FILING STATEMENT

DATED MARCH 13, 2012

FOR

KENNA CAPITAL CORP.
(the "Corporation")

Regarding the Corporation's proposed Qualifying Transaction pursuant to the TSX Venture Exchange's Policy 2.4 – *Capital Pool Companies*.

Neither the TSX Venture Exchange Inc. (the "Exchange") nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this Filing Statement.

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GLOSSARY OF TERMS

In this Filing Statement, the following terms shall have the meaning ascribed thereto as set out below:

"**Acquisition**" means the acquisition by the Corporation from the Vendor of all mining rights, title and interest in and to the Assets.

"**Acquisition Agreement**" means an arm's length agreement dated on or about February 9, 2012 between the Corporation and BEC, pursuant to which the parties have agreed to complete the Acquisition.

"**Affiliate**" means a company that is affiliated with another company as follows:

(a) a company is an "Affiliate" of another company if:

  (i) one of them is the subsidiary of the other; or

  (ii) each of them is controlled by the same Person.

(b) company is "controlled" by a Person if:

  (i) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person; and

  (ii) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

(c) a Person beneficially owns securities that are beneficially owned by:

  (i) a company controlled by that Person; or

  (ii) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

"**Agent's Options**" means options to acquire Shares that have been issued to the Corporation's agents in connection with the completion of the Corporation's Initial Public Offering.

"**Amerlin**" means Amerlin Exploration Services Ltd.

"**Assets**" means the mineral claims and miscellaneous mining interests in respect of the Property.

"**Associate**" when used to indicate a relationship with a Person, means:

(a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding voting securities of the issuer;

(b) any partner of the Person;

(c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity;

(d) in the case of a Person who is an individual:

  (i) that Person's spouse or child; or

  (ii) any relative of that Person or of his spouse who has the same residence as that Person;

but

(e) where the Exchange determines that two individuals shall, or shall not, be deemed to be Associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

"**Business Day**" means a day other than a Saturday, Sunday or civic holiday in the City of Saskatoon, Saskatchewan.

"**Closing**" means the closing of the Acquisition as contemplated pursuant to the Acquisition Agreement.

"**Commissions**" means the British Columbia Securities Commission, the Alberta Securities Commission, the Securities Division of the Saskatchewan Financial Services Commission, the Manitoba Securities Commission and the Ontario Securities Commission.

"**Corporation**" or "**Kenna**" means Kenna Capital Corp., a company formed under the laws of the Province of Saskatchewan.

"**Completion of the Proposed Qualifying Transaction**" means the date that the Final Exchange Bulletin is issued by the Exchange.

"**Control Person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"**CPC**" means a corporation:

(a) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the Commissions in compliance with the CPC Policy; and

(b) in regard to which the Completion of the Proposed Qualifying Transaction has not yet occurred.

"**CPC Escrow Agreement**" means an escrow agreement dated March 24, 2010 among the Corporation, Equity Transfer & Trust Company and the founding shareholders of the Corporation, in the form of Exchange Form 2F – *CPC Escrow Agreement*.

"**CPC Policy**" means Policy 2.4 of the Exchange Corporate Finance Manual entitled "*Capital Pool Companies*".

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange.

"**Exchange Requirements**" means and includes the articles, by-laws, policies, circulars, rules (including UMIR), guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of a Regulation Service Provider or the Exchange (including those of any committee of the Exchange as appointed from time to time), the *Securities Act* (Alberta) and rules and regulations thereunder as amended, the *Securities Act* (British Columbia) and rules and regulations thereunder as amended and any policies, rules, orders, rulings, forms or regulations from time to time enacted by the Alberta Securities Commission or British Columbia Securities Commission and all applicable provisions of the securities laws of any other jurisdiction.

"**Filing Statement**" means this filing statement of the Corporation dated March 13, 2012, filed with the Exchange pursuant to the Exchange Requirements.

"**Final Exchange Bulletin**" means the Exchange bulletin that is issued following Closing of the Proposed Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Proposed Qualifying Transaction.

"**Finder's Fee Shares**" means 75,000 Shares issued at a at a deemed price of $0.12 per share, issuable to an arm's length party, Paul Conroy, a Calgary resident, upon Closing of the Proposed Qualifying Transaction as payment of a finder's fee in connection with the Proposed Qualifying Transaction.

"**Initial Public Offering**" or "**IPO**" means the initial public offering of the Corporation pursuant to its final prospectus dated March 24, 2010, pursuant to which an aggregate of 3,493,500 Shares were issued at a price of $0.20 per Share for aggregate gross proceeds of $698,700.

"**Insider**" if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;

(b) a director or senior officer of the company that is an Insider or subsidiary of the issuer;

(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities.

"**Member**" means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange Requirements.

"**Net Smelter Royalty**" means a net smelter royalty in the amount of 2% in respect of the Property, subject to a maximum royalty payable of $5,000,000.

"**Net Smelter Royalty Agreement**" means a net smelter royalty agreement to be entered into on or before Closing between BEC (as royalty holder) and Kenna (as grantor), pursuant to which Kenna shall grant the Net Smelter Royalty to BEC.

"**NI**" means National Instrument.

"**NI 43-101**" means NI 43-101 – *Standards of Disclosure for Mineral Projects*.

"**Non-Arm's Length Party**" means: (a) in relation to a company: (i) a promoter, officer, director, other Insider or Control Person of that company and any Associates or Affiliates of any of such Persons, or (ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same promoter, officer, director, Insider or Control Person as the company; (b) in relation to an individual, any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.

"**Non-Arm's Length Qualifying Transaction**" means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

"**Option Plan**" means the incentive stock option plan adopted by the Corporation, which provides that the board of directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange Requirements, grant to directors, officers, employees, and technical consultants to the Corporation, non-transferable options to purchase Shares, provided that the number of Shares reserved for issuance will not exceed 10% of the issued and outstanding Shares.

"**Options**" or **"Stock Options"** means incentive stock options granted pursuant to the Corporation's Option Plan, each of which entitles the holder thereof to acquire one Share.

"**Person**" means a company or an individual.

"**Principal**" means:

(a) a Person who acted as a promoter of the Resulting Issuer within two years before the IPO Prospectus or the Final Exchange Bulletin confirming final acceptance of a Qualifying Transaction;

(b) a director or senior officer of the Resulting Issuer or any of its material operating subsidiaries at the time of the IPO Prospectus or Final Exchange Bulletin;

(c) a 20% holder – a Person that holds securities carrying more than 20% of the voting rights attached to the Corporation's outstanding securities immediately before and immediately after the Corporation's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and

(d) a 10% holder – a Person that:

  (i) holds securities carrying more than 10% of the voting rights attached to the Corporation's outstanding securities immediately before and immediately after the Corporation's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and

  (ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Corporation or any of its material operating subsidiaries.

"**Property**" means the 825 hectare property known as the Elizabeth Lake Property, which is subject to Saskatchewan mineral claims S-107490, S-107491, S-110862 and S-111801.

"**Proposed Qualifying Transaction**" means the transaction agreed to among Kenna and the Vendor pursuant to the Acquisition Agreement which provides for the purchase and sale of the Assets, as more fully described in this Filing Statement, such Acquisition being intended to constitute the Corporation's Qualifying Transaction.

"**Purchase Price**" shall have the meaning ascribed thereto in this Filing Statement – *Summary of Filing Statement – Proposed Qualifying Transaction.*

"**Qualified Person**" or the "**Author**" means Carl Verley, P.Geo., who is the author of the Technical Report.

"**Qualifying Transaction**" means a transaction where a CPC acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means.

"**Resulting Issuer**" means the issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin.

"**Shares**" means Class A common shares in the capital of the Corporation.

"**Significant Assets**" means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the minimum listing requirements of the Exchange.

"**Surplus Security Escrow Agreement**" means an agreement to be entered into concurrent with the Closing of the Proposed Qualifying Transaction between the Resulting Issuer and certain Insiders of the Resulting Issuer, which shall be in the form of Exchange Form 5D – *Escrow Agreement (Surplus Security Escrow)*.

"**Technical Report**" means the report entitled *"Report on the Elizabeth Lake Property (in compliance with NI 43-101(F1)), Claims S-107490, S-107491, S-110862 and S-111056, centered at: 105° 22'35"W, 55° 19'30"N (476,000 E; 6,131,000 N, NAD 83, Zone 13) Nemeiben Lake Area, Northern Mining District, Saskatchewan (NTS 72P06SW) for Kenna Capital Corp."* and dated February 10, 2012.

"**UMIR**" means the Universal Market Integrity Rules adopted by the Exchange and as may be amended from time to time and administered and enforced by the Exchange or any Regulation Services Provider retained by the Exchange.

"**Vendor**" or "**BEC**" means BEC International Corp., the vendor of the Assets under the Acquisition Agreement.

KENNA CAPITAL CORP.

SUMMARY OF FILING STATEMENT

The following is a summary of information relating to the Corporation, the Significant Assets and the Resulting Issuer (assuming the Completion of the Proposed Qualifying Transaction), and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement.

Proposed Qualifying Transaction

The Corporation has entered into the Acquisition Agreement with the Vendor and, in accordance with that agreement, the Corporation will acquire all rights, title and interests held by the Vendor in the Assets in exchange for delivery of the Purchase Price. This Acquisition will be the Corporation's Qualifying Transaction under applicable Exchange rules.

Pursuant to the Acquisition Agreement, as consideration for the acquisition of the Assets, the Corporation has agreed to issue an aggregate of 1,000,000 Shares to the Vendor at an ascribed price of $0.12 per share, to pay $50,000 in cash consideration to the Vendor and to grant the Vendor a two percent (2%) Net Smelter Royalty, to a maximum amount payable of $5,000,000 (the "**Purchase Price**"). In addition, a finder's fee is payable upon Closing of the Proposed Qualifying Transaction, which will be paid by the issuance of 75,000 Finder's Fee Shares.

Kenna currently has an aggregate of 7,338,600 Shares issued and outstanding, together with 733,860 Options and 279,480 Agent's Options (issued in connection with its Initial Public Offering). It is expected that upon Closing of the Proposed Qualifying Transaction, the outstanding share capital of the Corporation will consist of 8,413,600 Shares, 733,860 Options and 279,480 Agent's Options. The Corporation does not presently anticipate completing any further financings concurrent with the Closing of the Qualifying Transaction, as it anticipates having sufficient capital to complete the first phase of its recommended exploration plan (for greater detail, see "*Information Concerning the Significant Assets – Table 8 – Estimated Cost of Recommended Program, Elizabeth Lake Property"* and *"Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*").

Information on the Assets

The Assets consist of all mining rights and interests currently held by the Vendor in respect of the Elizabeth Lake Property, which is subject to four mining claims (S-107490, S-107491, S-110862 and S-111801), totalling 825 hectares. The Property is located 26 kilometres north of the town of La Ronge in the Northern Mining District of Saskatchewan. The Corporation engaged Amerlin Exploration Services Ltd. to prepare a technical report in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. The Technical Report was completed on February 10, 2012. Under the Technical Report, a staged exploration program is recommended to evaluate the copper-silver-gold potential of the Property. A first phase program consisting of initial drill testing of known geophysical targets is proposed at an estimated cost of $362,000. For a complete description of the Property, see *"Information Concerning the Significant Assets"*.

Not a Non-Arm's Length Qualifying Transaction

The Proposed Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction.

Interests of Insiders, Promoters or Control Persons of the Corporation

Except as otherwise stated herein, none of the Insiders, promoters or Control Persons of the Corporation or any of their respective Associates and Affiliates (before and after giving effect to the Proposed Qualifying Transaction) have any interest in the Proposed Qualifying Transaction.

Estimated Available Funds and Proposed Principal Uses Thereof

As of January 31, 2012, the *pro forma* working capital of the Resulting Issuer (prior to accounting for the estimated costs of the Proposed Qualifying Transaction ($100,000) and the cash consideration to be paid to the Vendor upon Closing ($50,000)) would be approximately $740,000.

The following table sets out the estimated available funds after giving effect to the Proposed Qualifying Transaction and the proposed principal uses for those funds:

Expenditure	Amount
To fund first phase of Recommended Exploration Program (see "*Information Concerning the Resulting Issuer – Narrative Description of the Business*")	$362,000
Cash consideration payable to Vendor upon Closing	$50,000
Estimated expenses of the Proposed Qualifying Transaction	$100,000
Estimated 12 months General and Administrative Expenditures	$100,000
Unallocated Working Capital	$128,000
Total Available Funds:	**$740,000**

Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to effect the planned activities of the Resulting Issuer. For these reasons, management considers it to be in the best interests of the Corporation and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. Further, the above uses of available funds should be considered estimates.

For a further discussion see "*Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*" and "*Information Concerning the Significant Assets – Table 8 – Estimated Cost of Recommended Program, Elizabeth Lake Property"*.

Corporation's Listing on the Exchange

The Shares were listed and posted for trading on the Exchange on April 15, 2010 under the trading symbol "MMG.P" and the Shares will continue to be listed on the Exchange subsequent to the Completion of the Proposed Qualifying Transaction.

Market Price of Shares

On February 8, 2012, the last trading day prior to the announcement of the Proposed Qualifying Transaction, the closing price of the Shares on the Exchange was $0.12.

Sponsorship and Agent Relationship

The Exchange has granted an exemption from its sponsorship requirements in respect of the Proposed Qualifying Transaction.

Interests of Experts

At the date hereof, officers, directors, employees and consultants of Amerlin Exploration Services Ltd., the authors of the Technical Report, own, directly or indirectly, in the aggregate, less than one percent of any of the securities of the Corporation. No officer, director, employee or consultant of Amerlin is or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer.

As at the date hereof, partners and associates of Hergott Duval Stack LLP, the Corporation's current auditors, who were directly involved in services provided to the Corporation own, respectively, directly or indirectly, in the aggregate, less than one percent of any of the securities of the Corporation. No partner or associate of Hergott Duval Stack LLP is or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer. As of the date hereof, the auditors of the Corporation, Hergott Duval Stack LLP, have advised that they are independent with respect to Kenna and BEC within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Saskatchewan.

At the date hereof, lawyers with Tingle Merrett LLP, counsel to the Corporation, own, directly or indirectly, in the aggregate, less than one percent of the common shares of the Corporation. No lawyer with Tingle Merrett LLP is or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer.

Conditional Listing Approval

The Exchange has conditionally accepted the Proposed Qualifying Transaction, subject to the Corporation fulfilling all of the requirements of the Exchange.

Conflicts of Interest

Certain of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction are also directors, officers and/or promoters of other reporting and non-reporting issuers. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of *The Business Corporations Act* (Saskatchewan) to act at all times in good faith in the interests of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise. To the best of its knowledge, the Corporation is not aware of the existence of any conflicts of interest between the Corporation and any of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction, as of the date of this Filing Statement.

Risk Factors

Upon Completion of the Proposed Qualifying Transaction, the Resulting Issuer will be the owner of the Assets and will proceed to conduct an exploration program on the Property. Due to the nature of that business, the legal and economic climate in which the Resulting Issuer will be operating and the present stage of development of the proposed business, the Resulting Issuer may be subject to significant risks. The Resulting Issuer's future development and actual operating results may be very different from those expected as at the date of this Filing Statement. Accordingly, readers should carefully consider all such risks, which include but are not limited to

- Risks relating to Exploration and Development;
- Operating hazards and risks;
- Limited operating history;
- Fluctuating commodity prices;
- Regulatory requirements;
- Permits and licenses;
- Competitive industry conditions;
- Governmental and regulatory approval risks;
- Conflicts of interest;
- Market for securities and volatility of share price;
- No assurances of title;

- Potential fluctuations in financial results;
- Payment of dividends is unlikely;
- Management of growth;
- Reliance on key personnel and consultants; and
- Additional financing requirements and access to capital.

