QUINSAM CAPITAL CORPORATION

INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2013
(UNAUDITED AND EXPRESSED 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)

	September 30, 2013	December 31, 2012
ASSETS		
CURRENT		
Cash and cash equivalents (Note 3)	$ 221,658	$ 226,868
Receivables (Note 4)	2,269	19,664
	$ 223,927	$ 246,532
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	$ 1,637	$ 11,506
	1,637	11,506
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 6)	1,719,893	1,719,893
SHARE-BASED PAYMENT RESERVE	4,500	4,500
DEFICIT	(1,502,103)	(1,489,367)
	222,290	235,026
	$ 223,927	$ 246,532

Approved on behalf of the Board

"Michael Newman"
Michael Newman – Director

"Eric Szustak"
Eric Szustak – 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 September 30, 2013	3months ended September 30, 2012	9 months ended September 30, 2013	9 months ended September 30, 2012
EXPENSES				
General and administrative	(5,050)	(8,141)	(14,689)	(23,277)
Interest Income	661	644	1,953	2,551
Gain (loss) on foreign exchange	-	(1,089)	-	(857)
Loss from continuing operations	(4,389)	(8,586)	(12,736)	(21,583)
Loss from discontinued operations (Note 7)	-	(9,882)	-	(115,762)
COMPREHENSIVE LOSS	(4,389)	(18,468)	(12,736)	(137,345)
Basic and diluted loss per share				
	(0.00)	(0.00)	(0.00)	(0.00)
From continuing operations				
From discontinued operations	(0.00)	(0.01)	(0.00)	(0.03)
Weighted average shares outstanding	4,570,000	4,570,000	4,570,000	4,570,000

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

QUINSAM CAPITAL CORPORATION

INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(unaudited)

		Share capital		Reserves		
	Notes	Number of shares	Amount	Share based payment reserve	Deficit	Total
Balance at January 1, 2012	6	**4,570,000**	**$ 1,719,893**	**$ 4,500**	**$ (1,339,008)**	**$ 385,385**
Comprehensive loss:						
Net loss		-	-	-	(137,345)	(137,345)
Comprehensive loss		-	-	-	(137,345)	(137,345)
Balance at September 30, 2012		**4,570,000**	**$ 1,719,893**	**$ 4,500**	**$ (1,476,353)**	**$ 248,040**
Balance at January 1, 2013	6	**4,570,000**	**$ 1,719,893**	**$ 4,500**	**$ (1,489,367)**	**$ 235,026**
Comprehensive loss:						
Net Loss		-	-	-	(12,736)	(12,736)
Comprehensive loss		-	-	-	(12,736)	(12,736)
Balance at September 30, 2013		**4,570,000**	**$ 1,719,893**	**$ 4,500**	**$ (1,502,103)**	**$ 222,290**

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

QUINSAM CAPITAL CORPORATION

INTERIM STATEMENTS OF CASH FLOWS

(unaudited)

	9 months ended September 30, 2013	9 months ended September 30, 2012
Cash flows from operating activities		
Net loss from continuing operations	$ (12,736)	$ (21,583)
Changes in non-cash working capital;		
Decrease in receivables	17,395	1,891
Decrease in accounts payable and accrued liabilities	(9,869)	(7,817)
Cash generated from operations	(5,210)	(27,509)
Net loss from discontinued operations	-	(115,762)
Amortization	-	72
Gain on sale of discontinued business		(8,788)
Changes in non-cash working capital:		
Decrease in accounts payable and accrued liabilities	-	(13,405)
Cash flows from discontinued operations	-	(137,883)
Cash flows from Investing activities		
Proceeds from sale of discontinued business (Note 7)	-	1
DECREASE IN CASH AND CASH EQUIVALENTS	(5,210)	(165,391)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	226,868	398,709
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 221,658	$ 233,318

SUPPLEMENTARY CASH FLOW INFORMATION

(a) There were no non cash investing activities during the 9 months ended September 30, 2013.

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

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 2010, the Company entered into an online learning business which was sold in 2012. 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. The Company is domiciled in Canada.

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, 2012. 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, 2012. 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 2012 annual financial statements.

These unaudited interim financial statements were authorized for issue by the Board of Directors on November ●, 2013.

