

GRAND PEAK CAPITAL CORP.

Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended March 31, 2016 and 2015

(Unaudited - Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – *Interim Financial Reporting*.

The Company's independent auditor has not performed a review of these unaudited condensed interim financial statements in accordance with standards established by the Canadian Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

GRAND PEAK CAPITAL CORP.**CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION***(Unaudited, in Canadian dollars)*

	Note	March 31, 2016	September 30, 2015
ASSETS			
Current Assets			
Cash		\$ 54,324	\$ 28,060
Other receivable		5,647	5,546
		59,971	33,606
Non-Current Assets			
Exploration and evaluation assets	5	4,679	-
Marketable securities	4	1,007,545	1,186,237
TOTAL ASSETS		\$ 1,072,195	\$ 1,219,843
LIABILITIES			
Current Liabilities			
Trade payables and accrued liabilities	6	\$ 39,034	\$ 9,749
Due to related parties	8	40,000	-
TOTAL LIABILITIES		79,034	9,749
EQUITY			
Share capital	7	9,152,854	9,108,854
Reserves	7	1,329,103	1,542,205
Deficit		(9,488,796)	(9,440,965)
TOTAL EQUITY		993,161	1,210,094
TOTAL LIABILITIES AND EQUITY		\$ 1,072,195	\$ 1,219,843

Nature and continuance of operations 1

On behalf of the Board

"Larry Tsang"
Larry Tsang, Director

"Charn Deol"
Charn Deol, Director

The accompanying notes are an integral part of these consolidated financial statements.

GRAND PEAK CAPITAL CORP.**CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**

FOR THE THREE- AND SIX-MONTH PERIODS ENDED MARCH 31,

(Unaudited, in Canadian dollars)

	Note	Three Months ended March 31,		Six Months ended March 31	
		2016	2015	2016	2015
Expenses					
Bank charges & interest		\$ 146	\$ 137	\$ 209	\$ 415
Office and miscellaneous	8	78	678	78	722
Professional fees	8	14,635	3,735	18,718	4,499
Rent		9,242	18,000	18,692	18,000
Transfer agent and regulatory fees		5,857	13,605	7,981	18,497
		29,958	36,155	45,678	42,133
Other Items					
Interest and royalty income		681	4,343	1,161	6,315
Loss on sale of marketable securities		(4,544)	-	(4,544)	-
Management fee income		1,000	-	1,000	-
Foreign exchange gain (loss)		446	57	230	162
		(2,417)	4,400	(2,153)	6,477
Net Income (Loss) for the Period		\$ (32,375)	\$ (31,755)	\$ (47,831)	\$ (35,656)
Other Comprehensive Income (Loss) in the Period					
Unrealized gain (loss) on investments		120,272	(18,405)	(213,102)	(165,716)
Comprehensive Income (Loss) for the Period		\$ 87,897	\$ (50,160)	\$ (260,933)	\$ (201,372)
Basic and diluted loss per share		\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)
Weighted Average Number of Common Shares					
Outstanding					
- basic and diluted		14,762,055	4,929,340	14,762,055	4,929,340

The accompanying notes are an integral part of these consolidated financial statements.

GRAND PEAK CAPITAL CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian dollars, except share number)

	Note	Issued Common Shares		Reserves		Deficit	Total
		Number of Shares	Amount	Share Based Payment	Investment Revaluation		
Balance at September 30, 2014		4,933,340	\$ 8,807,804	\$ 1,505,448	\$ (1,759,197)	\$ (6,745,856)	\$ 1,808,199
Loss for the period		-	-	-	-	(35,657)	(35,657)
Unrealized loss on marketable securities		-	-	-	(165,716)	-	(165,716)
Balance at March 31, 2015		4,933,340	8,807,804	1,505,448	(1,924,913)	(6,781,513)	1,606,826
Private placement	7	10,035,000	301,050	-	-	-	301,050
Share redemption	7	(14,660)	-	-	-	-	-
Loss for the period		-	-	-	-	(2,659,452)	(2,659,452)
Unrealized loss recognized in net loss		-	-	-	2,527,331	-	2,527,331
Unrealized loss on marketable securities		-	-	-	(565,661)	-	(565,661)
Balance at September 30, 2015		14,953,680	9,108,854	1,505,448	36,757	(9,440,965)	1,210,094
Loss for the period		-	-	-	-	(47,831)	(47,831)
Warrants exercised	7	880,000	44,000	-	-	-	44,000
Unrealized loss on marketable securities		-	-	-	(213,102)	-	(213,102)
Balance at March 31, 2016		15,833,680	\$ 9,152,854	\$ 1,505,448	\$ (176,345)	\$ (9,488,796)	\$ 993,161

The accompanying notes are an integral part of these consolidated financial statements.