For a complete discussion of the risks associated with the Resulting Issuer and the Completion of the Proposed Qualifying Transaction, see "*Risk Factors*".

Forward Looking Statements

This Filing Statement contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation or Resulting Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Filing Statement. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, the ability of the Resulting Issuer to obtain necessary financing, satisfy the requirements of the Exchange with respect to the Proposed Qualifying Transaction, the economy generally, competition, and anticipated and unanticipated costs. Such statements could also be materially affected by the impact of general imprecision of environmental risks, environmental regulation, taxation policies, competition, the lack of available and qualified personnel or management, stock market volatility and the ability to access sufficient capital from internal or external sources. Actual results, performance or achievement could differ materially from those expressed herein. While the Corporation anticipates that subsequent events and developments may cause its views to change, the Corporation specifically disclaims any obligation to update these forward-looking statements except as required by applicable securities laws. These forward-looking statements should not be relied upon as representing the Corporation's views as of any date subsequent to the date of this Filing Statement. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Corporation or the Resulting Issuer. Additional factors are noted in this Filing Statement under "Risk Factors".

RISK FACTORS

Upon Completion of the Proposed Qualifying Transaction, the Resulting Issuer will proceed to conduct an exploration program on the Property. Due to the nature of that business, the legal and economic climate in which the Resulting Issuer will be operating and the present stage of development of the proposed operations, the Resulting Issuer may be subject to significant risks. The Resulting Issuer's future development and actual operating results may be very different from those expected as at the date of this Filing Statement. There can be no certainty that the Resulting Issuer will be able to implement successfully the strategy set out in this Filing Statement. No representation is or can be made as to the future performance of the Resulting Issuer and there can be no assurance that the Resulting Issuer will achieve its objectives. Accordingly, readers should carefully consider the following discussion of risks that pertain to the Resulting Issuer (the text below summarizes some of these risks and is not intended to be complete or exhaustive).

Exploration and Development

The resource property in which the Resulting Issuer will have an interest is in the exploration stage only. Development of the Resulting Issuer's resource properties will only follow upon obtaining satisfactory results from exploration activities. Exploration for and the development of natural resources involve a high degree of risk and few properties that are explored are ultimately developed into producing properties. There is no assurance that the Resulting Issuer's exploration and development activities will result in any discoveries of commercial bodies of mineral deposits. The long term profitability of the Resulting Issuer's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish mineral reserves, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of copper, silver, gold and other metals, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development will be obtained on a timely basis.

Operating Hazards and Risks

Resource exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Resulting Issuer will have a direct or indirect interest will be subject to all of the hazards and risks normally incidental to exploration, development and production of natural resources including, but not limited to, unusual or unexpected formations, cave-ins, pollution, equipment breakdown, rugged terrain, wildlife hazards and harsh weather conditions, all of which could result in work stoppages, damage to property, and possible environmental damage. The nature of the risks associated with the Resulting Issuer's activities is such that potential liabilities and hazards might not be insurable against, or the Resulting Issuer might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Resulting Issuer could incur significant costs that could have a materially adverse effect upon its financial condition.

Limited Operating History and Lack of Cash Flow

The Corporation has a limited operating history. There is no commercial production on the Property. The only present source of funds available to the Resulting Issuer is through the sale of equity or debt, securities or other borrowings. Even if the results of exploration are encouraging, the Resulting Issuer may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not commercially feasible reserves exist on any property and may not realize a return on its investment. The Resulting Issuer may generate additional working capital through equity offerings, borrowings, operation, development, sale or possibly the joint venture development of its properties and/or a combination thereof; however, there is no assurance that any such funds will be available for operations. Failure to obtain such additional capital, if needed, would have a material adverse effect on the Resulting Issuer's operations.

Fluctuating Commodity Prices

The Resulting Issuer's revenues, if any, are expected to be in large part derived from the extraction and sale of copper, gold and/or silver. The price of these commodities have fluctuated widely in recent years, and is affected by numerous factors beyond the Resulting Issuer's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, civil unrest, multinational treaties, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of any production, and therefore the economic viability of any of the Resulting Issuer's exploration projects, cannot accurately be predicted.

Regulatory Requirements

The Resulting Issuer's operations may be regulated under a number of federal and local laws and regulations that govern, among other things, the handling of waste materials, some of which are classified as hazardous materials, and the discharge of hazardous materials into the environment. The Resulting Issuer's operations will be subject to stringent regulations relating to the protection of the environment and waste handling. In addition to liability for the Resulting Issuer's own non-compliance, these laws and regulations may expose the Resulting Issuer to liability for the non-compliance of other parties, without regard to whether the Resulting Issuer was negligent. Sanctions for non-compliance with applicable environmental laws and regulations may include administrative, civil and criminal penalties, revocation of permits and corrective action orders. Furthermore, the Resulting Issuer may be liable for costs for environmental cleanup at currently or previously owned or operated properties or off-site locations. Compliance with existing laws or regulations, the adoption of new laws or regulations or the more vigorous enforcement of environmental laws or regulations could seriously harm the Resulting Issuer's business by increasing the Resulting Issuer's expenses and limiting the Resulting Issuer's future opportunities.

Claims, Permits and Licences

The operations of the Resulting Issuer may require licences and permits from various governmental authorities. The Corporation believes that the Vendor holds all necessary claims, licences and permits required to carry on with activities that are currently being contemplated under applicable laws and regulations (or that such permits will be readily available upon application) and believes that the Vendor is presently complying in all material respects with the terms of such laws and regulations. However, such laws and regulations are subject to change. There can be no assurance that the Resulting Issuer will be able to obtain all necessary claims, licences and permits required to carry out exploration, development and mining operations at its projects, or that existing permits will remain in goodstanding and in full force and effect at all times.

Industry Conditions

The mineral exploration and mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market would exist for the sale of same. The Resulting Issuer may compete with corporations and other business entities which are better financed and have better access to capital than the Resulting Issuer; there is no assurance that the Resulting Issuer will be able to successfully compete against such other corporations and entities for capital or for properties. Mineral exploration properties are sometimes subject to land claims by aboriginal peoples. There is no assurance that such claims, if asserted, can be satisfactorily resolved on an economic or timely basis.

Governmental and Regulatory Approval

The Proposed Qualifying Transaction is subject to a number of regulatory considerations and approvals. The TSXV may not approve the Proposed Qualifying Transaction if the Resulting Issuer fails to meet the initial listing requirements prescribed by Policy 2.1 of the TSXV upon Completion of the Proposed Qualifying Transaction or for any other reason at the sole discretion of the TSXV. The Resulting Issuer may be subject to various laws, regulations, regulatory actions and court decisions that may have negative effects on the Resulting Issuer. Changes in the regulatory environment imposed upon the Resulting Issuer could adversely affect the ability of the Resulting Issuer to attain its corporate objectives.

Conflicts of Interest

Some of the individuals that will continue as directors or officers or promoters of the Resulting Issuer upon Closing of the Proposed Qualifying Transaction are also directors, officers and/or promoters of other reporting and non-reporting issuers. Conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or operations or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of *The Business Corporations Act* (Saskatchewan) to act at all times in good faith in the interest of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Resulting Issuer's securities will be established or sustained. The market price for the Resulting Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results, as well as market conditions in the industry, may have a significant adverse impact on the market price of the securities of the Resulting Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

No Assurances of Title

The acquisition of title to mineral properties is a very detailed and time-consuming process. Although precautions will be taken by the Resulting Issuer to ensure that legal title to its property interests is properly recorded where possible, there can be no assurance that such title will ultimately be secured. Furthermore, there is no assurance that the interests of the Resulting Issuer in the Property may not be challenged or impugned by competitors, aboriginal groups or otherwise.

Potential Fluctuations in Financial Results

In the future, if the Resulting Issuer's expected revenues are not realized on a timely basis as anticipated, the Resulting Issuer's financial results could be materially adversely affected. Financial results in the future may be influenced by these or other factors.

Payment of Dividends Unlikely

There is no assurance that the Resulting Issuer will pay dividends on the Shares in the foreseeable future, or at all.

Management of Growth

Any expansion of the Resulting Issuer's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Resulting Issuer will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that the Resulting Issuer will be able to manage growth successfully. Any ability of the Resulting Issuer to manage growth successfully could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

Reliance on Key Personnel and Consultants

There can be no assurance that any of the Resulting Issuer's employees will remain with the Resulting Issuer or that, in the future, the employees will not organize competitive businesses or accept employment with companies competitive with the Resulting Issuer.

Additional Financing Requirements and Access to Capital

The Resulting Issuer may require additional financing to implement its business plan. The ability of the Resulting Issuer to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Resulting Issuer. There can be no assurance that the Resulting Issuer will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Resulting Issuer. If additional financing is raised by the issuance of Shares from treasury of the Resulting Issuer, control of the Resulting Issuer may change and Shareholders may suffer additional dilution. There can be no assurance that the Resulting Issuer will generate cash flow from operations necessary to support the continuing operations of the Resulting Issuer.

INFORMATION CONCERNING THE CORPORATION

Corporate Structure

Name and Incorporation

The Corporation was incorporated on September 25, 2009 by Certificate of Incorporation issued pursuant to the provisions of *The Business Corporations Act* (Saskatchewan) under the name "Kenna Capital Corp.". The head office of the Corporation is located at 1005, 201 – 1st Avenue South, Saskatoon, Saskatchewan, S7K 1J5. The registered office of the Corporation is located at 1500, 410 – 22nd Street East, Saskatoon, Saskatchewan, S7K 5T6.

Intercorporate Relationships

The Corporation has no subsidiaries.

General Development of the Business

History

The Corporation is a capital pool company created pursuant to the CPC Policy, which completed its Initial Public Offering on April 7, 2010. The Corporation issued 3,493,500 Shares at a price of $0.20 per share pursuant to its IPO prospectus, raising gross proceeds of $698,700. The Shares became listed and posted for trading on the Exchange on April 15, 2010. The outstanding Shares are listed on the Exchange under the Trading Symbol "MMG.P". On February 9, 2012, the Corporation issued a press release announcing the Proposed Qualifying Transaction. Pursuant to the policies of the Exchange, the trading of the Shares was halted on February 9, 2012 and it is expected that such trading halt will remain in place until the Completion of the Proposed Qualifying Transaction.

The principal business of the Corporation is to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction, and, once identified and evaluated, to negotiate an acquisition or participation in such assets or businesses. Until the Completion of the Proposed Qualifying Transaction, the Corporation will not carry on business other than the identification and evaluation of assets or businesses in connection with a potential Qualifying Transaction. The Proposed Qualifying Transaction is intended to be the Corporation's Qualifying Transaction.

Financing

The Corporation does not presently anticipate completing any further financings concurrent with the Closing of the Qualifying Transaction, as it anticipates having sufficient capital to complete the first phase of its expected exploration plan. See "*Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*" and "*Information Concerning the Significant Assets – Table 8 – Estimated Cost of Recommended Program, Elizabeth Lake Property"*.

Selected Consolidated Financial Information and Management's Discussion and Analysis

Information from Inception

Since incorporation, the Corporation has incurred costs in carrying out its Initial Public Offering, in seeking, evaluating and negotiating potential Qualifying Transactions, and in meeting the disclosure obligations imposed upon it as a reporting issuer listed for trading on the Exchange. The following table sets forth selected historical financial information for the Corporation for the year ended December 31, 2010 and for the nine-month period ended September 30, 2011 and selected balance sheet data as at December 31, 2010 and September 30, 2011, respectively.

Such information is derived from the audited financial statements of the Corporation as at December 31, 2010 and the unaudited interim financial statements as at September 30, 2011, respectively, that are attached hereto in Appendix A and should be read in conjunction with such financial statements.

Income Statement Data	**Year Ended December 31, 2010**	**9 Month Period Ended September 30, 2011**
Revenue	$3,080	$5,043
Total Expenses	$162,202	$79,647
Net comprehensive loss	($159,122)	($74,604)

Balance Sheet Data	**Year Ended December 31, 2010**	**9 Month Period Ended September 30, 2011**
Cash and cash equivalents	$860,046	$772,361
Accounts Receivable and Prepaid Expenses	$3,635	$5,044
Total Assets	$863,681	$777,405
Accounts Payable and Accrued Liabilities	$16,707	$5,035
Share Capital	$898,954	$898,954
Contributed Surplus	$126,069	$126,069
Deficit	($178,049)	($252,653)

Management's Discussion and Analysis

For the period ended and as at September 30, 2011

The following management discussion and analysis ("**MD&A**") *of the financial condition and result of operations of the Corporation should be read in conjunction with the Corporation's unaudited condensed interim financial statements and notes thereto for the three and nine months ended September 30, 2011, copies of which are attached hereto in Appendix "A". Additional information about the Corporation has been filed with applicable Canadian securities regulatory authorities and is available at www.sedar.com.*

As of January 1, 2011, the Corporation 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 Corporation'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 Corporation 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 Corporation 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 Corporation was incorporated under *The Business Corporations Act* (Saskatchewan) on September 25, 2009. The Corporation is presently classified as a capital pool company for the purposes of the TSX Venture Exchange.

On April 7, 2010, the Corporation completed its Initial Public Offering of 3,493,500 Shares at a price of $0.20 per Share for aggregate gross proceeds of $698,700. The Shares commenced trading on the Exchange on April 15, 2010 under the symbol "MMG.P".

The Corporation'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 Corporation 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 Corporation's Qualifying Transaction.

There is no assurance that the Corporation 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 Corporation 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 Shares on the Exchange may be suspended from trading or delisted. In the event the Shares are delisted by the Exchange, within 90 days from the date of delisting the Corporation 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 Corporation or its remaining assets in some other manner.

Results of Operations

During the three and nine months ended September 30, 2011, the Corporation'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 Initial Public Offering, the Corporation 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 Corporation's only source of revenue is interest income earned from funds on deposit. The Corporation'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 Initial Public 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 Corporation was incorporated on September 25, 2009 and has no comparative information prior to this date.

Liquidity and Solvency

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

Capital Resources

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

Off-Balance Sheet Arrangements

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

Changes in Accounting Policies

On January 1, 2011, the Corporation 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 Corporation, 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 Corporation 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 Corporation on December 31, 2011, the Corporation's first annual reporting date under IFRS. The Corporation 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 Corporation's Business

As management had anticipated, given the business of the Corporation as a capital pool company and given the limited number of transactions that the Corporation has entered into since incorporation, the impact on the adoption of IFRS had no impact on the Corporation's financial position, financial performance and cash flows. Specifically, the main areas of accounting focus for the Corporation 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 Corporation's accounting systems and business processes; however, the impact has been minimal. The Corporation has not identified any contractual arrangements that are significantly impacted by the adoption of IFRS.

The Corporation'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 Corporation have been regularly updated through the Corporation's IFRS transition process, and are aware of the key aspects of IFRS affecting the Corporation.

First-time Adoption of IFRS

The Corporation 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 Corporation's opening IFRS statement of financial position as at the Corporation's Transition Date are consistent with those that were made under Canadian GAAP.

Impact of Adopting IFRS on the Corporation's Accounting Policies

The Corporation 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 Corporation'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 Corporation's Financial Statements

(i) Transition Date unaudited statement of financial position

The Corporation'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 Corporation'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 Corporation'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 Corporation'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 Corporation 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 Corporation 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 Corporation 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 Corporation 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 Corporation 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 Corporation's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Corporation 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 Corporation will identify a target corporation or business which is suitable for the Corporation'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 Corporation's disclosure controls and procedures as of September 30, 2011 and has concluded that the Corporation'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.

