KENNA CAPITAL CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2011

The following management discussion and analysis of the financial condition and result of operations of Kenna Capital Corp. (the "Company") should be read in conjunction with the Company's unaudited condensed interim financial statements and notes thereto for the three and nine months ended September 30, 2011. Additional information about the Company has been filed with applicable Canadian securities regulatory authorities and is available at www.sedar.com.

As of January 1, 2011, the Company adopted International Financial Reporting Standards ("IFRS"). The unaudited condensed interim financial statements for the three and nine months ended September 30, 2011 have been prepared using International Accounting Standard 34, Interim Financial Reporting ("IAS 34"), and using accounting policies consistent with IFRS. Readers of this MD&A should refer to "Changes in Accounting Policies" below for a discussion of IFRS and its effect on the Company's financial presentation.

The discussion and analysis has been prepared as of November 10, 2011. The information provided for herein is given as of September 30, 2011 unless otherwise indicated.

FORWARD-LOOKING INFORMATION

This document contains forward-looking statements. When used in this document, words like "anticipate", "believe", "estimate" and "expect" and similar expressions are intended to identify forward-looking statements. Such statements are used to describe management's future plans, objectives and goals for the Company and therefore, involve inherent risks and uncertainties. The reader is cautioned that actual results, performance, or achievements may be materially different from those implied or expressed in such statements. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

OVERVIEW OF THE BUSINESS

The Company was incorporated under *The Business Corporations Act* (Saskatchewan) on September 25, 2009. The Company is presently classified as a capital pool company for the purposes of the TSX Venture Exchange (the "Exchange").

On April 7, 2010, the Company completed its initial public offering (the "Offering") of 3,493,500 Class A shares ("Common Shares") at a price of $0.20 per share for aggregate gross proceeds of $698,700. The Common Shares commenced trading on the Exchange on April 15, 2010 under the symbol "MMG.P".

The Company's objective is to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction, as such term is defined in the policies of the Exchange. Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a Qualifying Transaction. The net proceeds from the equity financings to date will only be sufficient to identify and evaluate a very limited number of assets and businesses and additional funds may be required to finance the Company's Qualifying Transaction.

There is no assurance that the Company will identify a business or assets that will warrant acquisition or participation within the time limitations permissible under the policies of the Exchange.

If the Company has not completed a Qualifying Transaction and received a Final Exchange Bulletin (as defined in the Exchange Corporate Finance Manual) in respect thereof by April 15, 2012, trading of the Common Shares on the Exchange may be suspended from trading or delisted. In the event the Common Shares are delisted by the Exchange, within 90 days from the date of delisting the Company shall wind up and make a pro rata distribution of its remaining assets to its shareholders, unless shareholders, pursuant to a majority vote exclusive of the votes of Non-Arm's Length Parties (as defined in the Exchange Corporate Finance Manual), determine to deal with the Company or its remaining assets in some other manner.

RESULTS OF OPERATIONS

During the three and nine months ended September 30, 2011, the Company's activity related to evaluation of opportunities that could potentially lead to a Qualifying Transaction.

Financial results for the three and nine months ended September 30, 2011 and 2010 were as follows.

	Three months ended September 30,		Nine months ended September 30,	
	2011	2010	2011	2010
Revenue				
Interest income	$ 1,648	$ 1,025	$ 5,043	$ 1,404
Expenses				
Stock based compensation	-	-	-	100,245
General and administrative expenses	13,702	11,801	79,647	35,984
	13,702	11,801	79,647	136,229
Net comprehensive loss	$ (12,054)	$ (10,776)	$ (74,604)	$ (134,825)

(Prepared using IFRS)

For the three and nine months ended September 30, 2011, general and administrative expenses as well as the net comprehensive loss consisted primarily of legal and consulting expenses related to evaluating opportunities that could potentially lead to a Qualifying Transaction. Immediately following the Offering, the Company issued stock options to its officers and directors which resulted in stock based compensation in 2010. There were no issuances of stock options in 2011 and, therefore, no stock based compensation for the 2011 periods.

The Company's only source of revenue is interest income earned from funds on deposit. The Company's only permitted expenditures are for costs of the initial public offering, costs to maintain a public company in good standing and expenses to identify and evaluate potential acquisitions of corporations, businesses, assets or properties. Public company costs include audit and legal fees, transfer agent fees, exchange listing and filing fees, and costs of preparing, printing, filing and mailing quarterly reports, annual general meeting materials and other continuous disclosure documents to shareholders, as applicable.

