

# FUNDING & STOCK PURCHASE AGREEMENT

***\$2,244,000***

*(20% at \$12 per Common Share)*

This Funding & Stock Purchase Agreement (the "Agreement") is entered into this **8<sup>th</sup> day of July, 2009** ("Effective Date"), by and among the following parties:

**Quantum Immunologics, Inc.**, a Delaware corporation ("**QI**"), and

**Mentor Capital, Inc.**, a California corporation ("**MNTR**").

(The two above parties, together, may be collectively referred to in this Agreement as the "**Parties**").

## BACKGROUND

**QI** is dedicated to the research, development and production of products and services that will promote immunological cancer treatments, and cancer detection technologies at reduced cost. **QI** is seeking funding to complete Phase I/II trials, continue R&D and for general corporate purposes.

**MNTR** is a public company that provides funding to private companies with managements of good character that do not yet have direct access to public market capital. The source of the funding is from **MNTR's** 1,400 shareholders who, over time, will exercise \$145,000,000 in warrants as the **MNTR** share price rises. It is hoped that the compelling story of **QI's** cancer therapies will positively impact the **MNTR** share price, resulting in the exercise of warrants and flow of funding to **QI**. Because of the expected positive reception of **QI** in the public market, its medical market potential, **QI's** pre-IPO status, quality management and the social good of forwarding **QI's** cancer therapy efforts, **MNTR** is interested in funding **QI**.

Detailed information on **QI** is referenced from the current **QI** private placement memorandum ("PPM") which is attached, although funds supplied under this Agreement are not part of that PPM. Background, historic and general information is at the company web site: [www.QuantumImmunologics.com](http://www.QuantumImmunologics.com).

Detailed information on **MNTR**, including the capital structure, is referenced at the [www.PinkSheets.com](http://www.PinkSheets.com) public posting of **MNTR** financials and 15(c)2-11 filing. General information is found at the **MNTR** web site at [www.MentorCapital.com](http://www.MentorCapital.com).

## AGREEMENT

**1.0 QI Common Stock Sale:** By this Agreement, **QI** sells shares of its common stock (“Shares”) to **MNTR** (the “Purchase”). The Shares will be unencumbered, free and clear of all claims, and restrictions, other than as otherwise specified herein. The Shares are shares in a closely held private company. In as much as **QI** requests that the Shares be exchanged through or held by a third party, **MNTR** agrees that either Mr. Don Wright of Woodstock, GA, or the **MNTR** SEC registered transfer agent, MC Transfer (TA# 23368), would be acceptable for that role.

**1.1 Quantity:** The Shares will consist of **187,000** shares of **QI** common stock. This will be more than 19.9% but just slightly less than **20%** of the sum of the issued shares reported as of the June 2009 **QI** investor presentation plus the Shares (the “Quantity”).

**1.2 Price:** The per share price for Shares issued to **MNTR** in the Purchase is **\$12.00 per Share** (“Share Price”). The extension of the **\$12** Share Price across the Quantity of **187,000** Shares calculates to the “Total Price” of **\$2,244,000**.

**1.3 MNTR shares for QI Acquisitions:** It is the current thought of the Parties that **MNTR** shares may be used for **QI** acquisitions if agreed to by future mutual consent of the Parties. If helpful, this acquisition arrangement may be referenced in third party discussions.

**1.4 QI Preferred Funding from MNTR:** It is the current thought of the Parties that **MNTR** would be the preferred provider of funding for future **QI** financings if agreed to by future mutual consent of the Parties. If helpful, this funding arrangement may be referenced in third party discussions.