For the year ended and as at December 31, 2010

The following management discussion and analysis of the financial condition and result of operations of Kenna Capital Corp. should be read in conjunction with the Corporation's audited annual financial statements and notes thereto for the period ended December 31, 2010, copies of which are attached hereto in Appendix "A". Additional information about the Corporation has been filed with applicable Canadian securities regulatory authorities and is available at www.sedar.com.

The discussion and analysis has been prepared as of January 24, 2011. The information provided for herein is given as of December 31, 2010 unless otherwise indicated.

Forward-Looking Information

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 Corporation 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.

Overview of the Business

The Corporation was incorporated under *The Business Corporations Act* (Saskatchewan) on September 25, 2009. The Corporation is classified as a "Capital Pool Company", as defined in Exchange Policy 2.4.

The Corporation'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 Corporation 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 Corporation's Qualifying Transaction.

There is no assurance that the Corporation 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 Corporation has not completed a Qualifying Transaction by April 15, 2012, trading of the Corporation's Shares on the Exchange will be suspended. In the event the Corporation's Shares are delisted by the Exchange, within 90 days from the date of delisting the Corporation 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, determine to deal with the Corporation or its remaining assets in some other manner.

Results of Operations

During the year ended December 31, 2010, the Corporation's activity related to its Initial Public Offering, and following this, evaluation of opportunities that could potentially lead to a Qualifying Transaction.

On April 7, 2010, the Corporation completed its Initial Public Offering of 3,493,500 Shares at a price of $0.20 per Share for aggregate gross proceeds of $698,700. The Initial Public Offering was made pursuant to a prospectus dated March 24, 2010, filed with the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Financial Services Commission, the Manitoba Securities Commission and the Ontario Securities Commission.

In conjunction with the Initial Public Offering, the Corporation issued to its agent a non-transferable option to purchase 279,480 Shares at a price of $0.20 per Share, exercisable until April 15, 2012.

Immediately following the closing of the Initial Public Offering, the Corporation issued Stock Options to its directors and officers, in accordance with the Corporation's Option Plan. The Corporation issued 733,860 Stock Options, with an exercise price of $0.20 per Share, exercisable for a period of 5 years.

The Shares commenced trading on the TSX Venture Exchange on April 15, 2010 under the symbol "MMG.P".

Selected Annual Information

Financial results for the year ended December 31, 2010 and the three month period from incorporation to December 31, 2009 were as follows.

	2010	2009
Revenue		
Interest Income	$ 3,080	$ 85
Expenses		
Stock based compensation	100,245	-
General and administrative expenses	61,957	19,012
	162,202	19,012
Net Loss	$ (159,122)	$ (18,927)
Net Loss per Share	$ (0.025)	$ (0.005)
Total Assets	$ 863,681	$ 393,501

For the year ended December 31, 2010, the net loss consisted primarily of stock based compensation expense related to the issuance of stock options to directors and officers immediately following the Corporation's Initial Public Offering. For the three month period from incorporation to December 31, 2009, the net loss related primarily to administrative expenses associated with the start up of the Corporation.

The major components of general and administrative expenses for 2010 and 2009 were legal expenses of $23,869 in 2010 and $8,134 in 2009, and accounting and audit expenses of $15,028 in 2010 and $8,250 in 2009.

The Corporation's only source of revenue is interest income earned from funds on deposit. As a Capital Pool Company, the Corporation'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.

The increase in assets in 2010 over 2009 was due primarily to the completion of the Initial Public Offering.

The financial data of the Corporation has been prepared in accordance with Canadian generally accepted accounting principles.

Summary of Quarterly Results

	December 31, 2010	September 30, 2010	June 30, 2010	March 31, 2010	December 31, 2009
Interest revenue	$ 1,676	$ 1,025	$ 273	$ 105	$ 85
General and administrative expenses	25,973	11,801	17,200	6,982	19,012
Stock based compensation	-	-	100,245	-	-
Net loss	24,297	10,776	117,172	6,877	18,927
Basic and diluted loss per share	0.003	0.001	0.016	0.002	0.005
Total assets	$ 863,681	$ 879,822	$ 887,828	$ 383,475	$ 393,501

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

Interest revenue was higher in the fourth quarter of 2010 compared to 2009 due to higher investible cash balances following the Initial Public Offering. General and administrative expenses were higher in the fourth quarter of 2010 compared to 2009 due to increased activity related to evaluation of opportunities that could potentially lead to a Qualifying Transaction.

Fluctuations in quarterly interest revenue reflect changing cash balances over the period. 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.

Liquidity and Solvency

As of December 31, 2010, the Corporation had working capital of $846,974. At the current rate of expenditure, the Corporation has sufficient working capital to meet its ongoing administrative costs. However, if the Corporation ultimately identifies a target business, asset or property as its Qualifying Transaction, it is probable that the Corporation will have to seek additional financing.

Capital Resources

As of December 31, 2010, the Corporation had not made any commitments for capital expenditures. As a Capital Pool Company, the Corporation has not arranged for any sources of financing.

Off-Balance Sheet Arrangements

The Corporation 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 Corporation had no related party transactions for the period ended December 31, 2010.

Changes in Accounting Policies

The Corporation had no changes in accounting policies for the period ended December 31, 2010.

Financial Instruments

The Corporation's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Corporation 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 December 31, 2010: 7,338,600 Class A common shares.

Options to purchase Class A common shares outstanding at December 31, 2010:

- 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 Corporation will identify a target company or business which is suitable for the Corporation'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 Corporation's disclosure controls and procedures as of December 31, 2010 and has concluded that the Corporation'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 generally accepted accounting principles and the reliability of financial reporting.

Transition to International Financial Reporting Standards ("IFRS")

The Canadian Accounting Standards Board ("AcSB") has confirmed that IFRS will replace current Canadian GAAP for publicly accountable enterprises, including the Corporation, effective for fiscal years beginning on or after January 1, 2011. Accordingly, the Corporation will report interim and annual financial statements (with comparatives) in keeping with IFRS beginning with the quarter ended March 31, 2011.

The transition from current Canadian GAAP to IFRS is unlikely to have a material effect on the Corporation's reported financial position and results of operations until such time if and when a Qualifying Transaction is consummated.

To date, the Corporation has completed an assessment of the key areas where changes to current accounting policies may be required. Initial key areas of assessment include:

- Stock based compensation,
- Accounting for income taxes, and
- IFRS 1 – First time adoption of IFRS.

The Corporation will develop a full IFRS conversion plan subsequent to completion of any Qualifying Transaction.

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.

Description of the Securities

The authorized capital of the Corporation consists of an unlimited number of Shares without nominal or par value. As of the date of this Filing Statement, 7,338,600 Shares were issued and outstanding as fully paid and non-assessable shares and 733,860 Shares had been reserved for issuance pursuant to the exercise of Options that have been granted to current Insiders of the Corporation and 279,480 Shares had been reserved for issuance pursuant to the exercise of Agent's Options that have been granted to MGI Securities Inc., as the Corporation's agent pursuant to its Initial Public Offering.

The holders of the Shares are entitled to receive notice of and attend any meeting of the Corporation's shareholders and are entitled to cast one vote for each Share held. The holders of the Shares are entitled to receive dividends, if, as and when declared by the board of directors of the Corporation and to receive a proportionate share, on a per share basis, of the assets of the Corporation available for distribution in the event of a liquidation, dissolution or winding-up of the Corporation.

Stock Option Plan

The Corporation has adopted the Option Plan, which provides that the board of directors of the Corporation may, from time to time, in its discretion and in accordance with the Exchange Requirements, grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase Shares, provided that the number of Shares reserved for issuance will not exceed 10% of the issued and outstanding Shares. Such Options will be exercisable for a period of up to 10 years from the date of grant. The number of Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Shares, the number of Shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding Shares and the number of Shares reserved for issuance to persons employed to provide investor relations services will not exceed two percent (2%) of the issued and outstanding Shares. Under the Option Plan, Options may be exercised by the later of twelve (12) months after the Completion of the Proposed Qualifying Transaction and no later than 90 days following cessation of the optionee's position with the Corporation (provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option). Any Shares acquired pursuant to the exercise of Options prior to the Completion of the Proposed Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

Pursuant to the Option Plan, 733,860 Options were granted to the directors and officers of the Corporation and were qualified for distribution pursuant to the Corporation's Initial Public Offering. The exercise price of such Options is $0.20, being the identical price per Share as those that were issued pursuant to the Corporation's Initial Public Offering. The directors determined $0.20 to be a fair exercise price. The Options that were granted to the directors of the Corporation are fully vested and exercisable.

All of the foregoing 733,860 Options were granted to the Corporation's directors and officers at the time of completion of the Initial Public Offering in accordance with Exchange Requirements, as set forth below. The exercise price for those Options must be paid in full upon exercise of the Option. All Shares acquired by Non-Arm's Length Parties pursuant to the exercise of Options prior to the Completion of the Proposed Qualifying Transaction must be deposited in escrow and may only be released in accordance with the escrow provisions of the CPC Policy.

	Number of Shares Under Option	**Exercise Price Per Share**	**Expiry Date**[(1)]
Corey Giasson	183,465	$0.20	April 15, 2015
Todd Lahti	183,465	$0.20	April 15, 2015
Steve Halabura	122,310	$0.20	April 15, 2015
Nigel Lees	122,310	$0.20	April 15, 2015
Shane Shircliff	122,310	$0.20	April 15, 2015
Total	**733,860**		

Note:

(1) The foregoing Options may be exercised by the later of twelve (12) months after the Completion of the Proposed Qualifying Transaction and ninety (90) days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship or technical consulting arrangement was by reason of death, the Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Option.

Prior Sales

Since the date of incorporation, 7,338,600 Shares have been issued as follows:

Date	**Number of Shares**	**Issue Price Per Share**	**Aggregate Issue Price**	**Nature of Consideration Received**
November 13, 2009	3,845,100[(1)]	$0.10	$384,510	Cash
April 7, 2010	3,493,500	$0.20	$698,700	Cash

Notes:

(1) All of these Shares are subject to escrow. See *"Information Concerning the Resulting Issuer – Escrowed Securities"*. 2,100,100 of these Shares were sold to Non-Arm's Length Parties of the Corporation.

Stock Exchange Price

The outstanding Shares are listed on the Exchange under the trading symbol "MMG.P". The Shares became eligible to commence trading on the Exchange on April 15, 2010. The Exchange halted the trading of Shares on February 9, 2012 following the initial press release on the Proposed Qualifying Transaction. The following table sets forth the high and low sales prices and trading volumes of board lots of Shares as reported by the Exchange from April 15, 2010 to February 9, 2012:

	High ($)	**Low ($)**	**Volume (Shares)**
2010			
April – June[(1)]	0.42	0.23	33,000
July – September	0.40	0.20	35,000
October – December	0.40	0.20	286,500
2011			
January – March	0.39	0.17	188,000

	High ($)	Low ($)	Volume (Shares)
April – June	0.22	0.14	55,000
July – September	0.26	0.14	31,500
October – December	0.25	0.12	118,000
2012			
January	0.12	0.12	Nil
February 1 – 9(2)	0.12	0.12	Nil
February 9 – 29(3)	N/A	N/A	N/A
March 1 – 12(3)	N/A	N/A	N/A

Notes:

(1) Trading on the Exchange commenced on April 15, 2010.
(2) Trading was halted effective February 9, 2012 pending submission of initial materials in accordance with the CPC Policy and Exchange Requirements.
(3) It is expected that trading in the Shares will remain halted until Completion of the Proposed Qualifying Transaction.

Arm's Length Transaction

The Proposed Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction.

Legal Proceedings

The Corporation has not been, and is not presently involved in, any legal proceedings material to it and insofar as it is aware, no such proceedings are contemplated.

Auditor, Transfer Agent and Registrar

Auditor

The Corporation's current auditors are Hergott Duval Stack LLP, whose principal office is located at 1200 Saskatoon Square, 410 – 22nd Street East, Saskatoon, Saskatchewan S7K 5T6.

Transfer Agent and Registrar

The transfer agent and registrar for the Shares is Equity Transfer & Trust Company, whose principal office is located at 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1.

Material Contracts

The Corporation has not entered into any material contracts, outside of the ordinary course of business, prior to the date hereof, other than:

1. Transfer Agent, Registrar and Disbursing Agent Agreement dated as of the 7th day of January, 2010 between the Corporation and Equity Transfer & Trust Company.
2. Agency Agreement dated as of March 24, 2010, between the Corporation and MGI Securities Inc., the Corporation's agent for its Initial Public Offering.
3. CPC Escrow Agreement dated as of March 24, 2010 among the Corporation, Equity Transfer & Trust Company and those shareholders that executed such agreement. See "*Information Concerning the Resulting Issuer – Escrowed Securities*".
4. Corporation's Stock Option Plan.

5. Acquisition Agreement dated February 9, 2012, between the Corporation and the Vendor in connection with the Proposed Qualifying Transaction.

Copies of these agreements will be available for inspection at the office of the solicitors for the Corporation located at 1500 Saskatoon Square, 410 – 22nd Street East, Saskatoon, Saskatchewan, S7K 5T6**,** during ordinary business hours from the date hereof until the Closing of the Proposed Qualifying Transaction and for a period of 30 days thereafter

INFORMATION CONCERNING THE SIGNIFICANT ASSETS

Description of Property

The following is a summary of a report entitled *"Report on the Elizabeth Lake Property (in compliance with NI 43-101(F1), Claims S-107490, S-107491, S-110862 and S-111056, centered at: 105° 22'35"W, 55° 19'30"N (476,000 E; 6,131,000 N, NAD 83, Zone 13) Nemeiben Lake Area, Northern Mining District, Saskatchewan (NTS 72P06SW) for Kenna Capital Corp."* and dated February 10, 2012 (the "Technical Report"). The Technical Report was prepared by Amerlin Exploration Services Ltd. The author of the report is Carl Verley, P.Geo, who is a "qualified person" within the meaning of NI 43-101 and is independent of the Corporation. The Author has verified the disclosure in this section of the Filing Statement that has been derived from the Technical Report and has consented to its use. The Author, in writing the Technical Report, used sources of information as listed in the references thereto. The information in those references, including reports written by other geologists are assumed to be accurate based on the data review conducted by the author, however are not the basis for the Technical Report. For further information concerning those references, or to view the Figures that are referred to but not included in the following section, see the Technical Report, a copy of which is available at sedar.com.

Summary

The Elizabeth Lake copper–silver property is situated 26 kilometres north of the town of La Ronge in Central Saskatchewan. The Property consists of 4 claims covering 825 hectares.

Kenna Capital Corp. has an agreement with BEC International Corp. to acquire a 100% interest in the Property by paying BEC $50,000 in cash and 1,000,000 Shares. The acquisition of the Property by Kenna constitutes a Qualifying Transaction as defined under TSX Venture Exchange policies in order for Kenna to meet the initial listing requirements for Tier 2 companies.

The Property is underlain by Paleoproterozoic metasediments and metavolcanics of the Glennie Domain. The rocks on the claims consist of biotite schists and gneisses that have been intruded by granitoids bodies and pegmatitic dykes. Copper-silver mineralization occurs in the biotite schists. The mineralization is believed to represent a sheared and metamorphosed Besshi type volcanogentic deposit.

A considerable amount of exploration has been conducted since the discovery of copper on the Property in 1967. Basic geological mapping and geochemical sampling programs as well as a series of airborne and ground geophysical surveys have been undertaken. In particular, drilling during the late 1960's and early 1970's resulted in non-compliant NI43-101 historical resource estimates for the Property.

