MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2011
FORM 51-102F1

The following discussion and analysis of the financial condition and results of operations of Grand Peak Capital Corp. (the "Company") should be read in conjunction with the consolidated financial statements and related notes for the years ended September 30, 2011 and 2010 the ("Financial Statements"). The Company's financial statements included herein were prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The financial statements are prepared and presented in CDN$.

This management discussion is prepared as of January 24, 2011.

Description of Business and Review

Grand Peak Capital Corp ("the Company" or "Grand Peak") is a Canadian junior capital company that has completed its continuation from the jurisdiction of Yukon to British Columbia. Effective as of April 27, 2010, Grand Peak is registered in British Columbia under the Business Corporations Act (British Columbia). The Company's head office and business office is located at Suite 200, 8338 - 120th Street Surrey, British Columbia V3W 3N4.Grand Peak's shares are listed for trading on the TSX Venture Exchange under the symbol ("GPK").

It is engaged primarily in investing in small cap resource sector public companies. The focus is on increasing the Company's value to the benefit of its stakeholders. Accordingly, its financial success may be dependent upon the extent to which it can develop its investments and the economic viability of developing any additional investment portfolios.

In addition, management occasionally invests in or makes loans to small companies. On April 18, 2011, the Company and its wholly owned subsidiary Acana Capital Corp (formerly 2801 Shangri-la Holdings Ltd.), entered into an Arrangement Agreement to proceed with a corporate restructuring by way of a statutory Plan of Arrangement whereby Acana would acquire all of Grand Peak's interest a real estate deposit (with fair value of $276,250 as at April 18, 2011) and $200,000 in cash (structured as a loan), in exchange for 24,466,702 common shares of Acana Capital Corp. Upon the closing of the Arrangement Agreement, these 24,466,702 Acana shares were distributed to the shareholders of record, of Grand Peak Capital Corp, on a date determined by the Company's management. As a result of the Plan of Arrangement, Acana would spin-out from Grand Peak and become a reporting issuer.

The Arrangement Agreement received interim approval by the BC Supreme Court on May 24th, 2011 and was approved by the Company's shareholders at its Annual General meeting on September 30, 2011. Acana Capital received conditional listing approval from the Canadian National Stock Exchange on Nov. 2nd 2011 and on the Effective Date the Company transferred its interest in the Property and cash to Acana in exchange for shares in Acana. These shares were distributed to the shareholders of record of the Grand Peak Capital as of the close of business on November 30, 2011 ("Shareholder Record Date") on a pro-rata basis.

Management is actively looking for additional opportunities for investment. The team has experience evaluating and financing investment projects and anticipates expanding the Company's activities in the near future.

Going Concern

The interim financial statements for the three and nine months ended September 30, 2011 have been prepared on the basis that the Company will continue as a going concern, which assumes the realization of assets and the settlement of liabilities in the normal course of business. The appropriateness of the going concern assumption is dependent upon the Company's ability to generate future profitable operations and/or generate continued financial support in the form of equity or other financings.

Management feels that sufficient working capital will be obtained from public share offerings and the sale of marketable securities to meet the Company's liabilities and commitments as they come due. The financial statements do not reflect any adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classification that would be necessary if the going concern assumption were not appropriate and such adjustments could be material.

Selected Annual Financial Data

The following table summarizes selected consolidated data for the Company prepared in accordance with Canadian GAAP. The information in the following table was extracted from the more detailed consolidated Financial Statements and related notes and should be read in conjunction with such Financial Statements.

	Year Ended Sept 30, 2011	**Year Ended Sept 30, 2010**	**Year Ended Sept 30, 2009**	**Years Ended December 31, 2008**	**2007**
		(in thousands other than per share amounts)			
Revenues	CDN$ 11	CDN$ 125	CDN$ 605	US$ 358	US$ 29
Net Income (loss)	1,064	985	62	416	(106)
Total assets	7,186	9,812	5,312	2,330	1,180
Net assets	7,169	9,743	4,483	1,679	565
Debt	17	69	829	651	615
Shareholder's equity	7,169	9,743	4,483	1,679	565
Capital stock	8,984	8,930	6,263	4,329	3,279
EPS Basic	0.04	0.05	0.00	0.01	(0.01)
EPS Fully diluted	0.04	0.05	0.00	(0.01)	(0.01)
Weighted average	24,466	21,428	13,439	8,466	13,700