GRAND PEAK CAPITAL CORP.**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS****FOR THE THREE- AND SIX-MONTH PERIODS ENDED MARCH 31,***(Expressed in Canadian dollars)*

	Three Months ended March 31,		Six Months ended March 31	
	2016	2015	2016	2015
Operating Activities				
Net income (loss) for the period	\$ (32,375)	\$ (31,755)	\$ (47,831)	\$ (35,656)
Changes in non-cash working capital items				
Other receivables	9	(4,890)	(101)	5,821
Trade payables and accrued liabilities	25,867	21,124	29,285	21,181
Due to related parties	-	-	40,000	-
Net cash flow used in operating activities	(6,499)	(15,521)	21,353	(8,654)
Investing Activities				
Proceeds received from the sale of marketable securities	2,556	-	2,556	100,000
Acquisition of marketable securities	3,034	-	(36,966)	-
Payment for mining interests	(4,679)	-	(4,679)	-
Net cash flow provided by investing activities	911	-	(39,089)	100,000
Financing Activities				
Exercise of warrants	44,000	-	44,000	-
Net cash flows from financing activities	44,000	-	44,000	-
Change in cash during the period	38,412	(15,521)	26,264	91,346
Cash, beginning of period	15,912	121,000	28,060	14,133
Cash, end of period	\$ 54,324	\$ 105,479	\$ 54,324	\$ 105,479

The accompanying notes are an integral part of these consolidated financial statements.

GRAND PEAK CAPITAL CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2016

(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Grand Peak Capital Corp. (the “Company”) is incorporated under the Business Corporations Act of British Columbia and its principal business activity is investing in small capital resource sector public companies. The Company is listed on the Canadian Securities Exchange (the “CSE”) and trades under the symbol “GPK”. The head office, principal address and records office of the Company are located at 8338 – 120th Street, Surrey, British Columbia, Canada, V3W 2N4.

These consolidated financial statements have been prepared on the assumption that the Company and its subsidiary will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future.

As at March 31, 2016, the Company is not able to finance its day-to-day operations through its operating activities. The Company’s continuation as a going concern is dependent upon the performance of its stock portfolio and its ability to raise equity capital or borrowings sufficient to meet current and future obligations. These uncertainties may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and by continuing to pursue additional sources of financing through equity offerings.

These consolidated financial statements were approved and authorized for use by the Board of Directors on May 25, 2016.

2. STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and should be read in conjunction with the annual financial statements for the year ended September 30, 2014, which have been prepared in accordance with international Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

GRAND PEAK CAPITAL CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2016

(Expressed in Canadian dollars)

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**Basis of Preparation**

The financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

Basis of Consolidation

These consolidated financial statements incorporate the accounts of the Company and its controlled subsidiaries:

Entity	Incorporation	Ownership Percentage
Grand Peak Mexican Holding Inc.	Canada	100%
Grand Peak Mexico S.A. de C.V.	Mexico	100%

Intercompany balances and transactions, including unrealized income and expenses arising from intercompany transactions are eliminated upon consolidation.

Significant Estimates and Assumptions

The preparation of consolidated financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the fair value measurements for financial instruments, and the recoverability and measurement of deferred tax assets.

Significant Judgements

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

GRAND PEAK CAPITAL CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2016

*(Expressed in Canadian dollars)***3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

Significant Judgements (Continued)

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification of financial instruments;
- whether there is objective evidence that financial assets classified as available-for-sale are impaired and the unrealized losses need reclassification to net loss; and
- the determination of the functional currency of the parent company and its subsidiaries

4. MARKETABLE SECURITIES

The Company's marketable securities comprise of investments in shares and share-purchase warrants of Canadian public companies. The Company designates its investment in shares as available-for-sale and its investments in warrants at fair value through profit and loss. Details as follows:

March 31, 2016	Cost	Fair Value
Common shares	4,844,927	1,007,545
	4,844,927	1,007,545
September 30, 2015	Cost	Fair Value
Common shares	5,681,994	1,182,237
Warrants	85,333	4,000
	5,767,327	1,186,237

5. EXPLORATION AND EVALUATION ASSETS

	Vianey
As at September 30, 2013	\$ 285,685
Option payments received	(300,000)
Gain on Vianey option agreement	14,315
As at September 30, 2014, 2015	-
Payment for mining interests	4,679
As at March 31, 2016	\$ 4,679

GRAND PEAK CAPITAL CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2016

(Expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS (Continued)

On June 7, 2011, the Company signed an agreement with Musgrove Mineral Corp. and acquired a 100% interest in the Vianey mining concessions located in Guerrero State, Mexico.