A review of the past work and results combined with the results of recent VTEM airborne geophysical surveys indicate that there are untested geophysical targets on the Property. Previous drilling indicates that copper mineralized zones are open at depth and to the south. Further work is therefore warranted in order to test the potential of copper zones.

A staged exploration program is recommended to evaluate the copper-silver potential of the Property. A first phase program consisting of initial drill testing of known geophysical targets is proposed at an estimated cost of $362,000.

A second phase program of continued drilling in order to estimate additional or new resources for the Property is recommended, contingent upon the success of the first phase program.

Figure 1. Property Location Map

Introduction

At the request of the directors of Kenna, Amerlin Exploration Services Ltd. has been retained to prepare a technical report on the Elizabeth Lake Property in compliance with NI 43-101(F1).

The purpose of this report is to provide Kenna Capital Corp with supporting documentation necessary to meet TSX Venture Exchange requirements for a Qualifying Transaction.

Sources of information used in the preparation of this technical report come from Government of Saskatchewan mineral property assessment work files as cited in the reference section at the end of this report. In addition, information from Geotech Ltd.'s report on an airborne ZTEM and magnetic survey of the Elizabeth Lake Property by Jean Legault, PGeo, PEng and an interpretation report on the results of this survey by Dr. Alexander Prikhodko, PhD., P. Geo also from Geotech has been used in this report. Geochemical data for core samples collected by the Qualified Person during a site visit to the core library in La Ronge, Saskatchewan on December 29, 2011 are also used in this report. The Qualified Person briefly visited the Property on December 28, 2011, accessing it by snow machine from the Nemeiben Lake campsite. Camp posts at the south end of the Property were examined and found to be in compliance with the Saskatchewan mining regulations, however the Property was snow bound at this time and it was not possible to examine the original discovery trench located on Elizabeth Lake.

Reliance on Other Experts

The Author of this report has not relied upon any information provided by the issuer concerning the legal status of the Property, however he has relied on the issuer's description of the legal arrangements with the Property owners and information concerning exploration expenditures during the previous 3 years and reported under the heading, *Other Relevant Data and Information*.

Under the heading, *History* of this report the Author has relied exclusively upon the many assessment reports cited throughout that section and listed in the references that track the exploration history of the Property. These reports were in most instances prepared by professionals who conducted their exploration work using industry best practices at the time. However, industry best practices have evolved considerably since much of this work was done; in particular assay and analytical quality control and quality assurance approaches are much different and more rigorous today than in the past. In addition, location survey data and drill hole survey data are generally more accurate today than in the past. For this reason the historical data can only be used as a guide as to what is in the ground at the Property and it cannot be relied upon to be definitive concerning resources.

Property Description and Location

The Property consists of 4 mineral claims (S-107490, S-107491, S-110862 & S-111801) totalling 825 hectares in area situated in the Northern Mining District of Saskatchewan (NTS Map area 73-P-06). The Property is centered at 476, 100 mE and 6,131,000 mN (UTM: NAD 83, zone 13) or latitude: 55^{o} 19' 30" N and longitude: 105^{o} 22' 35" W.

Table 1. Mineral Claim Status

Claim Number	Area	Effective Date	Good to Date
S-107490	40	October 23, 2008	October 22, 2012
S-107491	78	October 23, 2008	October 22, 2012
S-110862	179	October 23, 2008	October 22, 2012
S-111801	528	September 23, 2010	September 22, 2012

The claims are held under the name of Mr. Wayne Fisher of Crystal Springs, Saskatchewan, acting as agent for BEC International Corp. BEC has an agreement with Kenna. Under the terms of the Agreement with BEC, Kenna will own 100% of all four claims, subject to a 2% Net Smelter Royalty which can be purchased for $5 million.

In order to maintain the claims minimum eligible exploration expenditures of $12 per hectare must be made prior to the "Good to Date", i.e. for total expenditures of $9,900.

Royalties payable to the Government of Saskatchewan on mineral production commence 10 years after the start of production and are calculated at a rate of 5% on the royalty payer's net profit for the sales of all minerals less than or equal to one million metric tonnes of cumulative sales; or 10% of the royalty payer's net profit for sales of all minerals greater than one million metric tonnes of cumulative sales.

To the best of the Qualified Person's knowledge, the Property is not subject to any environmental liabilities.

In order to conduct mineral exploration on the claims the issuer will have to, initially, obtain drill permits. If a camp is to be set up on the claims, then a campsite permit will have to be obtained.

There are no other significant risk factors, in the Qualified Person's opinion, which may affect access, title or the right or ability to perform work on the Property.

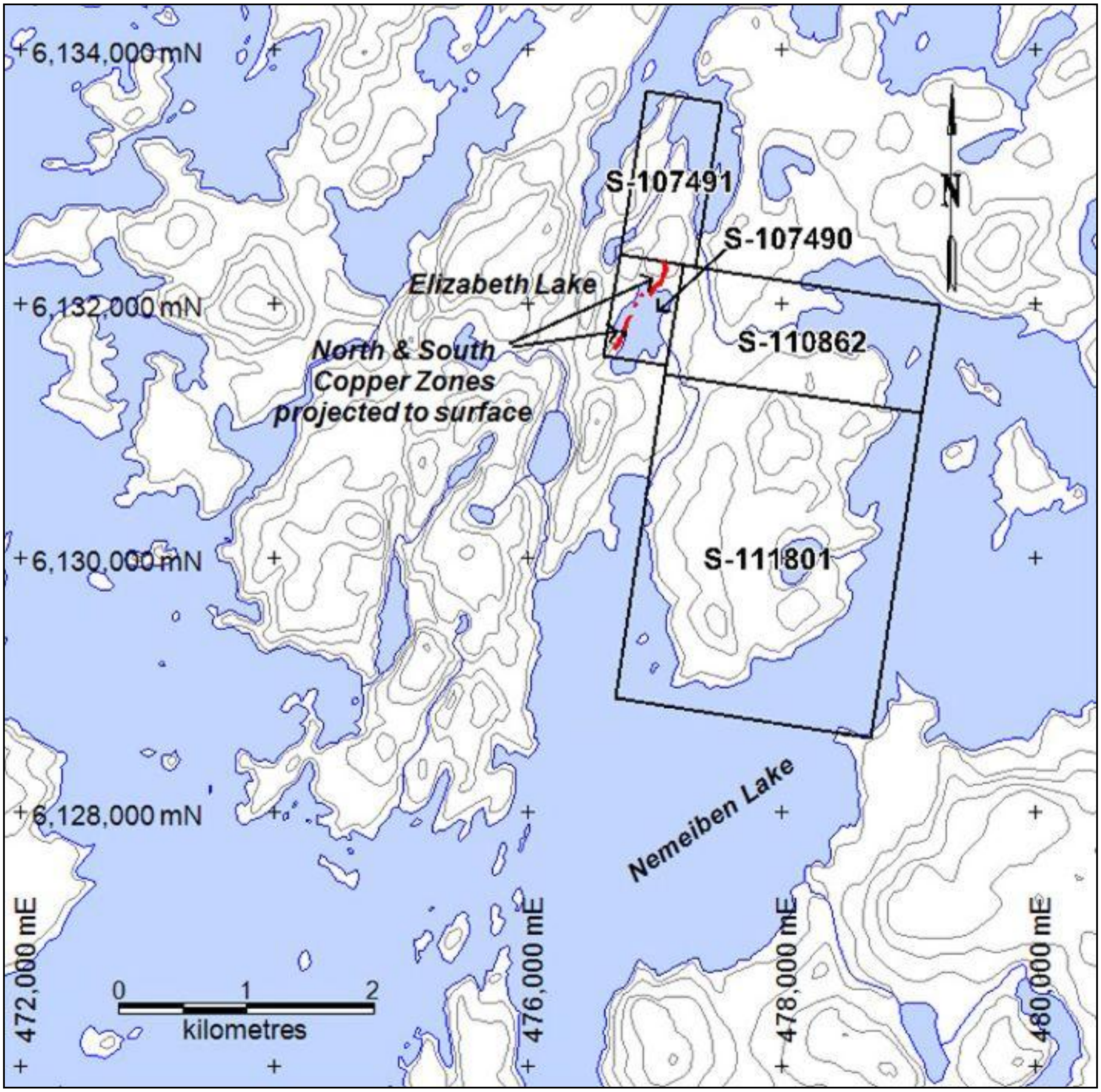

Figure 2. Claim Map

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Property is approximately 40% lake covered. The land portion of the Property is situated in low rolling hills with elevations ranging from 368 to just over 420 metres above sea level. Vegetation is relatively sparse, consisting of pine, spruce and cedar as well as larch and poplar. Juniper and other small bushes are also common.

During winter, the Property is best accessed by road from La Ronge to Nemeiben lake, then by ice road across Nemeiben Lake onto the claims. During summer, the Property is accessible by boating across Nemeiben Lake or alternatively by helicopter from La Ronge.

The town of La Ronge is the nearest population center to the Property. La Ronge is 26 kilometres from the Nemeiben Lake campsite; from the campsite across the lake to the nearest land point to Elizabeth Lake is a further 6.4 kilometres; then over land 0.9 kilometres to Elizabeth Lake. Transport to the Property in winter can be undertaken by truck utilizing ice roads on Nemeiben Lake; otherwise transport in summer will require a combination of truck and boat or helicopter from La Ronge.

For early stage projects, the operating season during winter months is from January to April (4 months) During summer and fall exploration can be conducted from May through to November (7 months). Advanced projects that have established transport links can operate year round in this environment.

There are sufficient surface rights for mining operations on the Property. The nearest power for mining operations would have to be accessed from the Saskatchewan power grid in La Ronge. Early stage exploration and development work would have to rely on diesel electric generators brought to the site. There is adequate water for mining and mineral processing on the Property. There are adequate sites for potential tailing storage and waste disposal areas as well as potential processing plants on the Property. In addition, the town of La Ronge and the surrounding area has adequate personnel for exploration as well as mine development work.

History

In 1967, Herb Isbestor discovered copper mineralization on the southwest shore of Elizabeth Lake. This started a small rush to the area and mineral claims: ML 1 to ML 6 and CBS1425, CBS 1431 and CBS 1476 were staked over the area for V. Studer, M. Lindsley, G. Thompson and H. Isbestor in 1968. The area of the discovery showing was included within CBS 1425 and was transferred to Studer Mines Ltd., who trenched the showing in 1968. The trenching returned copper values averaging 0.87% Cu across 16.8 ft (5.12 metres).

Later in 1968, the area was optioned to Noranda Explorations Co. Ltd. A ground electromagnetic ("EM") survey and geological mapping was conducted and trenching on a small peninsula on the southwest shore of Elizabeth Lake exposed further copper mineralization (Byrne, 1969) in 1968 to 1969. During this time Noranda also drilled 25 holes (including two wedged holes) totalling 21,145 feet(6,445 metres), which were drilled over a strike length of 3,500 feet (1,067 metres) as illustrated on Figure 3 and listed in Table 2. The drilling returned intervals with significant copper values (>0.5% Cu) as listed in Table 3. Noranda identified 2 copper mineralized zones referred to as the North and South zones. Noranda relinquished their option on the Property in late 1969.

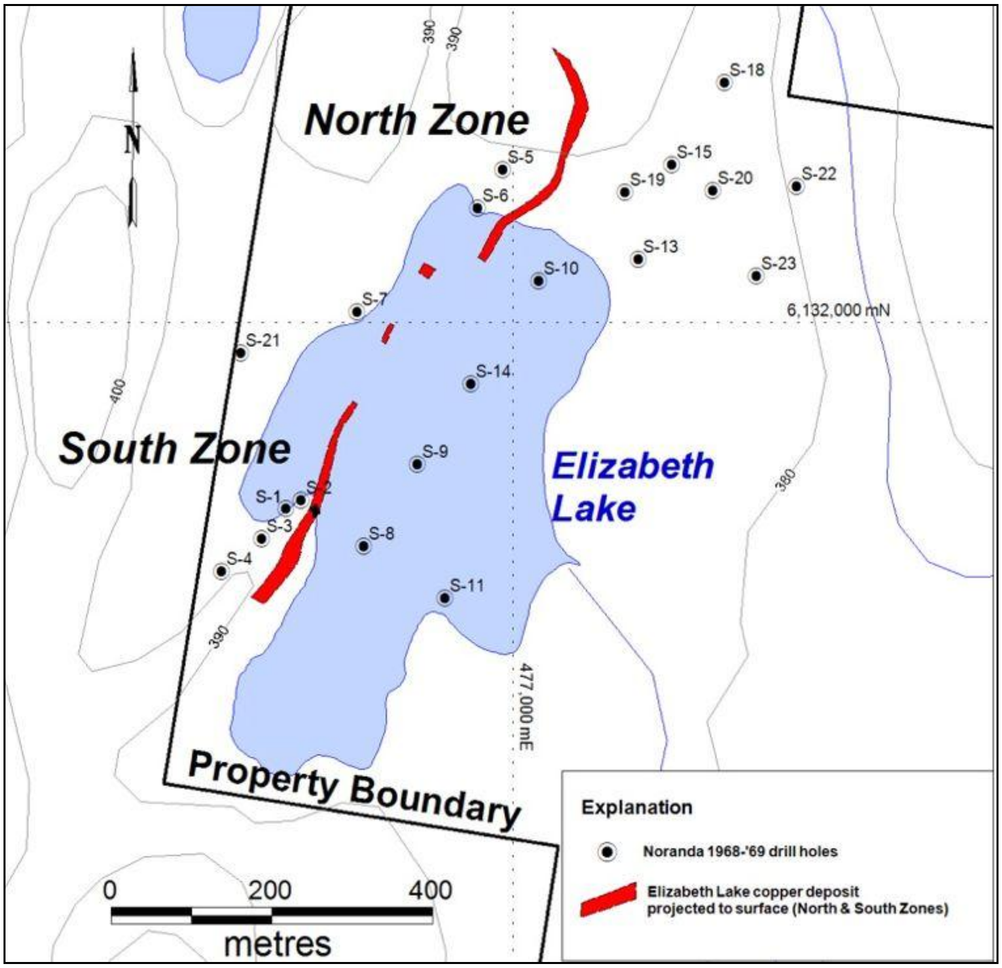

Figure 3. Drill Hole Location Plan, Noranda Exploration Co. Ltd. 1968-69

Table 2. Drill Hole Locations, Noranda Exploration Co. Ltd. 1968-69

Hole_ID	Easting_NAD83	Northing_NAD83	Azimuth	Dip	Total_Length (ft)	Total_Length (m)
S-1	476718	6131768	135	-45	373	113.7
S-2	476737	6131778	315	-45	248	75.6
S-3	476688	6131729	135	-45	289	88.1
S-4	476639	6131689	135	-45	350	106.7
S-5	476988	6132189	135	-45	455	138.7
S-6	476957	6132141	135	-45	305	93.0
S-7	476807	6132012	135	-45	762	232.3
S-8	476816	6131721	315	-65	636	193.9
S-9	476882	6131823	315	-65	637	194.2
S-10	477032	6132050	315	-65	538	164.0

Hole_ID	Easting_NAD83	Northing_NAD83	Azimuth	Dip	Total_Length (ft)	Total_Length (m)
S-11	476917	6131656	315	-75	876	267.0
S-11W	Wedge off S-11 @ 846'				617	188.1
S-12	477126	6131993	315	-75	1497	456.3
S-13	477157	6132078	315	-72	1214	370.0
S-14	476948	6131923	315	-70	816	248.7
S-15	477198	6132195	315	-65	984	299.9
S-16	off property		315	-50	345	105.2
S-17	off property		135	-45	604	184.1
S-18	477264	6132297	315	-65	1499	456.9
S-19	477140	6132161	315	-65	854	260.3
S-20	477249	6132163	315	-72	1253	381.9
S-21	476662	6131961	135	-74	1590	484.6
S-22	477353	6132168	315	-75	1592	485.2
S-23	477303	6132056	315	-75	1716	523.0
S-23W	Wedge off S-23 @ 301'		315	-71.5	1095	333.8

In 1969, Uranium Valley Mines Ltd. optioned the Property, which included CBS 1425, for 3 years from Studer Mines. Under the option agreement, Studer Mines retained 20%, with Uranium Valley holding 30%, Canada Southern Petroleum Ltd. 30% and Great Prairie Resources Ltd. 20%.

