



## **Quinsam Reports Record Portfolio Value for August 2014 and Profitable Q2 Financial Results**

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Toronto, Ontario – September 4, 2014 - Quinsam Capital Corporation (CSE:QCA) ("**Quinsam**" or the "**Company**") today provided an update on activities for August 2014.

Quinsam added several new positions in August.

We completed the purchase of shares in Patient Home Monitoring Corp. (PHM), Northern Frontier Corp. (FFF) and VRX Worldwide Inc. (VRW) in August.

PHM has been growing its recurring-revenue health care business through a combination of acquisitions and organic growth. We were very pleased to see PHM complete a debenture issue in August, which should allow it to continue with its demonstrated acquisition strategy with less dilution than in the past.

We bought shares of FFF on its recent new issue, which was completed to fund what we saw as an attractive acquisition. This purchase concurrently added to our warrant portfolio. The new issue was priced at a steep discount to its recent trading history due to operational challenges. We feel that the operational challenges were more than fairly priced into our share purchase price. There is considerable upside here in our opinion if operations improve as we expect.

VRW is a small company with an interesting new software product that companies can use to manage their digital assets. VRW announced the sale of its legacy business last week. We saw the sale of the legacy business as a very positive development and it pushes the enterprise value attached to its new business to a very modest level.

As previously reported, we made two opportunistic new issue purchases in July. We sold the last of these investments in August, also at a profit that was in line with our expectations at the time of purchase.

Quinsam would also like to point out to its investors that one of its larger holdings, Enerdynamic Hybrid Technologies, is expected to commence trading in the coming days. Quinsam holds 600,000 Enerdynamic common shares and 600,000 warrants exercisable to purchase common shares at \$0.50. Our cost price was \$0.25 as was our carrying value at the end of August. The company raised significant funds after our investment that automatically converts to common

shares at \$0.50 on listing. Accordingly, we are hopeful that the shares will open for trading at over our \$0.25 carrying value.

## **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 of \$1.9 million. As at the end of the preceding month, the unaudited total value of the Quinsam's cash and equity investments was approximately \$1.8 million.

An important component of our business strategy is the accumulation of purchase warrants at little or no cost. We are pleased to report Quinsam now holds approximately 2 million warrants with an aggregate basic exercise value of approximately \$1.1 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. We value unlisted warrants at intrinsic value, which we see as being a conservative approach; the great majority of our warrants have no carrying value on our balance sheet.

## **Q2 Results**

Quinsam released its results for the quarter ending June 30, 2014 last week. In the second quarter, the company reported net income of \$62,276 (\$0.005 per share) versus a loss of \$2,327 (\$0.00 per share) in the comparable quarter in the preceding year. This brings EPS year-to-date to \$167,154 (\$0.01 per share) versus a loss of \$8,347 (\$0.00 per share) in the comparable period in the preceding year. Financial statements and MD&A are available at [sedar.com](http://sedar.com).

## **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 shareholders 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.