

QUINSAM CAPITAL CORPORATION

**INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

March 31, 2012

(In Canadian Dollars)

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

QUINSAM CAPITAL CORPORATION
STATEMENT OF FINANCIAL POSITION

(unaudited)

	March 31, 2012	December 31, 2011
ASSETS		
CURRENT		
Cash and cash equivalents (Note 3)	\$ 358,570	\$ 398,709
Sales Tax Receivable	7,092	21,304
	365,662	420,013
EQUIPMENT (Note 5)	229	265
	\$ 365,891	\$ 420,278
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 13,010	\$ 15,406
Due to related parties	21,287	17,797
Deferred revenue	5,626	1,690
	39,923	34,893
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 7)	1,719,893	1,719,893
SHARE-BASED PAYMENT RESERVE	4,500	4,500
DEFICIT	(1,398,425)	(1,339,008)
	325,968	385,385
	\$ 365,891	\$ 420,278

Approved on behalf of the Board

"Roy Zanatta"

 Roy Zanatta – Director

"Bryan Beer"

 Bryan Beer – Director

The accompanying notes are an integral part of these interim financial statements.

QUINSAM CAPITAL CORPORATION
INTERIM STATEMENTS OF COMPREHENSIVE LOSS

(unaudited)

	3 months ended March 31, 2012	3 months ended March 31, 2011
REVENUES		
Subscriptions	\$ 5,518	\$ -
EXPENSES		
Amortisation	(36)	(36)
General and administrative	(65,739)	(29,811)
Interest Income	1,088	1,949
Gain (loss) on foreign exchange	(248)	(3,126)
NET AND COMPREHENSIVE LOSS	\$ (59,417)	\$ (31,024)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)
Weighted average shares outstanding	22,850,000	22,350,000

The accompanying notes are an integral part of these interim financial statements.

QUINSAM CAPITAL CORPORATION
INTERIM STATEMENTS OF CHANGES IN EQUITY

(unaudited)

	Notes	Share capital		Reserves			Total
		Number of shares	Amount	Share based payment reserve	Deficit		
Restated balance at January 1, 2011	7	22,350,000	\$ 1,717,393	\$ 4,500	\$ (950,163)	\$ 771,730	
Comprehensive income:							
Loss for the period		-	-	-	(31,024)	(31,024)	
Other comprehensive income (loss)		-	-	-	-	-	
Total comprehensive loss for the period		-	-	-	(31,024)	(31,024)	
Transactions with owners, in their capacity as owners, and other transfers:							
Shares issued		-	-	-	-	-	
Stock-based compensation		-	-	-	-	-	
Total transactions with owners and other transfers		-	-	-	-	-	
Restated balance at March 31, 2011		22,350,000	\$ 1,717,393	\$ 4,500	\$ (981,187)	\$ 740,706	
Restated balance at January 1, 2012	7	22,850,000	\$ 1,719,893	\$ 4,500	\$ (1,339,008)	\$ 385,385	
Comprehensive income:							
Loss for the period		-	-	-	(59,417)	(59,417)	
Other comprehensive income (loss)		-	-	-	-	-	
Total comprehensive loss for the period		-	-	-	(59,417)	(59,417)	
Transactions with owners, in their capacity as owners, and other transfers:							
Shares issued		-	-	-	-	-	
Stock-based compensation		-	-	-	-	-	
Total transactions with owners and other transfers		-	-	-	-	-	
Restated balance at March 31, 2012		22,850,000	\$ 1,719,893	\$ 4,500	\$ (1,398,425)	\$ 325,968	

The accompanying notes are an integral part of these interim financial statements.

QUINSAM CAPITAL CORPORATION
INTERIM STATEMENTS OF CASH FLOWS

(unaudited)

	3 months ended March 31, 2012	3 months ended March 31, 2011
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OPERATING ACTIVITIES		
Net loss	\$ (59,417)	\$ (31,024)
Amortization	36	36
Changes in non-cash working capital		
- receivables and prepaid expenses	14,212	(8,354)
- accounts payable and accrued liabilities	5,030	13,597
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Cash flows from operating activities	(40,139)	(25,745)
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DECREASE IN CASH AND CASH EQUIVALENTS	(40,139)	(25,745)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	398,709	710,060
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CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 358,570	\$ 684,315
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SUPPLEMENTARY CASH FLOW INFORMATION

(a) There were no non cash investing activities during the 3 months ended March 31, 2012.

The accompanying notes are an integral part of these interim financial statements.

QUINSAM CAPITAL CORPORATION

NOTES TO INTERIM FINANCIAL STATEMENTS

MARCH 31, 2012

(unaudited)

NOTE 1- NATURE OF OPERATIONS

Quinsam Capital Corporation (the "Company") was incorporated under the Canada Business Corporations Act on March 18, 2004 in British Columbia. The Company entered into the merchant banking business during December 2007 and in March, 2010, the Company entered into an online learning business. The Company was previously in the business of acquisition and development of mineral property interests and other assets or businesses related to the resource industry.

These financial statements have been prepared on a going concern basis. The Company has incurred losses since inception and further losses are anticipated in the development of its business raising substantial doubt about the Company's ability to continue as a going concern. Its ability to continue as a going concern is dependent upon the ability of the Company to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. These financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue.

NOTE 2 –SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These interim financial statements have been prepared in accordance with International Accounting Standard ("IAS 34"), Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB"). They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company's financial statements as at and for the year ended December 31, 2011. Accounting policies applied in the preparation of these unaudited interim financial statements are the same as those applied in the preparation of Company's annual financial statements for the year ended December 31, 2011. The unaudited interim financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which are stated at fair value.

New or amended accounting standards that have been issued by the IASB but are not yet effective, and have not been applied by the Company, are as outlined in Note 2 of the 2011 annual financial statements.

These unaudited interim financial statements were authorized for issue by the Board of Directors on May 28, 2012.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates and assumptions relate to the carry value of equipment and intangible assets, estimates of the useful life of equipment and intangible assets and the estimation of future income tax rates. Financial results as determined by actual events could differ from those estimates.

NOTE 3 – CASH AND CASH EQUIVALENTS

	March 31, 2012	December 31, 2011
Cash at bank	\$ 156,297	\$ 72,346
Money market mutual funds	202,273	326,363
	<u>\$ 358,570</u>	<u>\$ 398,709</u>

NOTE 4 – EQUIPMENT

	Equipment	Total
Cost:		
At December 31, 2011	\$ 1,140	\$ 1,140
Additions	-	-
Disposals	-	-
At March 31, 2012	1,140	1,140
Depreciation:		
At December 31, 2011	875	875
Charge for the period	36	36
Eliminated on disposal	-	-
At March 31, 2012	911	911
Net book value:		
At December 31, 2011	265	265
At March 31, 2012	\$ 229	\$ 229

NOTE 5 - TRADE PAYABLES AND ACCRUED LIABILITIES

	March 31, 2012	December 31, 2011
Trade Payables	\$ 2,510	\$ 4,906
Accrued liabilities	10,500	10,500
	\$ 13,010	\$ 15,406

NOTE 6 - SHARE CAPITAL

At March 31, 2012 there were 22,850,000 issued and fully paid common shares (December 31, 2011 – 22,850,000). There were no changes to the Company's issued share capital, outstanding warrant and outstanding options during the quarter ended March 31, 2012.