On May 24, 2013, and as amended on January 16, 2014, the Company entered into an option agreement with Lucky Minerals Inc. ("Lucky"), a company with a common director, to grant Lucky a 100% interest in the Company's Vianey's mining concessions.

Under the agreement, Lucky was required to make payments according to a schedule and incur the minimum required expenditures. During the year ended September 30, 2015, Lucky decided to let the option agreement lapse as they were unable to meet the exploration expenditure requirement due by December 1, 2014. The Company has since regained control of the mining concessions.

6. TRADE PAYABLES AND ACCRUED LIABILITIES

		March 31, 2016	September 30, 2015
Trade payables	\$	31,034	\$ 1,749
Accrued liabilities	\$	8,000	8,000
	\$	39,034	\$ 9,749

7. SHARE CAPITAL**Authorized Share Capital**

Unlimited number of common shares without par value

Private Placement

On April 10, 2015, the Company raised an aggregate total of \$301,050 through issuance of 10,035,000 units at a price of \$0.03 per unit. Each unit consists of one common share and one share-purchase warrant exercisable at \$0.05 per share for a period of 5 years from the completion of the private placement. A former officer of the Company purchased 1,000,000 units.

GRAND PEAK CAPITAL CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2016

(Expressed in Canadian dollars)

7. SHARE CAPITAL (Continued)**Consolidation**

On June 25, 2015, the Company implemented a small shareholder program to eliminate small lot shareholders whereby the Company's common shares were consolidated on a 500 for 1 basis, and immediately thereafter, the Company's shares were split on the same ratio. The program resulted in the cancellation of 14,660 common shares and the number of outstanding shares was reduced to 14,953,680.

On January 15, 2015, the Company completed consolidating its issued and outstanding common shares on the basis of 1 new share for 5 old shares. All per share and number of shares disclosures have been retroactively restated to reflect the share consolidation.

Stock Options

The Company has adopted a stock option plan whereby the Company may from time-to-time in accordance with the CSE requirements grant to directors, officers, employees and consultants options to purchase common shares of the Company provided that the number of options granted, including all options granted by the Company to date, does not exceed 10% of the Company's common shares issued and outstanding at the time of granting stock options.

Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

There were no options outstanding at March 31, 2016 and September 30, 2015.

GRAND PEAK CAPITAL CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2016

*(Expressed in Canadian dollars)***7. SHARE CAPITAL (Continued)****Warrants**

A continuity of the Company's warrants is as follows:

	Warrants	Weighted average exercise price \$	Weighted average number of years to expiry
Balance, September 30, 2014	-	-	-
Granted - Private Placement	10,035,000	0.05	4.28
Balance, September 30, 2015	10,035,000	0.05	4.28
Warrants exercised	(880,000)	0.05	
Balance, March 31, 2016	9,155,000	0.05	4.03

Reserves***Share-Based Payment Reserve***

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Investment Revaluation Reserve

The investment revaluation reserve records unrealized gains and losses arising on available-for-sale financial assets, except for impairment losses and foreign exchange gains and losses on monetary items.

8. RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2016, the Company incurred \$nil (March 31, 2015 –\$1,906) in accounting fees to a company owned by the former Chief Financial Officer of the Company.

GRAND PEAK CAPITAL CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

March 31, 2016

(Expressed in Canadian dollars)

8. RELATED PARTY TRANSACTIONS (Continued)

During the six months ended March 31, 2016, the Company incurred \$nil (March 31, 2015 – \$1,906) in accounting fees to a company owned by the former Chief Financial Officer of the Company.

During the three months ended March 31, 2016, the Company incurred \$9,242 (March 31, 2015 - \$18,000) in rent expense to a company with common management.

During the six months ended March 31, 2016, the Company incurred \$18,692 (March 31, 2015 - \$18,000) in rent expense to a company with common management.

As at March 31, 2016, \$nil (March 31, 2015 - \$nil) owing from a company controlled by a relative from the former CEO was included in other receivables.

As at March 31, 2016, \$12,382.44 (March 31, 2015 - \$63,078) owing to a company with a common director was included in trade payables.

As at March 31, 2016, \$nil in loans (March 31, 2015 - \$2,274) were owing to a company with common management. These amounts were non-interest bearing, due on demand and are unsecured.

As at March 31, 2016, \$40,000 (March 31, 2015 - \$nil) were owed to the former Chief Executive Officer and director of the Company. These amounts were non-interest bearing, due on demand and are unsecured.

9. SUBSEQUENT EVENTS

In May 2016, a new director, Mr. Larry Tsang, was elected to the Board of Directors at the Annual General Meeting.