In 1970, 13 holes, totalling 8,965 ft (2,732m), were completed on the North Zone and 4 holes, totalling 3,181 ft (969.6 m) were completed on the South Zone (Byrne, 1970, Khawasik, 1970 and Bligh, 1971)(Figure 4 & Table 3). Trenching, mapping, ground EM and IP surveys were also completed as a part of this work. The ground EM surveys located weak to moderate conductors associated with both the North and South Zones.

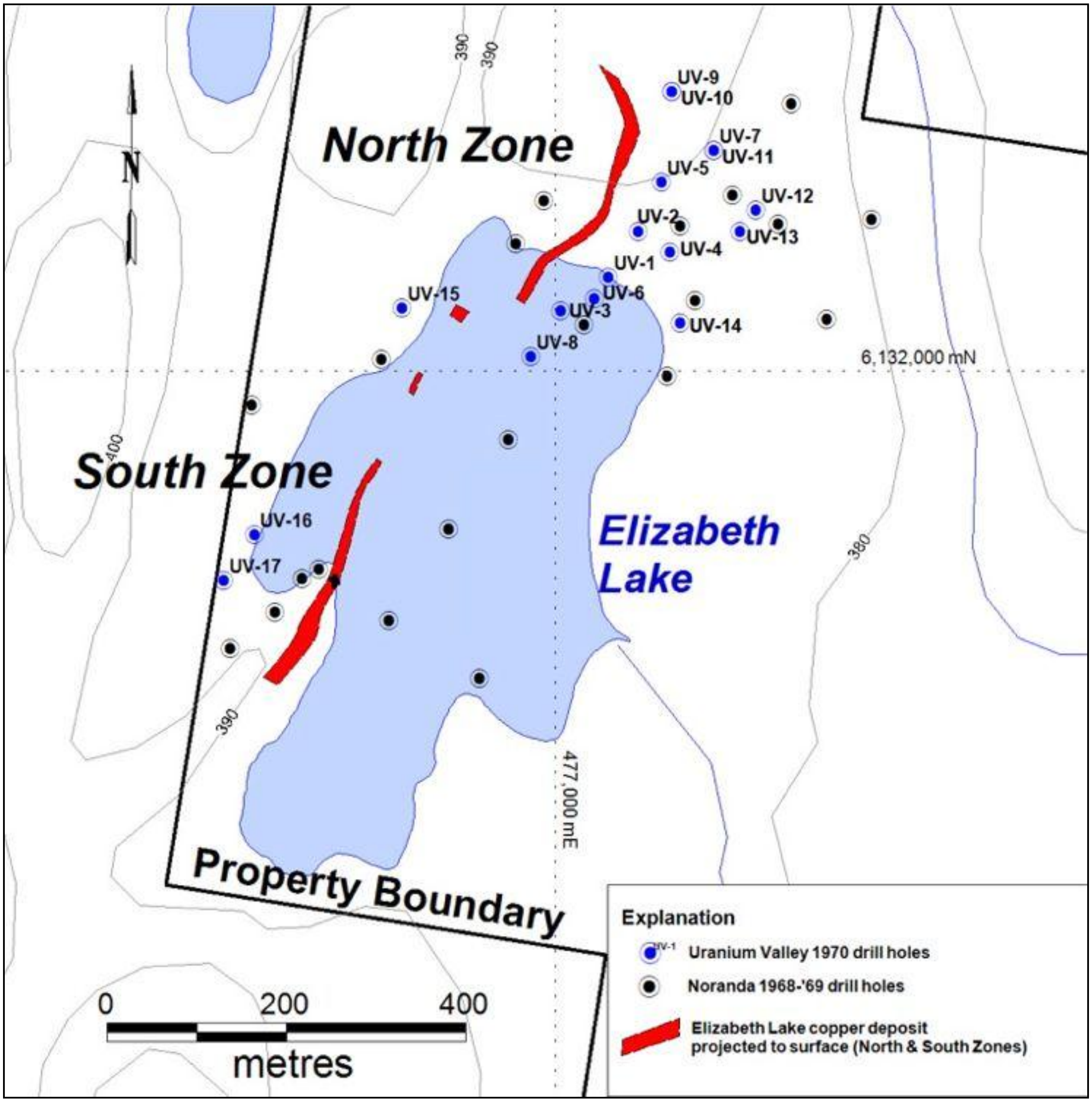

Figure 4. Drill Hole Location Plan, Uranium Valley, 1970.

Table 3 Drill Hole Locations, Uranium Valley, 1970.

Hole No	Easting	Northing	Azimuth	Dip	Total_Length (ft)	Total_Length (m)
UV-1	477060	6132104	315	-60	490	149.4
UV-2	477093	6132154	315	-60	487	148.4
UV-3	477007	6132066	315	-60	284	86.6
UV-4	477128	6132132	315	-65	782	238.4
UV-5	477119	6132210	315	-65	505	153.9
UV-6	477044	6132079	315	-70	522	159.1
UV-7	477177	6132245	315	-45	822	250.5
UV-8	476973	6132015	315	-45	545	166.1
UV-9	477131	6132310	315	-45	670	204.2
UV-10	477131	6132310	315	-65	785	239.3
UV-11	477177	6132245	315	-65	943	287.4
UV-12	477224	6132179	W	-65	1050	320.0
UV-13	477206	6132155	315	-65	1080	329.2
UV-14	477140	6132053	315	-65	1180	359.7
UV-15	476830	6132069	135	-65	500	152.4
UV-16	476665	6131816	135	-65	701	213.7
UV-17	476631	6131765	135	-65	800	243.8

Uranium Valley used their drill results, combined with Noranda's previous drilling to estimate mineral resources for the North and South Zones of the Elizabeth Lake deposit.

In 1970, geologist Rodney Bligh under contract with Norman H. Ursel Associates, prepared *Report on Field Exploration and Diamond Drilling (Phases 2 and 3) Nemeiben Lake, Saskatchewan* for Uranium Valley Mines Limited which contained an estimate of mineral resources for the North and South Zones of the Elizabeth lake deposit. **Investors are cautioned that this historical resource estimate is not compliant with current guidelines for estimating mineral resources and therefore cannot be relied upon. Further testing will be required in order to verify the historical resource estimate.**

In his resource estimate, which used a polygonal block volume estimation method, key assumptions Bligh used were a tonnage factor of 10.5 cubic feet per short ton, equivalent to a specific gravity of 3.05 cubic metres per tonne, for mineralized rock and he used a series of cut-off grades ranging from 0.6% to 1.5% copper. Bligh also combined the drill data and results from the Noranda drilling with that of Uranium Valley in order to come up with his estimate. The historical resource estimate was also classified as a "probable reserve" under a 1969 reserve definition of the Ontario Association of Professional Engineers. The category of reserve used by Bligh is not compliant with resource and reserve categories set out under Sections 1.2 and 1.3 of NI43-101. The difference in Bligh's category of resource/reserve lies in his use of "reserve", which clearly it is not. At best it may be considered an inferred resource. However, the tonnage factor used by Uranium Valley is high and therefore implies that their estimate is also high and therefore not reliable. There are no reported specific gravity measurements in the Uranium Valley reports. The Uranium Valley and Noranda drill holes are not surveyed and therefore the location is only approximate. In order to verify the resource estimate, drill holes will have to be properly located, sections of drill core stored in La Ronge will need to be re assayed and redrilling of at least 25% of the prior holes will be necessary.

The Qualified Person has not done sufficient work to classify the historical estimate as current mineral resources or reserves.

Kenna Capital Corp is not treating the historical estimate as current mineral resources or mineral reserves.

Table 6. Historical, Non-compliant Resource Estimate, Elizabeth Lake copper deposit.

Zone	Cut-off (Cu%)	Grade Cu%	Tonnage (short tons)	Tonnage (metric tonnes)	Horizontal width of zone (ft)	Horizontal width of zone (m)
North	0.6	0.64	3,447,000	3,127,100	65.8	20
South	0.6	0.61	892,500	809,600	42.9	13
Total		**0.63**	**4,340,000**	**3,936,700**	**n/a**	**n/a**
North	1.1	1.08	972,500	882,200	22.8	7
South	1.1	1.12	183,500	166,400	13.4	4
Total		**1.09**	**1,156,500**	**1,048,600**	**n/a**	**n/a**

Also in 1969, Canadian Nickel Co. Ltd., filed assessment work (AR 73P06-SW-0058) on two drill holes drilled on the Ron 106 (S89676) and Ron 108 (S89678) claims that straddle Elizabeth Lake (Figure 5). The hole (#38418) in Ron 106 tested the North Zone and the hole (#38417) in Ron 108 tested the South Zone. Assay results for hole # 38418 in the north Zone range from 0.5 to 6.6 % Cu with long intervals from 441 to 600 feet being in excess of 5% Cu, suggesting the hole may have drilled down the structure. No assays were reported for hole # 38417 in the South Zone.

During the period 1973 to 1975, the Government of Saskatchewan, under the auspices of the Mineral Evaluation Program, contracted the Saskatchewan Research Council to perform multimedia geochemical surveys and ground EM, magnetometer and IP surveys along the Elizabeth Lake trend. In addition, eight core holes were drilled to test various geochemical and geophysical anomalies. Four of these holes were drill on what is now the Property (Figure 5 & Table 4). The drilling encountered massive pyrite–pyrrhotite and disseminated chalcopyrite mineralization. Apparently only intersections with significant copper mineralization were assayed, but no significant results were reported.

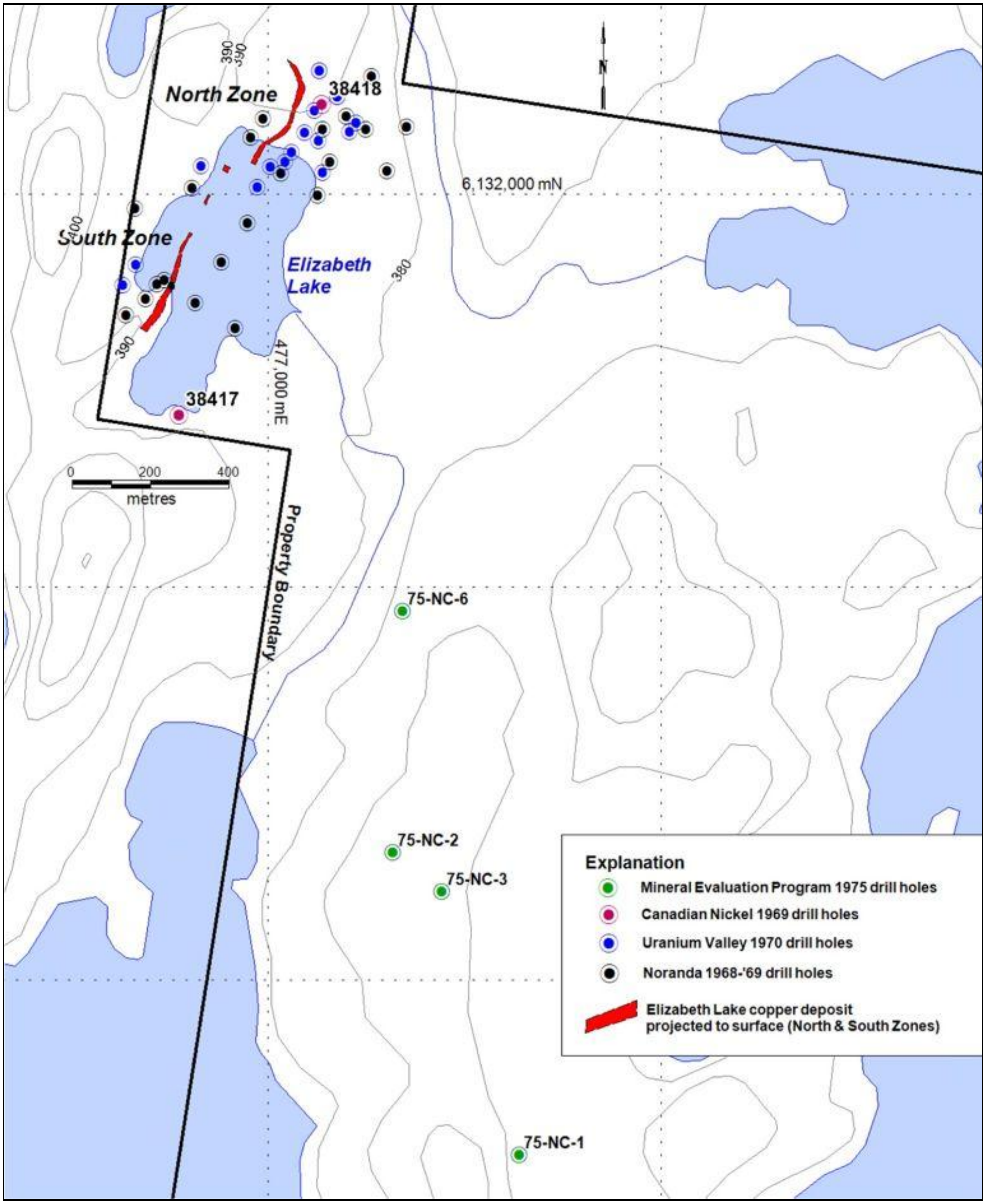

Figure 5. Canadian Nickel & Mineral Evaluation Program drill holes, 1969 & 1975

Table 4. Canadian Nickel & MEP drill hole locations

Hole_ID	Easting	Northing	Azimuth	Dip	Total_Depth_m	Operator
38418	477138	6132227	270	-50	183.0	Canadian Nickel
38417	476774	6131437	270	-50	91.0	Canadian Nickel
75-NC-1	477639	6129552	260	-45	193.9	MEP
75-NC-2	477316	6130321	80	-45	184.7	MEP
75-NC-3	477441	6130223	80	-45	167.7	MEP
75-NC-6	477343	6130937	303	-55	207.9	MEP

In 1974, Uranium Valley Mines Ltd. became Superstar Petroleums Ltd. and held 30% of the Property, Canada Southern Petroleums Ltd. held 50% and Studer Mines the remaining 20%.

On January 1, 1979, CBS 1425 lapsed. The area was immediately re-staked by Superstar Petroleums Ltd. as S-106463 to S-106464, which soon after became part of the block of claims:S-99536 to S-99548, covering Elizabeth Lake. Superstar transferred its ownership to Studer Mines, which now held a 50% share.

In 1980, Douglas Campbell, PhD., PEng. and Joseph Chamberlain, PhD., PEng., reported a mineral resource estimate for the Elizabeth Lake Deposit in *Geological Report Nemeiben Lake Nickel-Copper Property and Nemeiben Lake Copper-Silver Property, Lac La Ronge area, Saskatchewan* for Golconda Resource Syndicate. However, there is no information provided in their report concerning assumptions made or methods used to arrive at their estimates. Consequently, this historical resource estimate is not believed to be reliable and is not disclosed.