SUMMARY OF QUARTERLY RESULTS

	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010	December 31, 2009
Interest income	$ 1,648	$ 1,681	$ 1,713	$ 1,676	$ 1,025	$ 273	$ 105	$ 85
General and administrative expenses	13,702	18,837	47,107	25,973	11,801	17,200	6,982	19,012
Stock based compensation	-	-	-	-	-	100,245	-	-
Net comprehensive loss	(12,054)	(17,156)	(45,394)	(24,297)	(10,776)	(117,172)	(6,877)	(18,927)
Basic and diluted loss per share	(0.002)	(0.002)	(0.006)	(0.003)	(0.001)	(0.016)	(0.002)	(0.005)
Total assets	$ 777,405	$ 789,066	$ 803,645	$ 863,681	$ 879,822	$ 887,828	$ 383,475	$ 393,501

(Prepared using IFRS)

Total assets and interest revenue increased due to higher investible cash balances following completion of the Offering in April 2010.

General and administrative expenses vary from quarter to quarter based on corporate administrative requirements and activities related to investigating opportunities that could potentially lead to a Qualifying Transaction.

The Company was incorporated on September 25, 2009 and has no comparative information prior to this date.

LIQUIDITY AND SOLVENCY

As of September 30, 2011, the Company had working capital of $772,370. At the current rate of expenditure, the Company has sufficient working capital to meet its ongoing administrative costs. However, if the Company ultimately identifies a target business, asset or property as its Qualifying Transaction, it is probable that the Company will have to seek additional financing.

CAPITAL RESOURCES

As of September 30, 2011, the Company had not made any commitments for capital expenditures. As a capital pool company, the Company has not arranged any sources of financing.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any special purpose entities nor is it party to any arrangements that would be excluded from the balance sheet.

TRANSACTIONS WITH RELATED PARTIES

The Company had no related party transactions for the period ended September 30, 2011.

CHANGES IN ACCOUNTING POLICIES

On January 1, 2011, the Company adopted the following new accounting policies:

Transition to and Initial Adoption of IFRS

The Canadian Accounting Standards Board has confirmed that IFRS will replace current Canadian generally accepted accounting principles ("Canadian GAAP") for publicly accountable enterprises, including the Company, effective for fiscal years beginning on or after January 1, 2011.

The unaudited condensed interim financial statements have been prepared using IAS 34. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. Previously, the Company prepared its annual and interim financial statements in accordance with Canadian GAAP.

The accounting policies set out below have been applied consistently to all periods presented in the unaudited interim financial statements. They also have been applied in preparing an opening IFRS balance sheet at January 1, 2010 (the "Transition Date") for the purposes of the transition to IFRS, as required by IFRS 1, First Time Adoption of International Financial Reporting Standards ("IFRS 1").

The unaudited condensed interim financial statements have been prepared on the basis of IFRS standards that are expected to be effective or available for early adoption by the Company on December 31, 2011, the Company's first annual reporting date under IFRS. The Company has made certain assumptions about the accounting policies expected to be adopted when the first IFRS annual financial statements are prepared for the year ended December 31, 2011.

Impact of Adopting IFRS on the Company's Business

As management had anticipated, given the business of the Company as a capital pool company and given the limited number of transactions that the Company has entered into since incorporation, the impact on the adoption of IFRS had no impact on the Company's financial position, financial performance and cash flows. Specifically, the main areas of accounting focus for the Company to date have been, and will continue to be prior to the consummation of a Qualifying Transaction, the issuance of share capital, the recording of share based payments and the recording of cash transactions for which there are very few or no significant differences between IFRS and Canadian GAAP.

The adoption of IFRS has resulted in some changes to the Company's accounting systems and business processes; however, the impact has been minimal. The Company has not identified any contractual arrangements that are significantly impacted by the adoption of IFRS.

The Company's staff and advisers involved in the preparation of financial statements have been appropriately trained on the relevant aspects of IFRS and the changes to accounting policies.

The Board of Directors and Audit Committee of the Company have been regularly updated through the Company's IFRS transition process, and are aware of the key aspects of IFRS affecting the Company.

First-time Adoption of IFRS
The Company did not use the exemptions listed in IFRS 1. IFRS 1 does not permit changes to estimates that have been made previously. Accordingly, estimates used in the preparation of the Company's opening IFRS statement of financial position as at the Company's Transition Date are consistent with those that were made under Canadian GAAP.

Impact of Adopting IFRS on the Company's Accounting Policies
The Company has changed certain accounting policies to be consistent with IFRS as is expected to be effective or available for early adoption on December 31, 2011, the Company's first annual IFRS reporting date. However, these changes to its accounting policies have not resulted in any significant change to the recognition and measurement of assets, liabilities, equity, revenue and expenses within its financial statements.

Impact of Adopting IFRS on the Company's Financial Statements
(i) Transition Date unaudited statement of financial position
The Company's Transition Date IFRS unaudited statement of financial position is included as comparative information in the unaudited interim statements of financial position in the financial statements. The changes in accounting policies resulting from the Company's adoption of IFRS had no impact on the unaudited interim statement of financial position as at the Transition Date.

