

## FORM 10

### **NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)<sup>1</sup>**

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

Trading Symbol: QCA

Issued and Outstanding Securities of the Issuer Prior to Transaction: 4,570,000

Date of News Release Fully Disclosing the Transaction: August 10, 2012

#### **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:

The Company announced that it has entered into an agreement to sell its online learning business. The Company initially announced its initiative to develop an online after-school study program in 2010. After several delays in the construction of the website, the program was commercially launched in 2011. Since launch, the program's growth and sales have been far below expectations and the business has continued to incur significant losses. The Company recorded an impairment equal to the carrying value of its intangible assets related to the online learning business as of December 31, 2011. Sales for the 3 months ended June 30, 2012 were only \$9,566. The Company has entered into an agreement to sell the online learning business and related tangible and intangible assets, excluding cash and tax receivables, to a company indirectly owned by the Company's President (the "Purchaser") in return for a nominal payment and the assumption of the Company's future obligations related to the business, including future obligations to customers, to its content providers under the Company's licensing agreements and to other suppliers. If the Purchaser subsequently sells the online learning business to a 3rd party within 12 months, 80% of the proceeds of such sale, subject to certain adjustments, will be paid to the Company. The completion of the sale is expected to take place on August 31, 2012 and is subject to various terms and conditions.

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

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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: \$1\_\_\_\_\_.
  - (b) Cash: \$1\_\_\_\_\_.
  - (c) Other: Assumption of certain future obligations by Purchaser.
  - (d) Work commitments: None.
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). Negotiated with independent Board directors. The Transaction was approved by the two independent members of the Board of Directors, with the Director who is a related party to the Purchaser abstaining from the vote approving the Transaction. There was no contrary view or abstention by a director other than as described above. There was no material disagreement between the board members.
4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: None.
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.): None.
- (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): \_\_\_\_\_.
  - (b) Cash \_\_\_\_\_.
  - (c) Other \_\_\_\_\_.

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: The principal effect of the Transaction on the affairs of the Corporation will be to avoid insolvency of the Corporation by preserving capital which was being consumed by the Business. The Corporation will no longer be active in any online education business.

## **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 CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated August 10, 2012.

Roy Zanatta  
Name of Director or Senior  
Officer

<Roy Zanatta>  
Signature

President  
Official Capacity