In 1981, Cameco entered into a joint venture agreement with Studer Mines. Studer Mines subsequently assigned its interest in the Property to Benz Gold Resources. In 1981, Benz Gold contracted Questor Surveys to fly an EM (MK VI Input) and magnetic survey. The EM survey did not locate any strong conductors at Elizabeth Lake. The magnetic survey located a north-easterly striking band of material exhibiting a high total field magnetic signature in contrast to surrounds. The band probably reflected magnetite-bearing mafic volcanics and varied from 200 to 500 metres in width and up 500 nT above the magnetic response of the surrounding area. Benz Gold also conducted limited reconnaissance ground VFL-EM, magnetometer and self-potential surveys in the vicinity of the Elizabeth Lake discovery trench.

In 1983, Benz Gold conducted further limited ground geophysics near the Elizabeth Lake deposit, following up on the airborne EM survey results. However details of this work are not available in the Saskatchewan Ministry of Energy and Mines assessment work files.

In 1984, Cameco re-analysed for gold 77 selected drill core samples from 10 of the Noranda Exploration Co. Ltd's drill holes. The best analysis from the core was 290 ppb gold.

On 1 August, 1985, Prime Resources Corporation staked the showing area as CBS 6213 and 6214. Prime optioned a 60% interest in these claims to Benz Gold in consideration for Benz Gold completing expenditures of $100,000 over a three year period.

In 1987, Benz Gold contracted Ingot Gold, who in turn contracted Standing Geophysics Ltd. to carry out ground VLF-EM and magnetic surveys over the deposit (Standing, 1988).

In 1989, Benz Gold Resources contracted Ingot Gold to conduct detailed geological mapping, prospecting and rock and soil sampling of the Elizabeth Lake grid that covered the North and South zones (Vanderhorst, 1989). Results from the rock and soil sampling outlined a number of areas anomalous in both copper and zinc within the metasediments. Values from intrusive rocks, in contrast were extremely low. The work was not able to expand the surface footprint for the Elizabeth Lake deposit, consequently no further work was recommended.

On February 1, 1991, CBS 6214 lapsed. Claude Resources Inc. staked the deposit as S-103570 on February 1, 1991. In 1994, Claude completed prospecting and rock sampling over the showing to check for possible gold zoning in the host rocks (Studer, 1995). The deposit is hosted by a series of sheared, silicified, and sericitized biotite schists, which may represent tuffs of dacitic-felsitic composition. Significant concentrations of gold or copper were not located by this work. However, continued follow-up of other VLF-EM targets generated by the 1987 geophysical survey was recommended.

In 1996, Claude Resources completed a core petrographic study using Noranda drill holes S-9, S-12, and S-19 (AF 73P06-0149). S-103570 was allowed to lapse on 1 July, 1996. At this time, Claude released the drill indicated reserves of the 300 m (984.3 ft) long northeast-trending deposit which is open at depth. Gold values ranged from 0.35 to 15.0 g/t. In July of 1999, S-103570 was allowed to lapse. At this time, Claude also produced a non-compliant resource estimate for the Elizabeth Lake deposit. However, there is no information provided in their report concerning assumptions made or methods used to arrive at their estimates. Consequently, this historical resource estimate is not believed to be reliable and is not disclosed.

In 2008, Wayne Fisher, of Crystal Springs, Saskatchewan restaked the Elizabeth lake deposit as claims S-107490, S-107491 and S-110862 as agent on behalf of BEC International Corp. In October of 2010, Mr. Fisher staked an additional claim, S-111801, contiguous with the initial three claims.

In 2010, Troy Energy Corp. contracted Geotech Ltd. to fly a combined versatile time domain electromagnetic ("VTEM") and magnetic survey over approximately 79 line kilometres at 100 and 200 metre line spacing on the Property (Laver et al, 2010), which resulted in Troy earning a 10% interest in the Property. Troy subsequently transferred its interest in the Property to BEC in exchange for other property interests. Conductors in the VTEM data obtained by Troy are not coincident with trends in the magnetic data; however a relatively strong conductor was noted to the south of the known deposit (Figure 6). This may represent an as yet undiscovered mineral zone on the claims. The magnetic survey detected a distinct magnetic high associated with a north-easterly trending band of metasediments that form the footwall to the mineralized zones. A shear zone that hosts the Elizabeth Lake deposit is interpreted to form the east boundary of the magnetic high feature (Figure 7). Follow-up prospecting of the Geotech VTEM anomalies was conducted under the supervision of Mr. Wayne Fisher in July of 2010. The Qualified Person discussed this work with Mr. Fisher who reported that the follow-up work consisted of direct visual ground prospecting as well as heavy metal panning of stream and surficial material in the areas of the VTEM anomalies. No mineralization was identified in the surface exposures examined and no traces of heavy metals or sulphide mineralization were detected in the panned material although magnetite was found in some areas. Consequently no samples were collected for assay or analysis and no formal report was prepared to document the work. It was concluded that the source of the VTEM anomalies was buried.

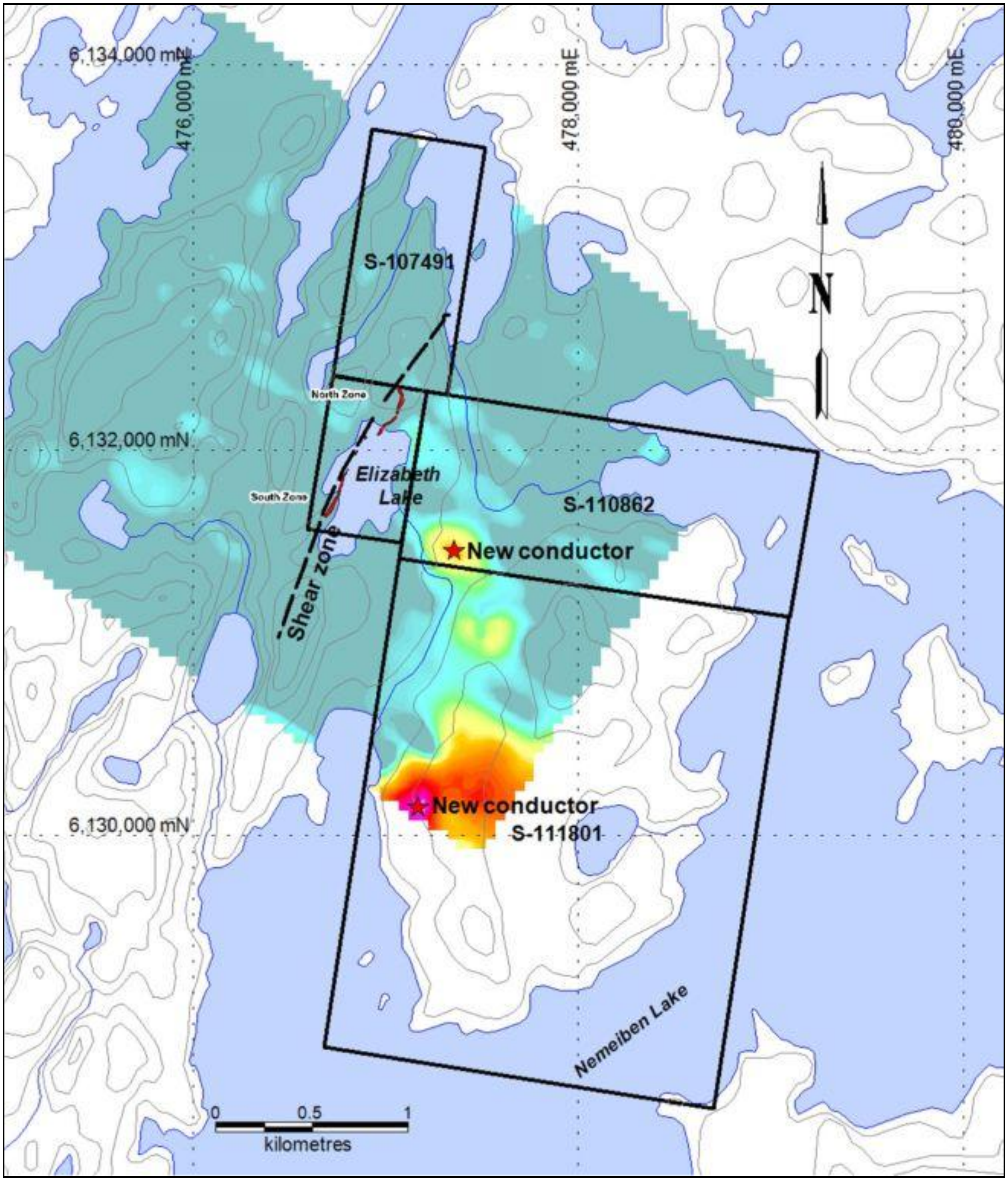

Figure 6. Airborne VTEM image of vertical component of "B" EM field

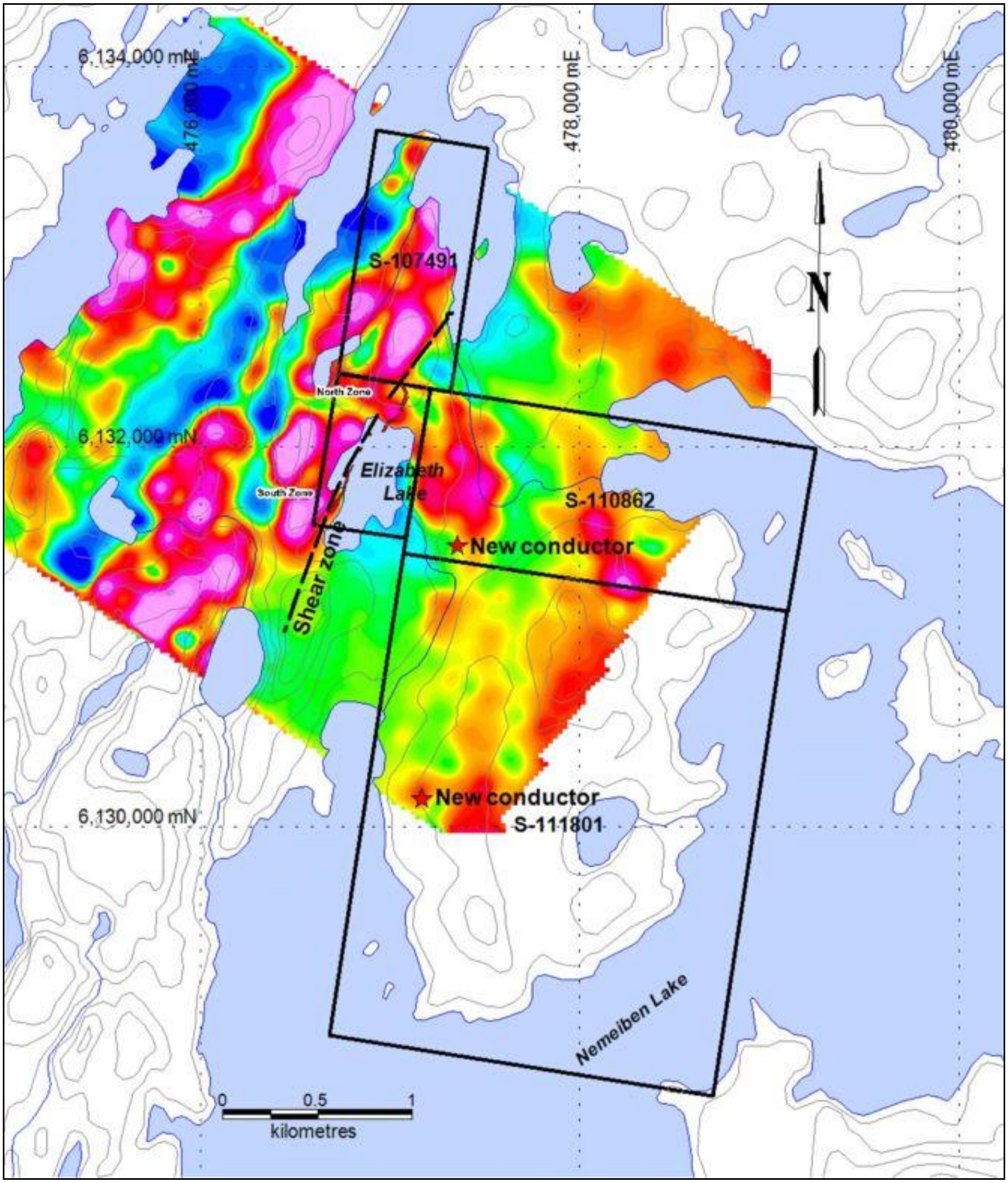

Figure 7. Airborne magnetic image of calculated vertical gradient

There has been no mineral production from the Property.

Costs for exploration work conducted on the Elizabeth lake Property within the last three years total $81,060.00 and are tabulated below.

Table 6. Exploration Expenditures 2009 -2011

Date	Activity	Conducted by	Incurred by	Amount Spent
July 2010	Geotech VTEM airborne EM & magnetic survey	Geotech Ltd	Troy Energy	$41,881.00
July 2010	Prospecting, sampling and site work	Wayne Fisher	Troy Energy	$13,800.00
October 2010	Geological interpretation	E. MacNeill, P.Geo.	Troy Energy	$2,943.00
November 2010	Interpretation of airborne geophysical survey results	BEC	Troy Energy	$5,769.00
December 2010	Interpretation, analysis and compilation	BEC	Troy Energy	$16,667.00
Total				**$81,060.00**

Geological Setting and Mineralization

<u>Regional Geological Setting</u>

The Property is located in the Reindeer Zone of the Precambrian Shield area that crops out in northern Saskatchewan (Figure 8). The Reindeer Zone is further subdivided into a number of domains based on age and lithology. The Property is situated an area where structural deformation has juxtaposed three of these domains: the Archean age (ca 2.5 Ga) Glennie Domain; the Proterozoic age (ca 1.9 – 1.7 Ga) Kisseynew Domain consisting of greywacke and anatexic granites; and the Proterozoic Rottenstone domain consisting of greenstones and granitoids. The Property occurs in an area underlain by formations transitional between the mafic volcanic rocks and structurally underlying migmatites of metasedimentary origin.

