

November 16, 2020



# Mentor Capital Reports 3rd Quarter 2020 10-Q

## ***Trailing Annual Revenues Are Double Market Capitalization for Texas M&A Company***

PLANO, Texas--(BUSINESS WIRE)-- Mentor Capital, Inc. (OTCQB: MNTR) announced that it had filed its quarterly 10-Q filing for the third quarter ended September 30, 2020, with the Securities and Exchange Commission.

The Company reports that for the quarter ended September 30, 2020 Mentor had revenues of \$1,231,530 and gross profit of \$375,735 with a resulting net loss attributable to Mentor of (\$273,955) or (1.2 cents) per share. This is an improvement over the prior year quarter ended September 30, 2019, in which Mentor had revenues of \$1,071,337, gross profit of \$248,538 and resulting net loss attributable to Mentor of (\$336,816) or (1.5 cents) per share.

In the prior year nine-month period, the Company experienced significant losses from G Farma's default on finance leases and notes receivable. In the nine months ended September 30, 2019, the Company recognized bad debt on the finance leases of \$730,469 and impairment loss of \$1,688,825 on its purchased notes receivable from G Farma.

Subsequent to quarter-end, on November 4, 2020, the Company's Motion for Summary Adjudication was granted as to several causes of action against G FarmaLabs Limited and guarantors Atanachi Gonzalez and Nicole Gonzalez. The Court found that G FarmaLabs Limited had breached its obligations under two promissory notes and that each of Mr. Gonzalez and Ms. Gonzalez owed duties to Mentor as guarantors of those same promissory notes in the past due amount of \$1,166,570, including note interest, which was ordered payable to Mentor Capital, Inc. The Company plans to pursue the collection of damages and the remaining litigation.

The Company had approximately 11,354 shareholders reported as of September 30, 2020, with 22,850,947 shares issued. At September 30, 2020, 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 nine months ended September 30, 2020.

The Company's shares finished the quarter at a closing price of \$0.07 per share representing a market capitalization of \$1,599,566 compared to a 2019 year end closing price of \$0.12 per share and a corresponding market capitalization of \$2,742,114. As of November 13, 2020, the closing price of the Company's shares was \$0.09 with a corresponding market capitalization of approximately \$2,056,585. Mentor's Series Q Preferred Stock, first sold at \$10,000 per share on May 30, 2018, were exchangeable for approximately \$15,768 per share in Mentor common shares on September 30, 2020.

On September 22, 2020, Mentor IP, LLC, the Company's 100% owned subsidiary, received a Canadian patent covering certain CBD, THC, and nicotine concentrations in vape systems. Mentor IP, LLC's interests in the Canadian patent and the parent May 5, 2020 United States patent are governed by a "Larson - Mentor Capital, Inc. Patent and License Fee Facility with Agreement Provisions for an -- 80% / 20% Domestic Economic Interest -- 50% / 50% Foreign Economic Interest" with R.L. Larson and Larson Capital, LLC.

On September 30, 2020, Mentor moved its office to 5964 Campus Court, Plano, Texas 75093. Subsequent to quarter-end, on October 22, 2020, the Company had no operations in the state of California

Subsequent to quarter-end, on October 28, 2020, Dr. Robert Mandelkorn purchased the Company's interest in GlauCanna for \$31,000. GlauCanna is a Florida-based glaucoma cannabis oil project that was partially funded by the Company for \$30,000, conducted by and otherwise paid for by Dr. Mandelkorn.

The Company is managed by Chairman, CEO, and director Chet Billingsley (68), who founded Mentor Capital in 1985. Our Treasurer, Contracted CFO, and director is Lori Stansfield, CPA (61). Secretary and director Robert Meyer (81), director and Audit Committee member Stan Shaul (55), and director and Audit Committee Chairman David Carlile (64) are independent directors; each has been or is a business owner and a major shareholder. Altogether, the directors and officers hold a 20.42% fully diluted interest in Mentor Capital, with Mr. Billingsley's interest reported at 13.81% on a fully diluted basis as of November 4, 2020.

The Company's Form 10-Q may be referenced through the SEC's EDGAR system at <https://www.sec.gov/edgar/searchedgar/companysearch.html> or the Company's website under the SEC Filings tab at <https://ir.mentorcapital.com/sec-filings>.

**About Mentor Capital:** The Company seeks to come alongside and assist private companies and their founders in meeting their liquidity and financial objectives, to add protection for investors, and to help incubate private companies. In late 2019, the Company expanded its target industry to potentially include energy, mining and minerals, technology, consumer products, management services, and manufacturing sectors. 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, in protecting intellectual property, and the effects of negative worldwide economic events, such as the recent coronavirus outbreak. 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.