MATERIAL CHANGE REPORT

Item 1: Reporting Issuer
Quinsam Capital Corporation
510-4438 West 10th Avenue
Vancouver, British Columbia
V6R 4R8

Item 2: Date of Material Change
The material changes described in this report occurred August 10, 2012.

Item 3: Press Release
On August 10, 2012, Quinsam Capital Corporation (the "Corporation") issued a press release through the facilities of Stockwatch.

Item 4: Summary of Material Change
The Corporation announced that it has entered into an agreement to sell its online learning business (the "Business") for a nominal payment and the assumption of certain liabilities and obligations (the "Transaction"). The purchaser is a company indirectly owned by the Corporation's President.

Item 5: Full Description of Material Change

A description of the Transaction and its material terms is provided in the attached press release.

The purpose and business reason for the transaction is to preserve the Corporation's limited capital and avoid insolvency of the Corporation. The Business has since its inception suffered, and continues to suffer, significant cash losses from operations, ii) the Business's revenue growth has been far below expectations iii) revenues from the business remain far below the breakeven point and iv) the current level of cash losses are not sustainable given the Corporation's limited amount of working capital.

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.

The purchaser of the Business is a company (the "Purchaser") owned indirectly by the Corporation's President. There are no other related or interested parties involved in the Transaction.

There are no securities being issued in the Transaction, and the Transaction will not affect the percentage of securities of the issuer, or of an affiliated entity of the Corporation, beneficially owned or controlled by each person or company

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.

There was no formal valuation done in relation to the Transaction.

There has been no previous valuations done with respect to the subject matter of the Transaction.

There are no other agreements entered into by the Corporation, or a related party of the Corporation, with an interested party or a joint actor with an interested party, in connection with the Transaction.

Corporation relies on the following exemptions from the formal valuation requirements of Section 5.5 of OSC Rule 61-501:

a) Fair Market Value Not More Than 25% of Market Capitalization
The Corporation`s market capitalization is approximately $335,000 based on the most recent trades over the Canadian National Stock Exchange. 25% of the market capitalization would be approximately $83,000. The fair market value of the Business being sold is immaterial (purchase price of $1). The net assets of the Business, as recorded on the Company`s most recent financial statements both at June 30, 2012 and December 31, 2011 (audited) is negative $6,925 and negative $1,425 respectively.

b) Issuer Not Listed on Specified Markets
No securities of the Corporation are listed or quoted on the Toronto Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the United States.

c) Financial Hardship
The Corporation`s board of directors, and at least two-thirds of the issuer's independent directors, determine that the Corporation is in serious financial difficulty, that the Transaction will improve the final position of the Corporation and the terms of the Transaction are reasonable in the circumstances of the Corporation.

The Corporation relies on the following exemptions from the minority approval requirements of Section 5.7 of OSC Rule 61-501:

a) Fair Market Value Not More Than 25% of Market Capitalization
The Corporation`s market capitalization is approximately $335,000 based on the most recent trades over the Canadian National Stock Exchange. 25% of the market capitalization would be approximately $83,000. The fair market value of the Business being sold is immaterial (purchase price of $1). The net assets of the Business, as recorded on the Company`s most recent financial statements both at June 30, 2012 and December 31, 2011 (audited) is negative $6,925 and negative $1,425 respectively.

b) Financial Hardship
The Corporation`s board of directors, and at least two-thirds of the issuer's independent directors, determine that the Corporation is in serious financial difficulty, that the

Transaction will improve the final position of the Corporation and the terms of the Transaction are reasonable in the circumstances of the Corporation.

Item 6: Reliance on section 85 (2) of the Act
Not applicable.

Item 7: Omitted Information
Not applicable.

Item 8: Senior Officers
For further information please contact Roy Zanatta, President, Quinsam Capital Corporation at (604) 224-0460.

Item 9: Statement of Senior Officer
The foregoing accurately discloses the material change referred to herein.
Dated at Vancouver, British Columbia this 10th day of August, 2012.

QUINSAM CAPITAL CORPORATION

/s/ Roy Zanatta

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Roy Zanatta
President

QUINSAM CAPITAL CORPORATION
PROVIDES CORPORATE UPDATE

VANCOUVER, B.C. – August 10, 2012 – Quinsam Capital Corporation (CNSX: QCA) ("Quinsam" or the "Company") today provided a corporate update to its shareholders.

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.

The Company will continue its merchant banking business, where the Company seeks acquisitions and investments where the acquisition cost is significantly lower than what the Company believes to be the fundamental value of the asset. 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.

The Company also announced that it would be considering other corporate actions or transactions to create long term value for shareholders.

The Company commented, "We are very disappointed with the lack of growth in the e–learning business. Our inability to convert a significant percentage of trial users to paying subscribers has made scaling of the business impossible. It has become clear that we were very unlikely to see the rapid growth needed to earn significant returns to shareholders, and continued operation of the business was an unsustainable drain on the Company's limited capital. With revenues of less than $4,000 per month, the only realistic alternative to the proposed transaction was to close the business, which would have disrupted the children now using the e-learning system. The transaction we have agreed to will allow the Company to exit the business while avoiding various costs and liabilities related to a shutting down of the business. It will also allow the children now using the learning system to maintain their use of it. The Purchaser is considering converting the business into a non-profit entity."

For further information please contact Quinsam Capital Corporation at (604) 224 0460 or info@quinsamcapital.com.