additional 6.22% on a fully diluted basis.

The Form 10-Q may be referenced through the SEC's EDGAR system at: <https://www.sec.gov/edgar/searchedgar/companysearch.html> or at the Company's website: www.MentorCapital.com, where additional important information for investors can be found.

About Mentor Capital: The Company seeks to come alongside and assist private companies and their founders and investors in meeting their liquidity, equity financing, and acquisition objectives.

This press release is neither an offer to sell nor a solicitation of offers to purchase securities.

Forward-Looking Statements: *This press release contains forward-looking statements within the meaning of the federal securities laws, including statements concerning financial projections, financing activities, corporate combinations, product development activities, and sales and licensing activities. Such forward-looking statements are not guarantees of future results or performance, and are sometimes identified by words of condition such as "should," "could," "expects," "may," "intends," "seeks," "looks," "moves," or "plans" and are subject to a number of risks and uncertainties, known and unknown, that could cause actual results to differ materially from those intended or anticipated. Such risks include, without limitation: nonperformance of investments, partner and portfolio difficulties, potential delays in marketing and sales, problems securing the necessary financing to continue operations, problems involving continued illegality of cannabis products, the potential of competitive products, services, and technologies, difficulties experienced in product development, in recruiting knowledgeable personnel, in protecting intellectual property, and the effects of adverse worldwide economic events, such as the coronavirus recovery and recent step-up in inflation. Further information concerning these and other risks is included in the Company's Form 10-Q filing, which, along with additional very important details on the Company, can be found here: <https://ir.mentorcapital.com/all-sec-filings>*

The Company undertakes no obligation to update or revise such forward-looking statements to reflect new information, events, or circumstances occurring after the date of this press release.

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Mentor Capital, Inc.

Chet Billingsley, CEO

(760) 788-4700

info@mentorcapital.com

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