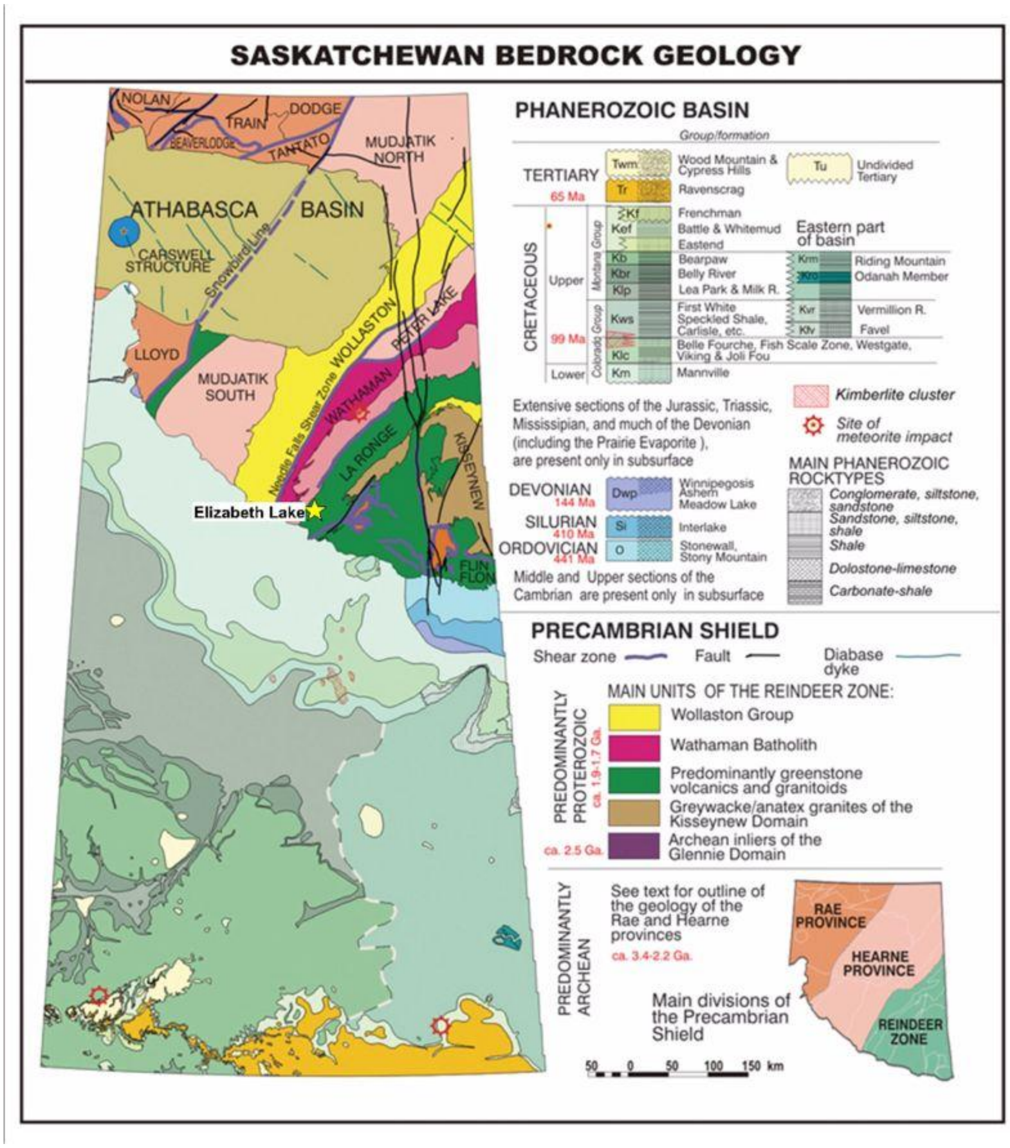

Figure 8. Regional Geological Setting: Elizabeth Lake Property

<u>Local Geology</u>

Detailed mapping by the Saskatchewan Geological Survey in 2010 (Maxeiner and MacLaren) has provided new insights into the geology of the area (Figure 9).

The Elizabeth Lake copper deposit is located near the transition between mafic volcanic rocks and structurally underlying migmatites of metasedimentary origin. Interlayering of the mafic metavolcanics and metasediments may be either tectonic or stratigraphic in origin.

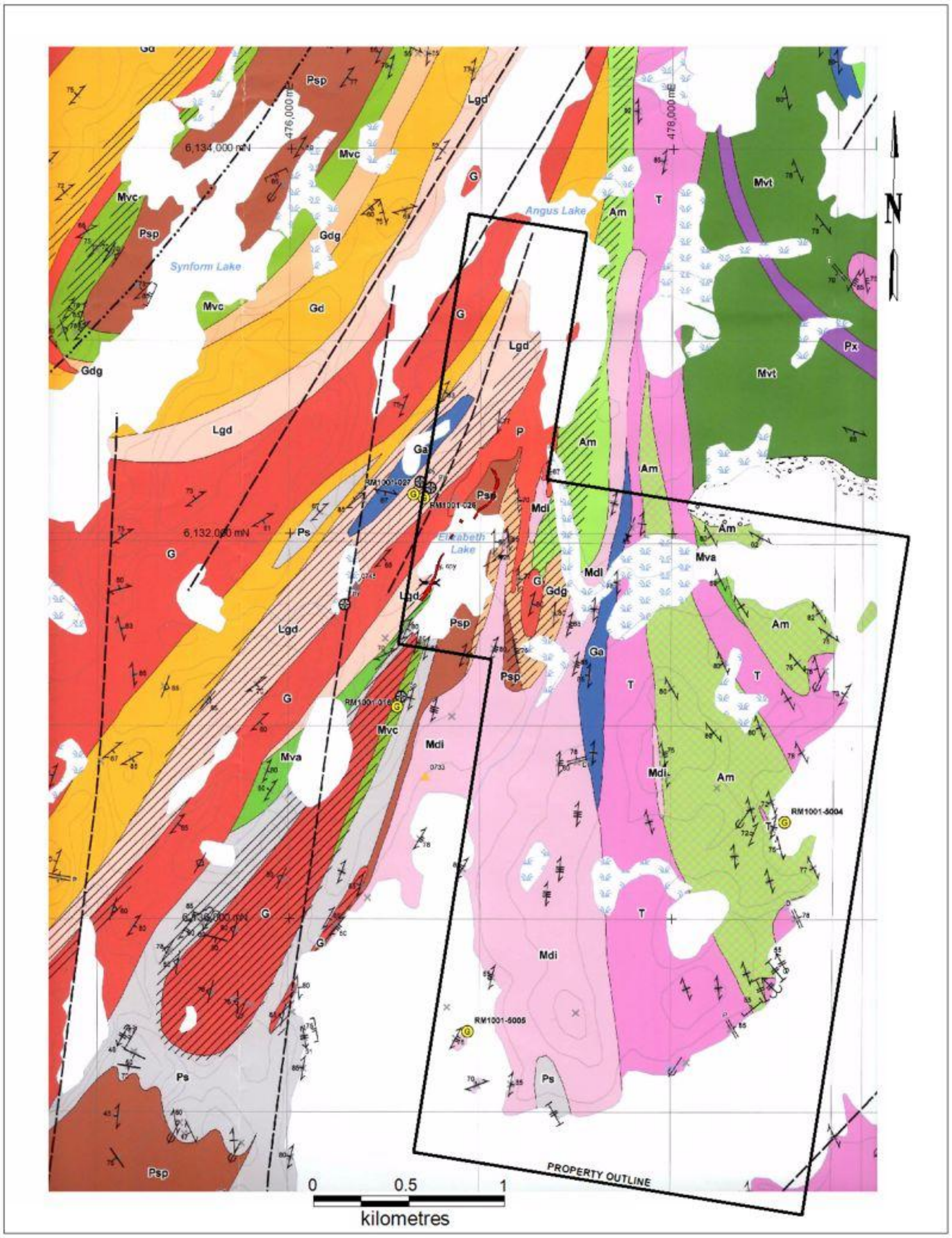

Figure 9. Local Geology of the Elizabeth Lake Property, after Maxeiner et al, 2010

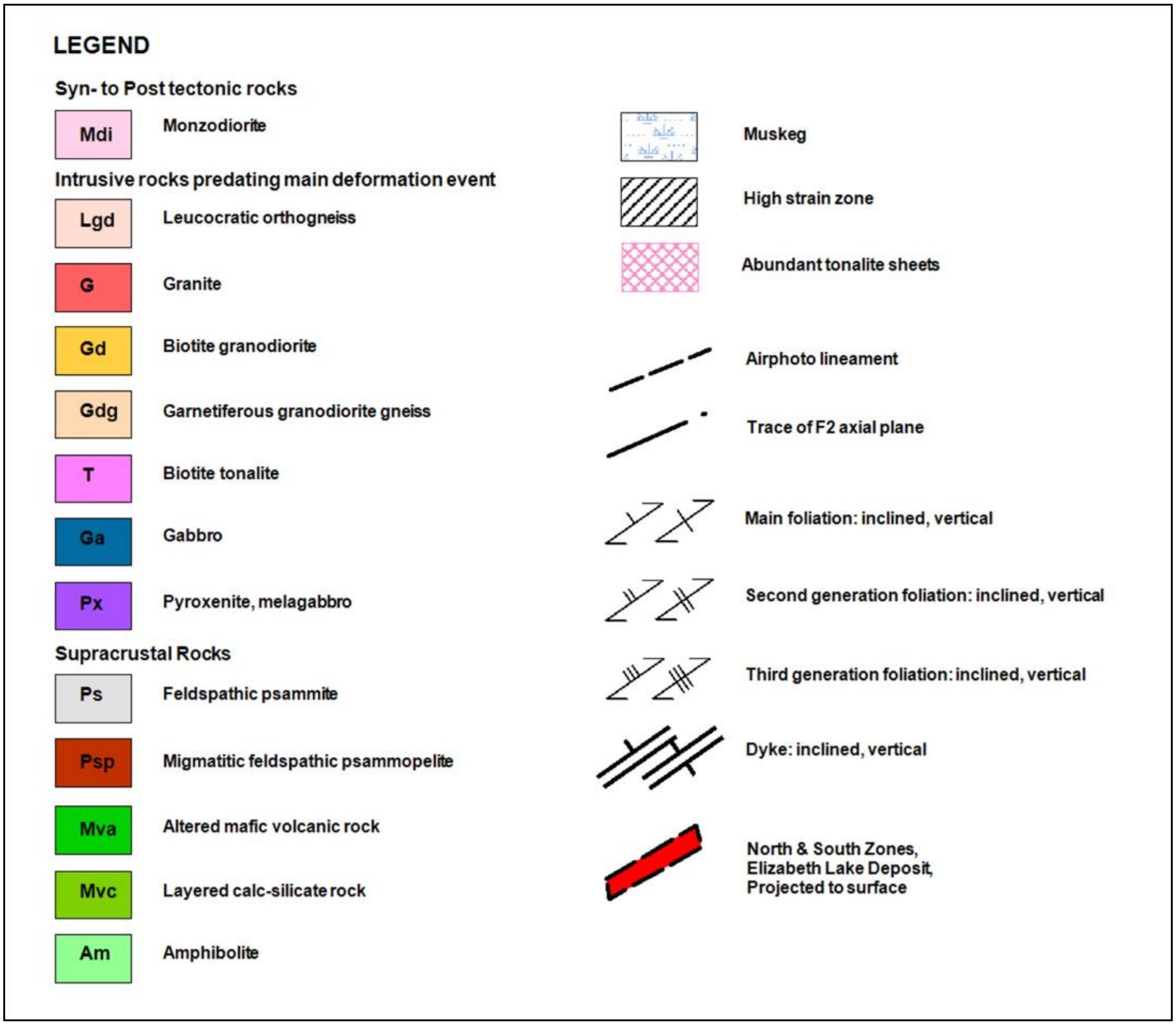

Figure 10. Legend for Local Geology map (Figure 9).

Mineralization

Copper mineralization at Elizabeth Lake occurs in a north-northeast trending metasedimentary gneiss band consisting mainly of biotite gneisses withsome intersections of biotite quartzites, arkose and hornblende-calc silicate gneisses. These rocks sheared, silicified and sericitized and intruded locally by gabbro, hornblende quartz diorite, granite and more commonly by alaskitic muscovite granodiorites, granites and molybdenite bearing aplites and pegmatites. A calc-silicate unit at the south end of Elizabeth Lake may represent wall rock alteration associated with the mineralization.

Based on the results of diamond drilling it has been concluded that the deposit is made up of numerous lenticular low-grade mineralized zones and three small medium grade zones. The mineralization occurs in a shear zone within sericitic schists enclosed in hornblende-biotite gneisses and arkoses. The plunge of the zones are controlled by "F2" deformation, exemplified by tight folds and boudins that plunge steeply northeast. Folding post-dates the faulting and affects the ore zone configuration.

The mineralization, which lies in a northeast-trending fault zone that has been affected by dextral cross-faulting, has been grouped into two main lenses – the North Zone and the South Zone. The mineralized zone has a strike length of about 625 m (2,050.5 ft). The two lenses, which are approximately 365m apart, parallel minor fold hinges in the vicinity. The lenses have a moderate to steep plunge. The North Zone is 330 m (1,082.7 ft) long, 2 to 22 m (6.6 to72.2 ft) wide and extends to a vertical depth of over 250 m (820.2 ft). The South Zone is 240 m (787.4 ft) long, 2 to 22 m (6.6 to 72.2 ft) wide and extends vertically approximately 150 m (492.1 ft).

Mineralization consists of lenses, pods, veins and disseminations of pyrite, pyrrhotite and chalcopyrite. Sphalerite is found in small zones of calc-silicate gneiss that are separated from the main zones. Galena is reported locally. Chalcopyrite occurs in the more quartz-rich zones. Gold values up to 0.12 oz./ ton and silver values from 0.20 to 0.35 oz./ ton are reported. Copper mineralization was exposed in 1968 and returned assays of 0.87% Cu over 16.8 ft; intervals from 1.0 to 7.0 ft returned 0.01 oz./ton Au, 0.14 to 0.27 oz./ton Ag, 0.12 to 1.50% Cu and trace to 0.2% Zn. Diamond drilling intersected a 2,800 ft long mineralized zone to a depth of 375 ft at the south end and to a depth of 1,375 ft at the north end. Drill hole intersections ranged from 0.01 to 0.12 oz./ton Au, 0.18 to 1.1 oz./ton Ag, 0.05 to 12.32% Cu, 0.01 to 0.02 Pb and 0.005 to 0.7% Zn.

Deposit Types

The Elizabeth Lake copper deposit has been characterized as a Besshi-type volcano-genic massive sulphide deposit (Hoy, 1995). These types of deposits are thought to form in a variety of tectonic extensional environments, such as back-arc basins, ocean ridges close to continental margins or rift basins formed during the early stages of continental separation. The deposits typically form thin sheets of massive to well layered pyrrhotite, chalcopyrite, sphalerite, pyrite and minor galena. They are generally associated with or hosted in a succession of mafic volcanic rocks (tholeiitic, less commonly alkalic) with interbedded clastic rocks; Mn-rich garnets in metamorphosed exhalative horizons, possible structures, such as faults; possible association with ultramafic rocks.

From an exploration point of view the sulphide lenses can exhibit either an electromagnetic or induced polarization signature, depending on the style of mineralization and presence of conductive sulphides.

Exploration

The issuer has not conducted any exploration on the Property. Prior exploration conducted on the Property is described under the heading, *History*.

Drilling

The issuer has not conducted any drilling on the Property. Drilling has been conducted on the Property in the past by others. Description and results of the previous drilling are described under the heading, *History*.

Sample Preparation, Analyses and Security

In terms of historical sample preparation and quality control measures used during historical exploration activities on the Property there is very little information provided in the reports documenting this work and procedures. It is reasonable to assume that industry standard procedures of the time were followed. However, those standards are not as rigorous as current standards, consequently there is concern over the adequacy of the past sample preparation, security and analytical procedures.

During the course of his examination of drill core stored in La Ronge, the Qualified Person collected 4 core samples for analysis. The samples were place in numbered plastic bags and the Qualified Person packed them in his luggage and on his return to Vancouver delivered them to Acme Analytical Laboratories in East Vancouver. There was no sample preparation conducted on the samples prior to deliver to Acme. There, samples were prepared according to Acme's R200-250 protocol, i.e. crush 1 kilogram to 80% passing 10 mesh, split 250 grams and pulverize to 85% passing 200 mesh. An aliquot of each prepared sample pulp was the analysed according to the protocols of Acme's Geo2 Exploration analytical package. Geo2 consists of two separate techniques:

1. Sample splits 0.5 grams are leached in hot (95^{o}C) aqua regia. The resulting solution is passed into an inductively coupled argon plasma which is then feed into a mass spectrometer (ICP-MS) for analysis. A suite

of 36 elements analysed by this method (Group 1DX). The lower detection limit varies from 1 to 2 ppm or 0.001% to 0.01% depending on the element.

