

FORM 10

NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)¹

Name of CNQ Issuer: QUINSAM CAPITAL CORPORATION (the "Issuer").

Trading Symbol: QCAP

Issued and Outstanding Securities of the Issuer Prior to Transaction: 22,350,000

Date of News Release Fully Disclosing the Transaction: December 12, 2007

1. Transaction

1. Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: N/A
2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
 - (a) Total aggregate consideration in Canadian dollars: N/A .
 - (b) Cash: N/A .
 - (c) Other: N/A .
 - (d) Work commitments: N/A .
3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc). N/A

¹ If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9.

4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: N/A
5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: N/A
6. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.):
- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A
- (b) Cash N/A
- (c) Other N/A
7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A
8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A

2. Development

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

Quinsam Capital Corporation announced that the Company would significantly expand the scope of its business by pursuing merchant banking opportunities. The Company's merchant banking business will encompass a range of activities including acquisitions, the provision of advisory services, lending activities and portfolio investments.

The Company will seek acquisitions and investments where the acquisition cost is significantly lower than what the Company believes to be the fundamental value of the asset, and where the Company has a viable plan for the realization of the underlying value. This may include investments in distressed assets, out of favor industries, early stage businesses or other situations that are highly complex, unstructured and have a high degree or risk.

Investments may be made internationally and in a broad range of different industries including both the resource and non-resource industries. Resource industry investments may include direct interests in mineral exploration, mining or other resource industry projects or minority or majority investments in companies undertaking such projects. The Company may concentrate its capital on a small number of investments or diversify into several unrelated investments. Investments may be in public or private companies and may take the form of equity or debt. Portfolio investments may include long or short positions and derivatives.

The Company intends to make loans to clients so as to generate interest income and/or capital gains. These will typically be situations where the borrower does not have access to traditional lenders for various reasons. Lending activities may be done in conjunction with investments by Quinsam or other services provided by Quinsam to a client.

The Company will provide various advisory services related to financings, mergers and acquisitions, divestitures, and corporate restructurings to clients on a fee basis. These services may be packaged with Quinsam's lending or investing activities.

3. Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. The undersigned hereby certifies to CNQ that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNQ Requirements (as defined in CNQ Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated December 13, 2007

Roy Zanatta
Name of Director or Senior
Officer

signed "Roy Zanatta"
Signature

President
Official Capacity