



## **Quinsam Monthly Update for May 2014 Earned \$0.01 per Share in Q1**

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Toronto, Ontario – June 3, 2014 - Quinsam Capital Corporation (CSE:QCA) ("**Quinsam**" or the "**Company**") today provided an update on activities for May 2014 and press released results for the first quarter ending March 31, 2014.

Quinsam invested in two companies in May 2014.

Photon Control Inc. (TSX-V PHO) has been reporting very impressive results for a number of quarters. PHO designs, manufactures and distributes a wide range of optical sensors & instruments to measure temperature, pressure, position, and flow. These products are used by original equipment manufacturers as well as end-users in the semiconductor, oil & gas, power, life science, and manufacturing industries. PHO has been generating strong cash flow and buying back its own stock, but remains at a very attractive multiple of run-rate EBITDA.

We also bought shares in Epicore Bionetworks Inc. (TSX-V EBN). EBN provides advanced and innovative products to the global aquaculture industry. Based on the use of natural microbes and enzymes, EBN offers a broad range of environmentally friendly biotech products. EBN's line of aquaculture products work to improve growing water conditions, increase disease control and enhance animal nutrition. EBN has been generating large increases in earnings and cash flow but still trades at a single digit multiple of run-rate EPS.

### **Performance Update**

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

The Company was profitable in May despite a very challenging month for small cap stocks. As at the end of May 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 April 2014. In addition, 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. As at the end of May, the carrying value on our books of our warrant portfolio was nil.

"While the summer is sometimes regarded as a difficult time for small cap stocks, we are not deterred. We see value in many parts of the market, such as in PHO and EBN. We remain very comfortable with the small cap market outlook." Mr. Dent said.

## **Q1/2014 Results**

In the first quarter ending March 31, 2014, Quinsam earned \$0.01 per share versus \$0.00 in the preceding year. Revenue increased from nil to \$117,099.

Roger Dent said “We are very pleased to have registered \$0.01 of EPS in our first full quarter following our new business plan. It was a good quarter in the small cap market and our investments performed well.”

“We are also pleased that we were able to hold our operating expenses to just \$12,418 versus \$6,646 in the preceding year when Quinsam had no operating business. We intend to work diligently to manage our expenses tightly for our shareholders on an ongoing basis.”

Full results are available on SEDAR.

## **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 “antici-

pate”, “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.