Selected Quarterly Financial Data

The following selected financial data for the past eight business quarters have been summarized from the Company's unaudited quarterly financial statements and are qualified in their entirety by reference to, and should be read in conjunction with, such financial statements:

Thousands '000	2011 & 2010 – CDN$							
	Q4-11	**Q3-11**	**Q2-11**	**Q1-11**	**Q4-10**	**Q3-10**	**Q2-10**	**Q1-10**
Revenues	5	5	(1)	2	4	8	98	15
Net income (loss)	(40)	499	(23)	628	178	163	74	570
Total assets	7,186	9,144	10,589	10,084	9,812	8,174	9,318	6,555
Net assets	7,169	9,091	10,532	10,016	9,743	8,102	9,192	6,441
Debt	17	53	56	67	69	73	126	113
Shareholders' equity (deficit)	(3,279)	(3,239)	(3,738)	(3,715)	(4,343)	(3,221)	(3,384)	(3,451)
Capital stock	8,984	8,930	8,930	8,930	8,930	8,930	8,930	8,511
Basic loss per share	0.04	0.02	(0.00)	0.03	0.05	0.04	0.03	0.04
Diluted loss per share	0.04	0.02	(0.00)	0.03	0.05	0.04	0.03	0.02
Weighted average number of shares	24,466	24,466	24,466	24,466	21,428	20,879	20,779	15,533

Fourth Quarter 2011

For the three month period ending September 30, 2011 operating loss was $(40,918) and $178,000 – September 2010). The bulk of the difference can be attributed to the fact that there was consulting and rent revenue in 2010, but nil in 2011.

Expenses for the three month period ended September 30, 2011 totaled $39,305 compared to $45,281 during the fourth quarter of fiscal 2010. The difference is mainly attributable to renegotiation of the rent.

Basic and diluted earnings per share was $0.04 in the three month period ended September 30, 2011 compared to a basic and diluted earnings per common share of $0.01 for the same quarter ending September 30, 2010.

The fourth quarter also saw a contraction of approximately $2.1 million in the market value of its trading assets. This was experienced across the market and was prompted by fears of a meltdown in Greece and other European countries. Management however was successful with profit taking strategies prior to the general market slump. There was a gain of $1.8 million in the NVB of securities held. Markets have begun to recover, so it is anticipated that the decrease in the market value of marketable securities will improve in 2012.

Liquidity and Capital Resources

The Company's principal assets consist of cash and marketable securities. The Company's principal sources of funds are its available cash resources, and public financing. The Company has no recurring cash requirements other than repayment of interest and principal on its debt, tax payments and corporate overhead.

At September 30, 2011, the Company's readily available cash and equivalents totaled $113,790 compared to ($471,839 – September 2010) while additional sources of liquidity included 6,596,119 in marketable securities and $47,530 of receivables ($239,651 – Sept 2010).

Working capital declined from $9,363,596 at September 30, 2010 to $6,704,848 at September 30, 2011. The impairment of the Company’s working capital position can be attributed to the decrease in fair market value of select marketable securities. This is seen as a temporary impairment.

Financial Position

Total assets of the Company at September 30, 2011 decreased to $7,186,244 compared to $9,812,490 at September 30, 2010, predominately because of the fall in the value of marketable securities. The Company's liabilities decreased to $16,591 as of September 30, 2011 compared to $69,191 at September 30, 2010.

Shareholders' Equity

Shareholders' capital stock as at September 30, 2011 was $8,984,005 compared to $8,930,409 as at September 30, 2010. This is attributable to the reversal of a finder’s liability that was never paid. The Company had 24,466,702 shares issued and outstanding as at September 30, 2011 and 24,466,702 at September 30, 2010.

Overall Performance

Realized investment gains or losses are a recurring element in the Company's revenues and net earnings. Realized investment gains or losses may fluctuate significantly from period to period, with a meaningful effect upon the Company's consolidated net earnings. However, the amount of realized investment gain or loss for any given period has no predictive value, and variations in amount from period to period have no practical analytical value.

Internal Financial Controls

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52- 109”). In particular, the Company’s certifying officers are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company’s generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company are certifying officers to design and implement on a cost effective basis.

