Management Discussion and Analysis for the Year ended December 31, 2011

This management's discussion and analysis of financial conditions ("**MD&A**") made April 23, 2012 for the year ended December 31, 2011, should be read in conjunction with the audited financial statement for the year ended December 31, 2011.

Forward-looking statements

This MD&A contains forward-looking statements with respect to Quinsam Capital Corporation (the "Company"). These forward-looking statements by their nature involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but caution the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect.

Discussion of Operations and Financial Condition

Prior to August, 2006 the Company was a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "TSX-V") . As a CPC, the Company's principal business was to identify, evaluate and acquire assets, properties or businesses which would constitute a Qualifying Transaction pursuant to the policies of the TSX-V. The Company completed its Qualifying Transaction consisting of the acquisition of certain mineral properties August 2, 2006. The TSX-V issued a bulletin accepting the qualifying transaction and confirming that as of August 9, 2006 the Company would no longer be considered a CPC.

The Company disposed of all of its mineral properties during 2007 and 2008 and had no mineral properties as of December 31, 2011.

In December, 2007 the Company announced that it would significantly expand the scope of its business by pursuing merchant banking opportunities.

In 2010, the Company announced that it will be establishing an online learning program for elementary school children. Construction of the web site (www.k5learning.com) was commenced in 2010 by a third party web site development company. After various delays in construction, the website was completed and launched in 2011.

The program, which is delivered exclusively over the internet, focuses on the core subject areas of reading and math and includes assessment, individualized instruction, and reporting for parents. The Company offers the program on a subscription basis for $25/month or $199 per year for one student, and $15/month or $129 per year for additional students. The Company principally markets the service across North America, but can accept students internationally dependent principally on the quality of their internet connections.

The Company's learning program is marketed to parents of children from preschool age through grade 5 who want their children to follow a structured program of home-school or after-school study focused on the core subjects of reading and math. The program can be successfully utilized on both an enrichment basis (students working ahead of their nominal grade level) or on a remedial basis, including special needs students.

The program is sold on a monthly or annual subscription basis. The Company offers a 14 day free trial, where parents and students can use the program for 14 days free of charge, prior to deciding whether to subscribe.

The Company pursues both online and offline marketing strategies. These include search engine optimization, social network marketing, internet based advertising, public relations, affiliate marketing and affinity based marketing. These marketing plans are untested with respect to the Company's learning program, and there is no assurance that the Company will be able to attract enough subscribers in order to operate the learning business profitably.

At this time all of the educational content which the Company offers through its learning program is licensed from third parties under 5 year agreements which commenced in 2011. There is no assurance that these licensing agreements can be extended or replaced on acceptable economic terms, and the discontinuation of one or more licensing relationships may have a significant adverse effect on the Company's business. The Company may in the future choose to develop its own educational content; however, the cost of doing so may be prohibitive and beyond the financial resources of the Company.

The Company delivers its learning program through a web site using a third party hosting service. The Company has no in-house technical expertise and relies on third party consultants to maintain and or update the web site and the technical interfaces with the various content providers. There can be no assurance that technical problems will not arise which will prevent the web site from operating as planned. The web site and the Company's learning business is subject to all the typical business, technological and security risks related to an ecommerce application.

The Company's online learning business competes directly and indirectly with a wide range of competitors, including companies offering online educational products, online and offline educational gaming products, traditional publishers of supplemental educational materials and providers of online and offline tutoring services. Many of these competitors have far more financial and human resources than the Company, as well as other advantages such as proprietary technologies and content, established brands and significant customer bases. The Company's learning business also competes with free educational products offered by various organizations over the internet.

The development of the Company's online learning business involves all the uncertainties and risks inherent in most start-up situations.

At the time of the launch of the online learning business, the Company had no subscribers, no traffic to its website and no awareness amongst consumers. The Company seeks to build awareness, website traffic and its subscription base through its various marketing efforts.

In conjunction with the e-learning initiative, the Company entered into a 5 year agreement to license an online learning system from a U.S. education company. The licensor's learning system includes online assessment and reading and math lessons for students in kindergarten through grade 5. Under the terms of the 5 year non-exclusive licensing agreement, the Company may resell the system over the internet on a worldwide basis in return for a royalty fee based on usage. As part of the agreement, the Company issued the owners of the licensor 500,000 common shares and prepaid USD 100,000 of royalties. The Company was responsible for certain development costs related to the technical interface with the licensor's learning system. The system forms part of the content which the Company offers through its online learning program

The Company has also entered into separate 5 year licensing agreements related to a math fact fluency program and a spelling program, both of which are used in the Company's online learning program for elementary school children. In both agreements, the Company was responsible for certain development costs, and pays a license fee dependent on usage

One trend in the education industry which may affect the Company's long term performance is the increased popularity of tablet computers, particularly in the education market. At this time, the Company's learning program cannot effectively be used on most tablet computers due to technical reasons including that the lessons delivered through the Company's website are based on Adobe Flash technology, which is not supported by Ipads and many other mobile devices. Many of the Company's competitors are in a similar situation. The Company is in discussion with its software suppliers as to the possibility of configuring the software for use on such mobile devices, but the outcome of such discussions is uncertain. The Company may be at a competitive disadvantage to competitors who can deliver competing content more effectively to mobile devices.