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

	September 30, 2013	December 31, 2012
Cash at bank	$ 66,230	$ 72.887
Money market mutual funds	155,428	153,981
	$ 221,658	$ 226,868

NOTE 4 – RECEIVABLES

	September 30, 2013	December 31, 2012
Harmonized Sales Tax receivable	$ 2,269	$ 19,664

NOTE 5 - TRADE PAYABLES AND ACCRUED LIABILTIES

	September 30, 2013	December 31, 2012
Trade Payables	$ 482	$ 806
Accrued liabilities	1,155	10,700
	$ 1,637	$ 11,506

NOTE 6 - SHARE CAPITAL

At September 30, 2013 there were 4,570,000 issued and fully paid common shares (December 31, 2012 – 4,570,000). There were no changes to the Company's issued share capital, outstanding warrant and outstanding options during the 9 months ended September 30, 2013. During 2012, the Company effected a consolidation of its share capital on the basis of five (5) existing common shares for one (1) new common share. All share and per share amounts for all periods are stated on a post-consolidation basis.

	Number of Common Shares	Amount
Balance as at September 30, 2013 and December 31, 2012	4,570,000	$ 1,719,893

NOTE 7 – DISCONTINUED OPERATIONS

In August 2012 the Company completed the sale of its online learning business and related tangible and intangible assets, excluding cash and receivables, in return for $1 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. The purpose of the sale was to preserve the Company's limited capital and avoid insolvency. The sale of the online learning business resulted in a gain of $8,788.

The results of the discontinued operations for the 9 month periods ending September 30, 2013 and September 30, 2012 are as follows:

	9 months ending September 30, 2013	9 months ending September 30, 2012
Subscription Revenues	$ -	$ 24,396
General and administrative expenses	-	(148,874)
Amortization and depreciation	-	(72)
Loss from discontinued operations	$ -	$ (124,550)
Proceeds on disposition, net of costs	-	1
Carrying value of net assets disposed of	-	(8,787)
Gain on sale of discontinued operations	-	8,788
Net loss from discontinued operation	$ -	$ 115,762

NOTE 8- RELATED PARTY TRANSACTIONS

The Company's key management includes CEO, President, CFO and four directors. Transactions with related parties are limited to director fees and there were not balances to due to/due from key management as at quarter end.

NOTE 9- FINANCIAL RISK MANAGEMENT

The Corporation's primary risk management objective is to protect its income and cash flows and ultimately shareholders value. The following discussion reviews material financial risks, quantifies the associated exposures and explains how these risks and the Corporation's capital are managed

Interest Rate Risk

The Company is exposed to interest rate risk on funds held on deposits. The Company manages this risk by dealing in high quality, liquid money market mutual funds held at a Schedule "A" Financial Institution.

A 1% change in interest rates impacts net income by $380 per quarter.

Credit Risk

Credit risk arises from cash and deposits with banks and financial institutions. The Company reduces this risk by dealing financial institutions that have long operating histories and whose brands are well known to management.

The carrying amount of cash represents the Company's maximum credit exposure.

Liquidity Risk

The Company manages its risk of not meeting its financial obligations as they fall due through management of its capital structure and management of its operating expenditures. As the Company is not presently generating revenue, it may be required to raise additional capital in the future to fund its ongoing operations.

NOTE 10- CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while it seeks out new opportunities. The Company's overall strategy remains unchanged from 2012.

The capital structure of the Corporation consists of shareholders' equity which includes share capital, share based reserves and accumulated deficit.

NOTE 11- SUBSEQUENT EVENTS

On October 25, 2013, it was announced that Eric Szustak was appointed as the President and CEO of the Corporation and Bryan Knebel was appointed CFO. The previous President, CEO, CFO and Director, Roy Zanatta resigned from the Corporation concurrent with the appointment of the above executives. Furthermore, Bryan Beer who was a Director of the Corporation resigned and was replaced by G. Michael Newman.

On October 29, 2013, it was further announced that Roger Dent was appointed CEO and Director of the Corporation and Eric Szustak retained his position as President and Director.

On October 29, 2013, 450,000 fully vested options at $0.06 per share were issued to Directors, Officers and Consultants of the Corporation for a period of 5 years.

On October 29, 2013, the Corporation announced its intent to raise up to $600,000 via a non-brokered private placement of up to 10,000,000 shares at $0.06 per share.

On November 15, 2013, the Corporation completed the previously announced non-brokered private placement of 10,000,000 shares at $0.06 per share.

NOTE 12- APPROVAL OF FINANCIAL STATEMENTS

The interim financial statements of the Corporation for the three and nine months ended September 30, 2013 and 2012 were approved by the Board of Directors and authorized for issue on **November 19, 2013**.