Changes in Accounting Policies including Initial Adoption

Capital Disclosures, CICA Handbook Section 1535

Effective October 1, 2007, the Company adopted new CICA Handbook section 1535 which requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance.

Financial Instruments - Disclosure and Presentation, CICA Handbook Sections 3862 and 3863

Effective October 1, 2007, the Company adopted new CICA Handbook sections 3862 and 3863 which replace CICA Handbook Section 3861, Financial Instruments - Disclosure and Presentation. These standards increase the disclosures currently required, which will enable users to evaluate the significance of financial instruments for an entity's financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The quantitative disclosures must provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel.

New Accounting Pronouncements

The following pronouncements recently issued by the Canadian Institute of Chartered Accountants ("CICA") will likely impact the Company's future accounting policies:

International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board announced that 2011 is the changeover date for publicly accountable profit-oriented enterprises to use IFRS, replacing Canadian GAAP for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. As a result, the conversion from Canadian GAAP to IFRS will be applicable to the Company's reporting for the first quarter of fiscal 2012 (beginning on October 1, 2011) for which current and comparative information will be prepared on an IFRS basis. In light of these requirements, the Company has completed a four phase approach to ensure successful conversion to IFRS, including:

It is not anticipated that the transition to IFRS will have an impact on the statements of financial position, income and comprehensive income and cash flows of the Company. No adjustments are expected to be required upon adoption of IFRS except for cumulative surplus and reserves.

Since the Company will prepare comparative IFRS financial statements as of October 01, 2011, it is reputed to have made the transition to IFRS at October 01, 2010.

(1) The Canadian GAAP statement of financial position at October 01, 2010 has been reconciled to IFRS as follows:

		Sept 30, 2010		Oct 01, 2010
		Canadian GAAP	**Effect of Transition**	**IFRS**
ASSETS				
Current assets				
Cash and cash equivalents	$	471,839	-	471,839
Accounts receivable		930	-	930
Marketable securities		8,820,367	-	8,820,367
Loans Receivable		237,419	-	237,419
HST receivable		2,232	-	2,232
		9,532,787	-	9,532,787
Non-current assets				
Deposits on asset		276,250	-	276,250
Equipment		2,993	-	2,993
Incorporation costs		460	-	460
			-	
TOTAL ASSETS	$	9,812,490	-	9,812,490
LIABILITIES				
Current liabilities				
Payables and accrued liabilities	$	69,191	-	69,191
Non-current liabilities				
		-	-	-
SHAREHOLDERS' EQUITY				
Share capital		8,930,409	-	8,930,409
Contributed surplus		1,505,448	(1,505,448)	-
Reserves		-	1,505,448	1,505,448
AOCI		3,651,147	303,257	3,954,404
Deficit		(4,343,705)	(303,257	(4646,962)
TOTAL EQUITY		9,743,299	-	9,743,299
TOTAL LIABILITIES AND SHARESHOLDER'S EQUITY	$	9,812,490	-	9,812,490

2) The Canadian GAAP statement of income (loss) and comprehensive income (loss) at October 01, 2010 has been reconciled to IFRS as follows:

	Sept 30 2010 Canadian GAAP	Effect of Transition	Oct 01 2010 IFRS
REVENUE			
Consulting fees	87,926	-	87,926
Rent revenue	23,860	-	23,860
Interest and royalties	13,027	-	13,027
	124,813	-	124,813
EXPENSES			
Amortization	1,282	-	1,282
Bank charges and interest	593	-	593
Foreign exchange loss	16,900	-	16,900
Management fees	-	-	-
Office and miscellaneous	34,093	-	34,093
Professional fees	49,733	-	49,733
Rent	72,200	-	72,200
Transfer agent and regulatory fees	15,521	-	15,521
	190,322	-	190,322
INCOME (LOSS) BEFORE OTHER ITEMS:	(65,509)	-	(65,509)
OTHER EXPENSES (INCOME)			
Gain on the sale of marketable securities	876,039	-	876,039
Unrealized gain on marketable securities	80,000	-	80,000
Gain on debt settlements	94,253	-	94,253
	1,050,292	-	1,050,292
NET COMPREHENSIVE INCOME FOR THE YEAR	984,783	-	984,783

The Company has identified the following areas to date that may impact the financial statements under IFRS:

a) Financial Instruments

The ISAB recently issued IFRS 9 “Financial Instruments”, which addresses the recognition and measurement of financial assets. Financial assets are initially measured at fair value and classified as either amortized-cost or fair-value. This differs from the current Canadian GAAP (CICA Handbook section 3855 “Financial Instruments: Recognition and Measurement”), in that financial assets are initially recorded at fair value, and they are classified in one of the followings: held-for-trading, held-to-maturity, loans and receivables, or available-for-sale.

