



Quinsam Monthly Update for April 2014

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Toronto, Ontario – May 5, 2014 - Quinsam Capital Corporation (CSE:QCA) ("**Quinsam**" or the "**Company**") today announced an update on recent activities.

Quinsam invested in three companies in April, all of which have exciting upside potential in the Company's opinion.

The Company was a major participant in the recent new issue by California Nanotechnologies Corp. ("Cal Nano") (TSX.V:CNO). Subsequent to our investment, Roger Dent, CEO of Quinsam, joined the board of Cal Nano. Cal Nano produces powders, billets, wire and precision forged components from nano, near-nano, ultrafine and conventional advanced materials. The application of nanotechnology to the production of metal alloys results in products with enhanced or unusual performance characteristics. Roger Dent said that "Cal Nano has been developing products and technologies over a number of years. Products are now approaching the point where very meaningful commercial ramp up is possible. While there are of course many risks and uncertainties when companies are at this stage of development, we believed that the juxtaposition of Cal Nano's significant opportunities, low valuation and modest cash requirements created a compelling investment case for us."

Enerdynamic Hybrid Technologies Inc. ("Enerdynamic") is an Ontario-based company with a number of interesting alternative-energy businesses. Quinsam finds Enerdynamic's combination windmill/solar/battery product for powering remote cell towers to be particularly interesting. Enerdynamic is expected to begin trading in May as a result of an RTO with MCM Capital One Inc.

Quinsam participated in the new issue by Cynapsus Therapeutics Inc. ("Cynapsus") (TSX.V:CTH). Cynapsus is in advanced development of a treatment for patients suffering from Parkinson's disease. As part of the new issue, Quinsam acquired some attractive 5-year share purchase warrants.

Growing Warrant Portfolio

As part of our investment strategy Quinsam invests in new issues in order to build a warrant portfolio at no additional cost. Quinsam believes that this strategy can lead to significant upside leverage in its portfolio if investments perform well. Except in the unusual case of exchange-listed warrants, Quinsam's policy is to value its warrants at intrinsic value. This conservatively results in out-of-the-money warrants having no carrying value on our books.

Our warrant portfolio has grown to a significant size and now includes warrants issued by five issuers: Cal Nano, Cynapsus, Nuvo Research Inc., Enerdynamic and Transgaming Inc. Three of these warrant acquisitions closed in April 2014.

In total Quinsam now holds over 1.5 million warrants with an aggregate basic exercise value of approximately \$700,000. The exercise value is not an indication of the economic value of the warrants; we provide it to investors only so they can understand the amount of upside leverage that we are accumulating through our warrant portfolio

Performance Update

Quinsam would also like to take this opportunity to update investors on the Company's recent performance.

As at the end of April 2014, the unaudited total value of the Quinsam's cash and equity investments was approximately \$1.8 million, compared with a value of \$1.8 million at the end of March 2014. As described above, four of our five tranches of warrants are carried at nil in our April figure. The Nuvo Research Inc. warrants are now "in the money" and have a carrying value.

Roger Dent stated, "We are pleased with our overall investment performance to date. While April did not show notable performance one way or the other, we continue to see the market outlook as being very positive for our investments."

About Quinsam Capital Corporation

Quinsam is a merchant bank based in Canada. Our merchant banking business may encompass a range of activities including acquisitions, advisory services, lending activities and portfolio investments. Quinsam invests its capital for its own account in assets, companies or projects which we believe are undervalued and where we see a viable plan for unlocking such value. We do not invest on behalf of any third party and we do not offer investment advice.

Generally, Quinsam does not believe that individual investments are material reportable events. Quinsam chooses to announce certain investments once the company is certain that it has finished buying its position because the Company feels that this information helps investors in Quinsam understand its investment decision making process. Generally, Quinsam does not announce the sale of investments.

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This press release may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events, which are inherently uncertain. Forward-looking statements can often, but not always, be identified by forward-looking words such as “anticipate”, “believe”, “continue”, “expect”, “goal”, “plan”, “intend”, “estimate”, “may”, “project”, “predict”, “potential”, “target”, and “will” or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance.

By their nature, forward-looking statements require us to make assumptions which include, among other things, that (i) Quinsam will have sufficient capital under management to effect its business strategies, (ii) the business strategies will produce the results intended by Quinsam, and (iii) the markets will react and perform in a manner consistent with the business strategies.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes that the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct. Some of the risks and other factors that could cause actual results to differ materially from those expressed in forward-looking information expressed in this press release include, but are not limited to: market and general economic conditions, interest rates, regulatory and statutory developments, the nature of the Company’s investments, the available opportunities and competition for investments, the concentration of the Company’s investments in certain industries and sectors, reliance on key personnel, risks affecting the Company’s investments, management of the growth of the Company, and exchange rate fluctuations. Readers are cautioned that the foregoing list of risks and factors is not exhaustive. Although the Company has attempted to identify important factors that could cause actual events or results to differ materially from those described in forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated.

The forward-looking information contained herein is provided as at the date of the date of this press release, based upon the opinions and estimates of management and information available to management as at the date of this press release. The Company does not undertake and specifically disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable law. Readers are cautioned not to place undue reliance on forward-looking information contained in this press release.