**1.5 Corrections for Intent:** The Purchase is intended to be “20% of the outstanding total shares, after money, as part of the PPM or at the PPM price.” Non-**MNTR** share sales under the current PPM may increase the number of total outstanding shares by some now unknown amount. Likewise, the share discount through currently outstanding and PPM warrants is effectively a fractional share outstanding now. (e.g. A 20% future discount is a 1/5<sup>th</sup> share equivalent, today). At the close of the PPM, the total of the new shares sold under this PPM and the total *de facto* fractional shares from warrant discounts will be calculated. The Quantity will be adjusted so that the adjusted Quantity remains between 19.9% and **20%** of the sum of the issued shares, *de facto* fractional shares, plus the adjusted **MNTR** Shares. The correction to the Quantity will increase the Total Price to be paid by **MNTR**, *pro rata*, all effective as under 2.3 and 2.4 following.

Specifically, this is not a non-dilution clause. This correction only applies to the current warrant discount and current PPM shares and discount.

- 2.0 MNTR Purchase:** By this Agreement, **MNTR** executes the Purchase from **QI**. On execution, **MNTR** will immediately owe **QI** the Total Price. The **MNTR** liability to **QI** is not contingent on any future completion of trials, milestone events or other performance requirements on the part of **QI**. If certain anticipated to be successful trials or milestones are instead a failure, the obligation continues.
- 2.1 Payment from Warrant Proceeds:** **MNTR** has approximately **2,695,593 Series A - \$1 Warrants** currently outstanding. The proceeds from **83%**, or **2,244,000**, (“Proceeds”) of these warrants are committed by this Agreement and will be remitted by **MNTR** to **QI** to pay off the Total Price owed under the Purchase.
- 2.2 Timing of Payments:** At the close of each calendar month, beginning **July 31, 2009**, and for each month thereafter, the Proceeds received during that month will be calculated and sent out to **QI** prior to the **10<sup>th</sup> day** of the following month, accompanied by internal ledgers that detail the warrant exercisers. Notwithstanding the foregoing in 2.1 and 2.2, if more than 17% of total warrant proceeds are required to meet operating obligations, in the normal course of business, **MNTR** may utilize a portion of Proceeds and make up for that expenditure from later general warrant proceeds.
- 2.3 Final Current Corrections:** The final current **QI** shares outstanding discussed in 1.5 will not be known until the close of the PPM. Also, **MNTR** is constrained to own less than 20% of **QI** if it wishes to report the **QI** position on an investment basis. The corrections to the original Quantity contemplated in 1.5 (“Correcting Shares” or “Correction”) will be effective not sooner than when the **QI** issuance of the Correcting Shares can first be completed and still maintain the **MNTR** position under 20%, or as earlier requested by **MNTR**. When effective, the Correcting Shares, subject to criteria in 2.4 below, will be issued by **QI** to **MNTR** resulting in an increase to the Total Price to be paid to **QI** by **MNTR**. After the Correcting Share issuance by **QI**, the general payment methodology of 2.1 and 2.2 will be extended and applied to the next warrants exercised, until the corrected Total Price is paid to **QI** in full by **MNTR**.
- 2.4 Phase I/II Substantial Completion Milestone:** It is expected that the **MNTR** liability to **QI** for the original Total Price will have been paid off (“Retired”) by the tenth day (“Timely”) after the close of the next calendar month following the month during which the “Phase I/II Trials” (specifically the “ ‘Vaccine Study With Autologous Dendritic Cells Loaded With Oncofetal Antigen/iLRP in Patients With Metastatic Breast Cancer’ with [www.clinical-trial.gov](http://www.clinical-trial.gov) identifier NCT00879489”) are substantially completed and those patients move into long-term monitoring. If the Total Price is Retired Timely, then **MNTR** is empowered to unilaterally decide then, or anytime earlier after the liability is Retired, if it wishes to add the Correcting Shares to the Quantity to extend the Total Price as detailed in 1.5.

If the Total Price is not Retired Timely, then **QI** and **MNTR** must both agree before the Correcting Shares are added to increase the Total Price. Further, if not Retired Timely, **QI** is empowered to unilaterally truncate the Total Price at that point, or, conversely, unilaterally require continued payment by **MNTR**. If payments are truncated, Shares proportional to the **MNTR** liability outstanding will be returned to **QI** and cancelled.