Under Canadian GAAP, any gains or losses from “available-for-sale” financial assets are recognized in other comprehensive income; however, this classification does not exist under IFRS 9. Any changes in fair value or amortization of amortized-cost financial assets are recognized into net income directly. At this point in time the company is contemplating using FVTOCI and as such, there will be little effect on the financial statements.

b) Income Taxes

Under IFRS, a deferred tax asset is recognized to the extent it is "probable" that taxable profit will be available against which the deductible temporary differences can be utilized. Under Canadian GAAP, future tax assets are recognized if it is more likely than not that such asset will be realized. The term "probable" is not defined in IAS 12. However, entities have often used a definition of "more likely than not" similar to Canadian GAAP. Accordingly, we do not expect the adoption of IFRS will result in significant difference as long as the Company uses "more likely than not" as its definition of "probable".

Critical Accounting Policies

The Company's significant accounting policies are described in Note 2 of the September 30, 2011 financial statements. The Company considers the following policies to be most critical in understanding its financial results:

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. These estimates are based on past experience, industry trends and known commitments and events. By their nature, these estimates are subject to measurement uncertainty and the effects on the financial statements of changes in such estimates in future periods could be significant. Actual results will likely differ from those estimates.

Stock-based compensation

The Company has adopted the fair value based method of accounting for stock option and compensatory warrant awards granted to directors, employees and consultants. Under this method, the fair value of compensatory warrants or agents stock options are calculated at the grant date and recorded as share issue costs at the date of grant, with the offsetting credit to contributed surplus. Employee and consultant options are expensed over the period in which related services are rendered. If the stock options are exercised, the proceeds are credited to share capital.

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options and compensatory warrants granted. This model is subject to various assumptions and estimates including the Company's future stock volatility, expected life of options granted, and the risk free interest rate. The Company believes its estimates are reasonable under the circumstances.

Risk and Uncertainties

Credit Risk

At the present time, the Company does not perceive and serious credit risks.

Liquidity Risk

The Company believes that at the present time it will not face significant liquidity risk as it has been able to secure sufficient funding.

Interest Risk

Grand Peak Capital may become exposed to interest rate risk as a result of holding investments of varying maturities. The fair value of investments, as well as the investment income derived from the investment portfolio, will fluctuate with changes in prevailing interest rates.

Uncertainties

Global economies, while showing fitful signs of recovery remain a long way from being healthy. Financial markets continue to deal with the fallout of a crisis in credit markets and are struggling to return to normal in most countries. Volatile financial market conditions are likely to continue through 2012 as credit and liquidity concerns persist. We anticipate that global government intervention will continue as the fear of removing support too early will outweigh the concerns of stoking inflation. This stimulus should improve financial market operations.

As an investment company, which deals in several sectors and markets, Grand Peak Capital will always be exposed to market fluctuations.

Our financial statements are expressed in Canadian dollars, but a portion of our business may be influenced by other currencies.

Forward Looking Statements

Forward looking statements are statements that are not historical facts and are generally , but not always identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential”, “interprets” and similar expressions, or that events or conditions “will”, “may”, “could” or “should” occur. , The information contained herein may contain forward looking statements including expectations of future production, cash flows or earnings. These statements are based on current expectations that involve a number of risks and uncertainties which could cause actual results to differ from those anticipated. Factors that could cause the actual results to differ materially from those in forward-looking statements, but are not limited to: the risk associated with the oil and gas industry (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price, price and exchange rate fluctuation and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. The foregoing list of assumptions is not exhaustive. Additional information on these and other factors that could affect the Company’s operations or financial results are included in the Company’s reports on file with Canadian securities regulatory authorities. Events or circumstances could cause results to differ materially.

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Additional Information relating to the Company is available on SEDAR at www.sedar.com.