During the year ended December 31, 2011, the Company had subscription revenues of $835, general and administrative expenses of $183,904, website maintenance costs of $1,688, depreciation of $17,214, interest income of $6,685 and a gain on foreign exchange of $1,525, resulting in a loss from operations of $193,761. The Company also recognized an impairment of intangible assets of $195,084 resulting in a comprehensive loss of $388,845. In comparison, during the year ended December 31, 2010, the Company had no subscription revenues or website maintenance costs, general and administrative expenses of $143,074, depreciation of $187, interest income of $5,654, and a loss on foreign exchange of $5,483 resulting in a loss from operations and comprehensive loss of $143,090.

Most of the Company's customers are in the United States and almost all of the company's sales take place in U.S. dollars. As such, fluctuations in the U.S. dollar vs. the Canadian dollar will impact revenues as stated in Canadian dollars.

The Company generally receives payment from customers online through a credit card processor prior to delivering services to a customer (excluding a free trial period). As such, the Company does not normally have material customer receivables. The Company has not had any material customer disputes, allowances or returns, likely due to the fact that most customers avail of the free trial period and thus test the service prior to subscribing.

Subscription revenues did not commence until the online learning business was launched in 2011, as such there were no subscription revenues for 2010. Revenues during 2011 were very low as the Company had no subscribers, no website traffic and no consumer awareness when the online learning business was launched. Additionally, following the immediate post-launch period the Company experienced various technical problems with the operation of the website which detracted from its marketing efforts. It is normal that traffic to a new website will initially be low due to the existence of few external links to the site and a lack of organic search engine traffic, both of which should improve over time. Subscription revenues are expected to increase as website traffic grows and the learning business becomes more widely known to consumers.

The lower than expected level of revenues and growth during 2011 and early 2012 has led to significant uncertainty over the future viability of the Company's online learning business. The Company's marketing efforts are continuing but remain unproven. It is unknown whether the Company will be able to attract and retain enough subscribers to operate the learning business profitably. As a result, 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.

The Company continued to make various technical changes to its website and customer service procedures following the launch of the learning program based on customer behavior patterns and feedback. The intent of the changes is to improve the customer experience and increase subscription sales.

The increase in general and administrative expenses during 2011 reflects the increased level of activity and operating expenses, including costs related to providing customer service, marketing and website operations, following the launch of the online learning website. The online learning business was still in a development phase throughout 2010 and early 2011.

Website maintenance costs relate to technical changes made to the website following its launch; the website was not in operation during 2010 and as such no website maintenance costs were incurred during that year.

The increase in interest income during 2011 reflects higher market interest rates albeit on a smaller cash balance in comparison to the previous year.

During the year, the Company maintained a portion of its funds in U.S. dollars and incurred a gain on foreign exchange due to the depreciation of the Canadian dollar in comparison to the U.S. dollar. During 2010, the Company suffered a loss on foreign exchange due to the appreciation of the Canadian dollar in comparison to the U.S. dollar.

The net loss was higher in 2011 as compared to 2010 due principally to higher general and administrative costs, not fully offset by revenues, following the launch of the online learning program.

At December 31, 2011, the Company had working capital of $ 385,120.

During the year 2011, the Company invested $134,855 in capital assets, $123,675 of which was related to the acquisition of licenses for the Company's online learning business and the remainder related to development of the website through which the online learning business is marketed and delivered. Comparatively, during 2010, the Company invested $75,280 in capital assets, $74,799 of which was related to the construction of the web site and related technical work for the Company's online learning business.

During the 3 months ended December 31, 2011, the Company had subscription revenues of $817, general and administrative expenses of $70,816, website maintenance costs of $1,688, amortization of $11,638, interest income of $1,341 and a loss on foreign exchange of $230, resulting in a loss from operations of $82,214. The Company also recognized an impairment of intangible assets of $195,084 resulting in a comprehensive loss of $277,298. In comparison, during the 3 months ended December 31, 2010, the Company had no subscription revenues or website maintenance costs, general and administrative expenses of $39,637, amortization of $36, interest income of $1,770, and a loss on foreign exchange of $4,971 resulting in a loss from operations and comprehensive loss of $42,874. As discussed above, the launch of the Company's online learning business during 2011 caused an increase in subscription revenues, direct costs and general and administrative expenses that were observed in comparison to the fourth quarter of 2010.

During the year, the Company issued 500,000 common shares as partial payment of licensing fees related to certain software used by the Company's online learning system.

As of April 23, 2012 the Company had 22,850,000 common shares issued and outstanding. The Company's financial results are reported in Canadian dollars and in accordance with Canadian generally accepted accounting principles.

Selected Annual Information

	Year ended December 31, 2011	Year ended December 31, 2010	Year ended December 31, 2009
Revenues	$ 835	$ -	$ -
Net Loss	(388,845)	(143,090)	(108,725)
Total Assets	420,278	788,798	929,910
Total Long Term Liabilities	-	-	-
Cash dividends declared per share	-	-	-
Net Loss per share, basic diluted	(0.02)	(0.01)	(0.01)

The financial statements for the year ended December 31, 2011 was prepared in accordance with International Financial Reporting Standards.