**3.0 Cooperative Mailings and Investor List Exchange:** Each of the Parties has a similarly sized set of investors. Each Party would benefit from supportive introductions from the other Party that may result in fresh investment. The **MNTR** list is directly controlled by **MNTR** management. The **QI** list is not directly related and includes the historic IMF and VRI membership under the control of **QI** director Bernie Bicoy. To the extent that an introduction from Mr. Chuck Broes of **QI** can make available the associated investor list, then in a similar fashion, **MNTR** will supply equal access to their shareholder list. The **MNTR** list typically includes name, address, phone and email with an indication of investment amount. Each Party or their associates will be mutually responsible to the other for cross-introductory letters and to not spam or overly pressure the other's members.

**4.0 MNTR Advertising and Promotion:** **MNTR** intends to be aggressive in its advertising and promotion of its investment in **QI** with regard to potential investors buying **MNTR** public stock in the market. Although this advertising will be independent of **QI**, **MNTR** will rely on **QI** for input to timely and regular press releases, medical expert access and technical support. **MNTR** has been advised by **QI** that false or inflated claims about **QI** products, even by third parties, can have devastating effects including the potential cancellation of ongoing clinical trials. **MNTR** is well advised by **QI** and will exercise extreme caution in its public communication. **MNTR** notes for this record that management preparing said public releases for **MNTR** has completed hundreds of similarly sensitive and constrained press releases, filings and legal documents. Additionally, **MNTR** press releases substantially involving **QI** will be forwarded to Messrs. Tim Schwiers, Don Wright and Josh Coughlin, via e-mail, for FDA compliance screening 24 hours before publication. If the press release would not comport with FDA requirements, then any of the recipients or another **QI** representative will notify **MNTR** to hold up the release. Within 24 hours of this notification, **QI** will define the FDA potential wording problem for **MNTR** and **MNTR** will revise and resubmit.

Finally, as soon as is practical after the execution of this Agreement, **QI** will prepare or supply **MNTR** with **QI's** written or unwritten guidelines, referenced articles, or FDA published material that **QI** routinely references or follows to prepare its own compliant press releases.

**5.0 Independent Operation:** As is its long-standing practice, **MNTR** will not take a director position on the board of **QI**. Likewise, **QI** will have no input into **MNTR** operations. Cooperative and regular management discussions to exchange information relative to promoting our related interests will be the norm.

**6.0 Future Merger or Increased Mutual Involvement:** Especially if the public market interest in **QI** rapidly escalates, there is potential for significantly increased investment or even merger of the Parties. Such future expanded involvement, if any, will be subject to a separate agreement.

**7.0 Governing Law and Arbitration:** This Agreement shall be governed and construed in accordance with the laws of the State of California. In the event that any dispute is unresolved after good faith attempts by the Parties, any Party may demand arbitration. In that case, the matter will be submitted to final and binding arbitration before an arbitrator of the American Arbitration Association. The county and state for conducting the arbitration will be selected by the party not requesting the arbitration.

**8.0 Notices and Representative Authority:** The representative for each respective Party is as shown below. All notices under this Agreement shall be in writing and will be deemed to be duly given on the third day after mailing by first class mail, registered or certified, postage prepaid to the address set forth below:

If to **QI**:

QUANTUM IMMUNOLOGICS, INC.  
2202 North West Shore Boulevard  
Suite 200  
Tampa, FL 33607  
Attn: Chuck Broes, CEO

If to **MNTR**:

MENTOR CAPITAL, INC.  
P.O. Box 1709  
Ramona, CA 92065  
Attn: Chet Billingsley, CEO

IN WITNESS WHEREOF, the Parties to this Agreement have duly executed it as of the date first set forth above:

**Quantum Immunologics, Inc.**

**Mentor Capital, Inc.**

BY: \_\_\_\_\_  
Chuck Broes, CEO

BY: \_\_\_\_\_  
Chet Billingsley, CEO