

May 16, 2019



## Mentor Capital Reports 1st Quarter 2019 10-Q

**SAN DIEGO, CA / ACCESSWIRE / May 16, 2019** Mentor Capital, Inc. (OTCQX: [MNTR](#)) announced that it had filed its quarterly 10-Q filing for the first quarter ended March 31, 2019, with the Securities and Exchange Commission.

The Company reports that for the quarter ended March 31, 2019, Mentor had revenues of \$1,075,995 and gross profit of \$370,374 with a resulting net loss attributable to Mentor of (\$2,406,595) or (10.4 cents) per share. This is a revenue increase from the prior year quarter ended March 31, 2018, in which Mentor had revenues of \$1,016,199 and gross profit of \$345,707 with a resulting net loss attributable to Mentor of (\$151,704) or (0.7 cents) per share.

As further disclosed in our 10-Q, due to events transpiring in the 1<sup>st</sup> quarter of 2019, the Company is uncertain of G Farma Labs Limited ("G Farma")'s ability to perform under its commitments to the Company. Based on our estimate of recoverability, the Company has recorded a bad debt allowance of \$668,958 on the finance lease receivable from G Farma, which is reflected in operating expenses in our condensed consolidated income statement for the quarter ended March 31, 2019. We have also impaired G Farma notes receivable by \$997,956 and fully impaired our \$600,002 contractual interest in the G Farma legal recovery, and have fully impaired our \$41,600 equity interest in G Farma, for a combined loss on investments related to G Farma of \$1,639,558, which is reported as a loss on investments in our condensed consolidated income statement for the quarter ended March 31, 2019.

The Company invested \$192,367.94 into cannabis-related companies during the first three months of 2019 recorded at investment cost, which increased the Company's potential to a 49.9% percentage of the legal recovery in a certain legal action captioned Electrum Partners, LLC, Plaintiff, and Aurora Cannabis Inc., Defendant, pending in the Supreme Court of British Columbia seeking approximately \$2,520,000 in Aurora common shares.

The Mentor Capital, Inc. parent company has no non-affiliate debt. The Company maintained a cash balance of \$1,353,062 at March 31, 2019, compared to a cash balance of \$1,470,574 at December 31, 2018. The Company closed the quarter ended March 31, 2019, with a book value of \$4,026,448, down from \$6,433,840 at December 31, 2018.

The Company had 12,720 shareholders reported as of March 31, 2019, with 23,139,837 shares issued. At March 31, 2019, there were 87,456 Series B warrants outstanding with an exercise price of \$0.11 per share, 6,252,954 Series D warrants outstanding with an exercise price of \$1.60 per share, and 689,159 Series H warrants that are held by an investment bank at a \$7.00 per share exercise price. No equity was granted to directors, insiders, consultants or investor relations firms in the first quarter of 2019. A long-term 300,000 share repurchase plan was authorized in 2014 and, at March 31, 2019, a total of 44,748 shares have been repurchased under the long-term plan. The Company's shares finished the quarter at a closing price of \$0.43 per share representing a market capitalization of \$9,950,130 compared to a 2018 year-end closing price of \$0.34 per share and a corresponding market capitalization of \$7,867,544. As of May 16, 2019, the closing price of the Company's shares was \$0.36 with a corresponding market capitalization of approximately \$8,330,341. Mentor's Series Q Preferred Stock first sold at \$10,000 per share on May 30, 2018 were exchangeable for approximately \$12,937 per share in Mentor common shares on March 31, 2019.

The Company is managed by Chairman, CEO, and director Chet Billingsley (66), who founded Mentor Capital first as an acquisition partnership in 1985 and was qualified as a Registered Investment Advisor. He received his undergraduate education at West Point before earning a master's degree in Applied Physics at Harvard University. His early career was at General Electric. Treasurer, CFO, and director Lori Stansfield, CPA (59), was most recently Director of Audit Services for a regional CPA firm. She graduated Magna cum Laude in accounting and received a master's degree in Marketing from the University of Colorado. Ms. Stansfield is certified as a public accountant in both Colorado and California. Secretary and director Robert Meyer (79), director and Audit Committee member Stan Shaul (54), and director and Audit Committee Chairman David Carlile (63) are independent directors; each has been or is a business owner and major shareholder. Altogether, the directors and officers hold a 24.2% fully diluted interest in Mentor Capital with Mr. Billingsley's interest reported at 17.66% on a fully diluted basis as of May 6, 2019.

The Form 10-Q may be referenced through the SEC's EDGAR system at:

<https://www.sec.gov/edgar/searchedgar/companysearch.html>

Inputting the company name, Mentor Capital, Inc. or the Company's CIK code, which is 0001599117, will bring up the report. The 10-Q can also be viewed at the Company's web site at the Investor's Corner section under the SEC Filings tab.

**About Mentor Capital:** The Company seeks to come alongside and assist private medical marijuana and cannabis companies and their founders in meeting their liquidity and financial objectives, to add protection for investors and to help incubate private cannabis companies. Additional important information for investors is presented at:

[www.MentorCapital.com](http://www.MentorCapital.com)

*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, 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, potential of competitive products, services, and technologies, difficulties experienced in product development, in recruiting knowledgeable personnel and in protecting intellectual property. Further information concerning these, and other risks is included in the Company's Form 10-Q filing which, along with other very important information about 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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**SOURCE:** Mentor Capital, Inc.