The financial statements for the year ended December 31, 2010 was restated and prepared in accordance with International Financial Reporting Standards.

The financial statements for the year ended December 31, 2009 were prepared in accordance with Canadian Generally Accepted Accounting Principles.

Summary of Quarterly Results

	3 months ended Dec 31, 2011*	3 months ended Sept 30, 2011*	3 months ended June 30, 2011*	3 months ended Mar 31, 2011*
Revenues	$ 817	$ 18	$ -	$ -
Net Income (Loss)	(277,298)	(44,637)	(35,886)	(31,024)
Net Income (Loss) per share, basic & diluted	(0.01)	(0.00)	(0.00)	(0.00)

	3 months ended Dec 31, 2010**	3 months ended Sept 30, 2010**	3 months ended June 30, 2010**	3 months ended March 31, 2010**
Revenues	$ -	$ -	$ -	$ -
Net Income (Loss)	(42,874)	(30,363)	(36,847)	(33,006)
Net Income (Loss) per share, basic & diluted	(0.00)	(0.00)	(0.00)	(0.00)

** The quarterly financial statements were prepared in accordance with International Financial Reporting Standards.*
*** The quarterly financial statements were prepared in accordance with the Canadian Generally Accepted Accounting Principles.*

Liquidity and Capital Resources

As at December 31, 2011, the Company had working capital of $385,120 which is sufficient for the Company to meet its ongoing obligations. The Company's lack of capital does constrain its marketing budget; the Company thus pursues low cost marketing strategies. It is unknown whether these strategies will be successful, and whether the capital available will be sufficient to fund a successful marketing effort. The Company does not anticipate making additional significant investments in licenses or web site costs in the near term, as it focuses on its marketing activities. The Company may raise additional funds in the future in order to pursue business opportunities.

Related Party Transactions

During 2011, the Company engaged a company owned by the President of the Company to provide management and administrative services to the Company for a cost of $13,250 per month. While in effect, such payments are in lieu of any payments under the President's employment agreement with the Company. Effective on the same date, the Company engaged the same company for public relations and marketing services on an hourly basis and in an amount not to exceed $6,000 per month. The purpose of the agreements is to minimize the amount of overhead expenses the Company would incur related to the start-up of its learning business. These arrangements can be terminated at any time by the Company. During the year a total of $143,223 to the company owned by the President of the Company.

The Company did not have any related party transactions during 2010.

Breakdown of General and Administrative Expenses

	Year ended December 31, 2011		Year ended December 31, 2010	
Professional Fees	$	14,533	$	15,902
Marketing Expenses		26,165		-
Filing & Transfer Agent Fees		12,576		12,782
Salaries and Benefits		-		105,631
Management Fees		119,734		-
Other General & Administrative		10,896		8,759
	$	183,904	$	143,074

Transition to IFRS
As result of the Accounting Standards Board of Canada's decision to adopt IFRS for publicly accountable entities for financial reporting periods beginning on or after January 1, 2011, the Company has adopted IFRS for the year ended December 31, 2011. The Company previously applied the available standards under previous Canadian GAAP that were issued by the Accounting Standards Board of Canada.

As required by IFRS 1 "First-time Adoption of International Financial Reporting Standards", January 1, 2010 has been considered to be the date of transition to IFRS by the Company (the "Transition Date"). Therefore, the comparative figures that were previously reported under previous Canadian GAAP have been restated in accordance with IFRS.

The Company applied the optional transition exemption to full retrospective application of IFRS 2 "Share-based Payment" by not applying the requirements to equity instruments that vested before the Transition Date, which have been accounted for in accordance with Canadian GAAP

In accordance with IFRS 1, an entity's estimates under IFRS at the Transition Date must be consistent with estimates made for the same date under previous Canadian GAAP unless those estimates were in error. The Company's IFRS estimates as at the Transition Date are consistent with its Canadian GAAP estimates as at that date.

Except for the reclassification, only between equity accounts from contributed surplus, the Canadian GAAP term used for this account, to option reserve, the IFRS term for this account, the adoption of IFRS had no impact on the Company's financial position at January 1, 2010 and December 31, 2010 or its financial performance or cash flows for the year ended December 31, 2010.

Management's Responsibility for Financial Information

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management, and have been examined and approved by the Board of Directors. The financial statements were prepared by management in accordance with the International Financial Reporting Standards and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility.

Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities.

The Board of Directors supervises the financial statements and other financial information through its audit committee, which is comprised of a majority of non-management directors.

This committee's role is to examine the financial statements and recommend that the Board of Directors approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

The external auditors, Dale Matheson Carr-Hilton LaBonte LLP appointed by the shareholders at the Annual General Meeting have audited the Company's financial statements with their report indicating the scope of their audit and their opinion on the financial statements.

Additional information related to the Company is available on SEDAR at www.sedar.com.