



## **Quinsam Monthly Update for July 2014**

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Toronto, Ontario – August 6, 2014 - Quinsam Capital Corporation (CSE: QCA) ("**Quinsam**" or the "**Company**") today provided an update on activities for July 2014.

In July, Quinsam increased its position in Tuscany Energy Ltd. on its recent new issue. Tuscany is about to embark on what we see as a relatively low risk heavy oil drilling program which if successful we expect will increase production to more than 1,000 bbls per day. With the recent equity raise which deleveraged Tuscany, and the current stability in heavy oil prices, we see this as a compelling small cap oil and gas investment.

We acquired a small position in DataWind Inc. after it traded down after its recent IPO. DataWind offers a very interesting technology to the developing world that allows users to obtain unlimited internet access at a cost of about \$8 per year. We see this as a compelling value proposition and expect rapid growth in revenue.

We opportunistically traded two new issues in July. We exited the first of the positions at a profit which was in line with our expectations. The second transaction has not yet closed but also appears poised to be profitable on settlement.

We are hopeful that one of our largest position, Enerdynamic Hybrid Technologies Inc., will commence trading on the TSX Venture Exchange in August. Enerdynamic offers a number of compelling alternative energy technologies and services and we are hopeful that the stock will trade at over our acquisition cost. We also hold a large warrant position in this company providing upside leverage.

### **Performance Update**

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

The Company closed the month with a total portfolio exceeding \$1.8 million. As at the end of June 2014, the unaudited total value of the Quinsam's cash and equity investments was approximately \$1.9 million. The last few days of July were choppy in the small cap market, which impacted our portfolio value, although we do not expect the impact to be enduring.

An important leg in our business strategy is the accumulation of purchase warrants at little or no cost. We are pleased to report Quinsam now holds over 1.9 million warrants with an aggregate basic exercise value of approximately \$1 million. The exercise value is not an indication of the

economic value of the warrants; we provide it to investors so they can understand the amount of upside leverage that we are accumulating through our warrant portfolio. As at the end of July, the carrying value on our books of our warrant portfolio was \$39,000, which was wholly attributable to the Atico warrants purchased in June.

### **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.