(ii) Comparative unaudited financial statements
The changes in accounting policies resulting from the Company's adoption of IFRS had no impact on the unaudited statement of financial position as at December 31, 2010, or the condensed interim statements of operations and comprehensive loss, condensed interim statements of changes in equity and the condensed interim statements of cash flows for the three and nine month periods ended September 30, 2010.

Accounting policies applied on adoption of IFRS
The policies set out below have been applied in preparing the financial statements for the three and nine months ended September 30, 2011 and in the preparation of an opening IFRS balance sheet at the Transition Date.

Basis of presentation
These unaudited financial statements have been prepared on the historical cost basis.

Functional and presentation currency
These unaudited financial statements have been prepared in Canadian dollars, which is the Company's functional presentation currency.

Cash and cash equivalents
Cash consists of funds held on deposit and investments in cash equivalents with short-term maturities.

Deferred income taxes
The Company uses the liability method of recording income taxes. This method recognizes the income tax outflows that will result whenever the carrying amount of an asset or liability is recovered or settled. Deferred income tax assets and liabilities are measured using enacted or substantially enacted income tax rates at the statement of financial position date that are anticipated to apply to taxable income in the years in which temporary differences are anticipated

to be recovered or settled.

Share issue costs

Share issue costs are charged against share capital in the period of issuance. Costs incurred for shares that have not been issued at period end are deferred until such time as the related shares are issued. If it becomes apparent that no further shares will be issued that relate to these costs, the full amount will be charged to share capital immediately.

Loss per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting year. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Share based payments

Options and warrants granted are accounted for using the fair value method. Under this method, the fair value of stock options and warrants granted are measured at estimated fair value at the grant date and recognized over the vesting period. Consideration received on the exercise of stock options is recorded as share capital and the related contributed surplus on options granted is transferred to share capital.

The Company uses the Black-Scholes option-pricing method to determine the fair value of these incentives taking into consideration terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Use of estimates

The preparation of financial statements, in accordance with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

Significant estimates used in the preparation of the financial statements include, but are not limited to, the inputs used in the measurement of the expense related to share based payments, and the income tax provision for the period.

Financial instruments

The Company estimates the fair value of its financial instruments based on current interest rates, market value, and current pricing of financial instruments with comparable terms. Unless otherwise indicated, the carrying value of the financial instruments approximates their fair market value.

Financial assets and financial liabilities are initially recorded at fair value and their subsequent measurement is dependent on their classification.

The Company has elected to apply the following classifications to each of its significant categories of financial instruments:

Financial Instrument	Classification	Subsequent Measurement
Cash	Held-for-trading	Fair value
Accounts payable and accrued liabilities	Other liabilities	Amortized cost

Future accounting pronouncements
The following standards have been issued but are not yet effective:
- Financial instruments (IAS 39 replacement)
- Consolidation
- Fair value measurement
- Leases
- Revenue recognition
- Joint ventures
- Post employment benefits
- Insurance contracts

The Company is currently evaluating the impact of the above standards on its financial performance and financial statement disclosures but expects that such impact will not be material.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments. The carrying amount of current financial assets and current financial liabilities approximate their fair value because of the short-term maturities of these items.

OUTSTANDING SHARE DATA

Authorized share capital: An unlimited number of Class A common shares.

Shares issued and outstanding at November 10, 2011: 7,338,600 Class A common shares.

Options to purchase Class A common shares outstanding at September 30, 2011:
- 733,860 options – exercise price $0.20/share, term 5 years, entirely vested.
- 279,480 options – exercise price $0.20/share, term 2 years, entirely vested.

RISKS AND UNCERTAINTIES

As a capital pool company, there is no guarantee that the Company will identify a target company or business which is suitable for the Company's Qualifying Transaction.

DISCLOSURE CONTROLS

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to management as appropriate to permit timely decisions regarding public disclosure.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2011 and has concluded that the Company's disclosure controls and procedures are effective to ensure that the information required to be disclosed in reports that are filed or submitted under Canadian securities legislation are recorded, processed, summarized and reported within the time period specified in those rules.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Internal controls over financial reporting, no matter how well designed, have inherent limitations. Therefore, internal controls over financial reporting can provide only reasonable assurance with respect to financial statement preparation. Management is responsible for and has designed internal controls over financial reporting to provide reasonable assurance regarding the preparation of financial statements in accordance with Canadian GAAP and the reliability of financial reporting.

APPROVAL

The Board of Directors of Kenna Capital Corp. has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and can be obtained along with additional information on the SEDAR website at www.sedar.com.