2. Gold is analysed for by a lead-collection fire-assay fusion for total sample decomposition. The solution resulting from acid digestion of the dore bead is passed into an inductively coupled argon plasma for emission spectrographic (ICP-ES) analysis (Group 3B). The lower detection limit is around 2 parts per billion (ppb).

Acme Analytical Laboratories has ISO 17025:2005 accreditations within its laboratory and off site sample preparation locations. Acme has participated in the CANMET and Geostats Round Robin proficiency tests. Acme is recognized as a participant in the CALA Proficiency Testing Program and is registered by the BC Ministry of Water Land and Air Protection under the Environmental Data Quality Assurance (EDQA) Regulation.

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Acme Analytical Laboratories is not associated or affiliated with Kenna and operates at arm's length and is independent of Kenna.

In the Qualified Person's opinion, sample preparation, security, and analytical procedures were adequate for this early stage test work. However, a more rigorous quality control/quality assurance program will be necessary for future sampling programs.

Data Verification

The Qualified Person examined claim post on the Property during his visit there and found that the claims were staked in a manner that complies with Saskatchewan staking regulations.

The Qualified Person examined drill core from the Elizabeth Lake deposit that is stored in a secure facility maintained by the Saskatchewan Department of Energy and Resources, Precambrian Geology Division, in La Ronge.

As a check to verify the reliability of prior drill core assays the four core samples collected by the Qualified person were analysed. The results of analyses performed on the samples are tabulated below and assay data for the original samples are included for a comparison.

Table 5. Analytical results for samples collected by the Qualified Person

Sample	**Hole**	**Interval**	**ACME December 2011 Analyses**								**Noranda_Assays**	
No	**ID**	**(ft)**	**Cu**[1]	**Au**[2]	**Ag**[1]	**Pb**[1]	**Zn**[1]	**Ni**[1]	**Co**[1]		**Cu_%**	**Ag_oz/t**
11CGV001EL	S-9	553	>10000	56	5.4	4.8	73	10.1	15.3		0.96	n/a
11CGV002EL	S-9	567	4469	82	2.0	5.8	120	3.4	4.6		0.40	n/a
11CGV003EL	S-12	175	2191	10	3.0	487	997	76.3	15.4		0.44	0.20
11CGV004EL	S-19	452	2204	40	1.3	6.3	50	4.7	9.1		1.07	n/a

[1] Values for Cu, Ag, Pb, Zn, Ni and Co are in parts per million (ppm)
[2] Values for Au are in parts per billion (ppb)

These results are considered to be reasonably similar to the historical assay results to suggest that the historical assay data can be considered to be reliable. However, some variation indicates that further reassaying of the old core will be necessary in order to determine what the magnitude of variation is in the historical assay data.

The Qualified Person has also examined all of the assessment reports that are on file and available digitally through the Department of Energy and Resources' Mineral Resources Databases.

The verification procedures did not include complete field checking of all of the data generated by the previous exploration programs. Despite this limitation the Qualified Person is reasonably confident that the data and information examined concerning the Elizabeth Lake Property is satisfactory for a preliminary assessment of the project. However, because of location and quality control and quality assurance issues it cannot be fully relied upon for resource estimation purposes.

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testing has been carried out on mineralization found on the Property.

Mineral Resource Estimates

There are no NI 43-101 compliant resource estimates for mineralization found on the Property.

NOTE: *Items 15.0 to 22.0 of NI 43-101(F1) have been omitted from the Technical Report as the Property is an early stage project.*

Adjacent Properties

There are no adjacent properties of significance to the Property.

Other Relevant Data and Information

There is no other relevant data or information concerning the Property.

Interpretation and Conclusions

The Elizabeth Lake Property consists of 4 claims covering 825 hectares in the La Ronge area of northern Saskatchewan.

Kenna Capital Corp. has the right to earn a 100% interest in the Property from BEC International Corp.

The Property is underlain by highly sheared mafic metavolcanics and intercalated metasediments of Paleoproterozic or older age, which have been intruded by igneous dykes and apophyses of a variety of compositions ranging from granitic pegmatites to mafic dykes.

Copper mineralization consists of disseminated to semi-massive chalcopyrite, pyrite and pyrrhotite in steep north-easterly dipping lenticular bodies that form two principal zones: the North and South Zones.

A considerable amount of exploration work, including diamond drilling has been conducted on the Property in the past. Because of the age and time in which the work was done much of it is not reliable for use in estimating mineral resources. However, it does serve as a guide as to mineralization potential for the project.

The Qualified Person concludes that the Property has significant copper mineralization that warrants follow-up work in order to test for down dip extensions and for precious metal by- or co-products. Contingent upon the success of that test work, additional work will be required to develop the Property, including work to verify the past exploration results.

Recommendations

The following budget estimates are for a first phase drill testing program of geophysical and geological targets on the Elizabeth Lake copper property.

The vision for the first phase program is to drill test:

1. two geophysical anomalies arising from the 2010 airborne survey flown by Geotech Ltd. and recommended by Alexander Prikhodko, PhD, P.Geo., senior geophysicist of Geotech Ltd.
2. test down depth extensions of the North and South zones of the Elizabeth Lake deposit.

The Geotech anomalies are also structural targets that would test the hypothesis that either an extension of the Elizabeth Lake copper deposit may lie to the east of the known zones or a new mineral occurrence may be situated there.

The North and South zones of the Elizabeth Lake deposit are open at depth. Drilling to establish continuity to depth and to test the tenor of copper, gold and silver mineralization is warranted based on the Qualified Person's opinion that the full extent of this deposit has not been determined. The nature of the mineralization or deposit model, while believed by many to be of a volcanogenic massive sulphide variety know as a Besshi deposit that has been deformed by ductile deformation, may also have been developed or upgraded through emplacement of mineralizing solutions related to younger intrusive phases, such as pegmatites, injected into the gneiss sequence during a later extensional re-activation of the shear zone hosting the known mineralization.

The proposed first phase program consists of a 4 hole, 1,500 metre drill program, estimated to cost $362,000.

Contingent upon the success of the first phase work additional drilling will be recommended.

Table 7. Proposed Drill Hole Locations and orientations

	Easting*	Northing*	Azimuth	Dip	Length (metres)
Geotech targets					
Line 3140	477165	6130160	270	-65	100
Line 3080	477300	6131520	120	-60	400
Other targets					
North Zone	477383	6132082	315	-65	500
South Zone	476540	6131818	135	-65	500

Table 8. Estimated Cost of Recommended Program, Elizabeth Lake Property

Expense Category	Days	/units	Rate	Estimated Cost
WAGES & SALARIES				
Consultant 1	20	days	800	$16,000.00
Project Geologist	45	days	600	$27,000.00
Field technicians	30	days	300	$9,000.00
FIELD EXPENSE:				
Field supplies				$2,090.00
Fuel	6500	ltrs	1.5	$9,750.00
Food	240	m-days	25	$6,000.00
Hotel	35	days	300	$10,500.00
Truck rental	35	days	120	$4,200.00
Travel				
TECHNICAL SERVICES/				
SUBCONTRACTORS				
Assay & analysis	200	samples	30	$6,000.00
LIDAR topographic survey				$40,000.00
Drill Data 3D modeling				$10,000.00
Drilling				
NQ-core drilling	1500	m	120	$180,000.00
Drill supplies: core boxes, mud, ploymer& lubricants	1500	m	20	$30,000.00
Drillers truck	33	days	120	$3,960.00
Mob/demob				$7,500.00
Total				**$362,000.00**

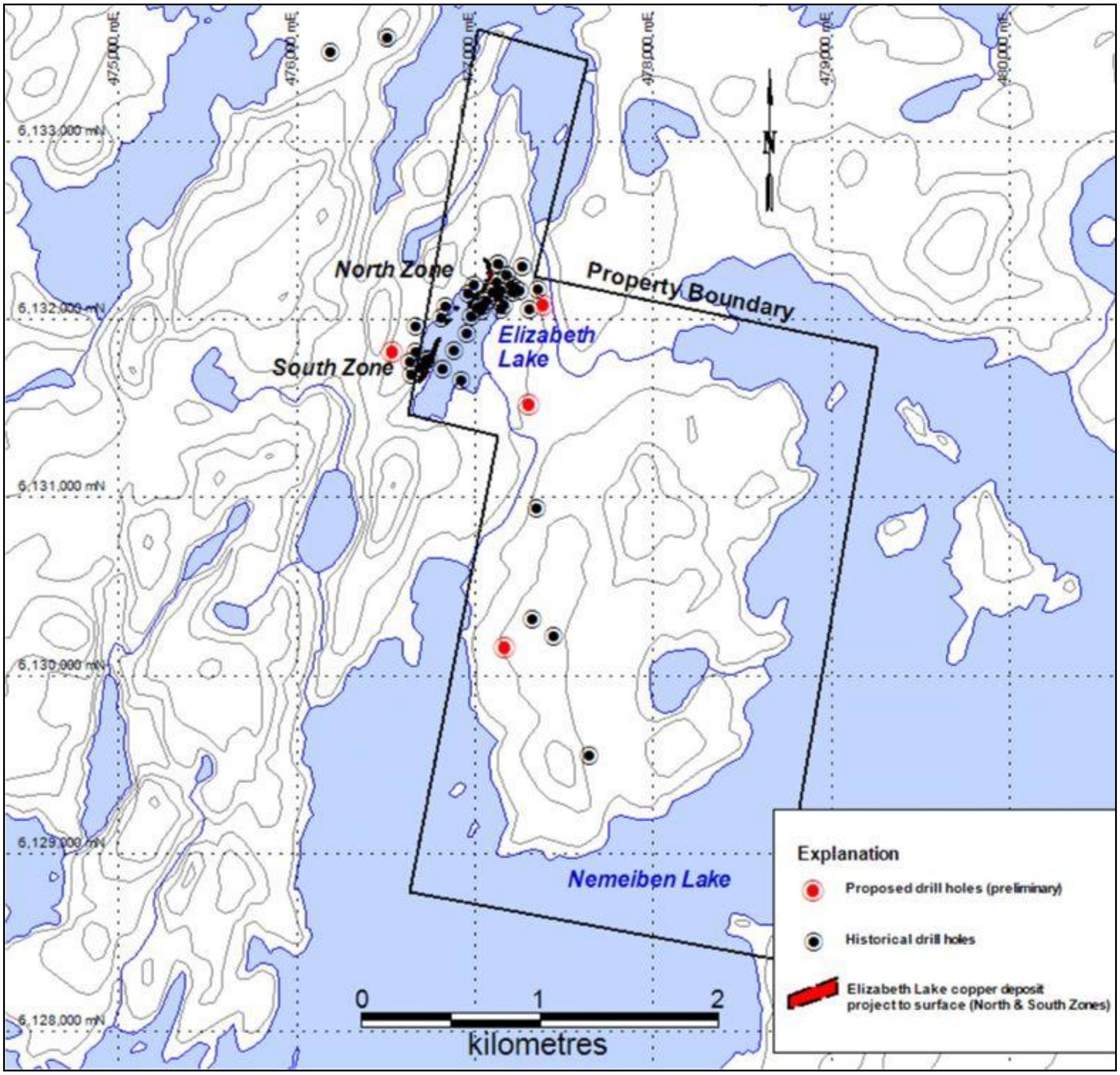

Figure 11. Proposed Drill Holes Elizabeth Lake Property

INFORMATION CONCERNING THE RESULTING ISSUER

Corporate Structure

Name and Incorporation

Upon Completion of the Proposed Qualifying Transaction, the name of the Resulting Issuer will continue to be Kenna Capital Corp. The Resulting Issuer will continue to be a Saskatchewan corporation incorporated under *The Business Corporations Act* (Saskatchewan). The Resulting Issuer's head office will continue to be located at 1005, 201 – 1st Avenue South, Saskatoon, Saskatchewan, S7K 1J5 and its registered office will continue to be located at 1500, 410 – 22nd Street East, Saskatoon, Saskatchewan, S7K 5T6.

Intercorporate Relationships

Upon completion of the Proposed Qualifying Transaction, the Corporation will not have any subsidiaries.

Narrative Description of the Business

Upon Completion of the Proposed Qualifying Transaction, the Resulting Issuer will be a junior mining company engaged in the exploration and development of a copper/silver/gold property located in the Northern Mining District of Saskatchewan. For a complete description of the Property, see "*Information Concerning the Significant Assets*".

Stated Business Objectives and Milestones

The Resulting Issuer intends to pursue a first phase exploration program on the Property, as detailed in the Technical Report, which will consist of the drilling of four (4) drill holes. Contingent on the results of the first phase exploration program, a further proposed exploration program will be formulated, pursuant to which additional drilling is expected to occur. For a further discussion of recommended exploration program, see Table 8 – Estimated Cost of Recommended Program, Elizabeth Lake Property, located under "*Information Concerning the Significant Assets – Recommendations*".

Exploration and Development

Based on the Corporation's preliminary assessments of the Assets and its discussions with Amerlin Exploration Services Ltd., it is anticipated that the first phase of the recommended exploration program of the Resulting Issuer will be implemented following Completion of the Proposed Qualifying Transaction. The proposed budget for this phase is $362,000. It is expected that the Resulting Issuer will be able to cover the costs of this program with its existing resources.

Description of the Securities

The authorized capital of the Resulting Issuer will consist of an unlimited number of Shares without nominal or par value. Upon Completion of the Proposed Qualifying Transaction, it is anticipated that an aggregate of 8,413,600 Shares will be issued and outstanding as fully paid and non-assessable Shares. Subject to earlier exercise, a further 733,860 Shares will continue to be reserved for issuance pursuant to the exercise of Options, and 279,480 Shares will be reserved for issuance upon exercise of Agent's Options.

The holders of the Shares are entitled to receive notice of and attend any meeting of the Resulting Issuer's shareholders and are entitled to cast one vote for each Share held. The holders of the Shares are entitled to receive dividends, if, as and when declared by the Board of Directors of the Corporation and to receive a proportionate share, on a per share basis, of the assets of the Resulting Issuer available for distribution in the event of a liquidation, dissolution or winding-up of the Resulting Issuer.

Pro Forma Consolidated Capitalization

Pro Forma Consolidated Capitalization

The following table sets forth the *pro forma* share and loan capital of the Resulting Issuer as at September 30, 2011 on a consolidated basis, based on the *pro forma* consolidated financial statements contained in this Filing Statement, after giving effect to the Completion of the Proposed Qualifying Transaction and all matters ancillary thereto.

Designation of Security	Amount authorized or to be authorized(1)	Amount outstanding after giving effect to the Proposed Qualifying Transaction (# and $)
Shares	Unlimited	8,413,600 ($1,027,954)
Options	10% of issued and outstanding	733,860(1)
Agent's Options	279,480	279,480
Long-Term Debt	N/A	N/A
Retained Earnings (Deficit)	N/A	($252,653)

Note:

(1) Upon Closing of the Proposed Qualifying Transaction, there will be 733,860 Options outstanding. It is expected that further Options will be granted from time to time at the discretion of the board of directors of the Resulting Issuer after Completion of the Proposed Qualifying Transaction. See *"Information Concerning the Corporation – Stock Option Plan"* and *"Information Concerning the Resulting Issuer – Options to Purchase Securities"*.

Fully Diluted Share Capital

The following table summarizes the securities of the Corporation currently issued and outstanding and the securities of the Resulting Issuer to be issued and outstanding following Completion of the Proposed Qualifying Transaction:

	Number of Securities(1)	Percentage of Total Number of Shares to be Issued and Outstanding Following Completion of the Proposed Qualifying Transaction on a Fully Diluted Basis
Shares outstanding as of the date of this Filing Statement (*i.e.:* those held by current shareholders of the Corporation)	7,338,600	77.8%
Shares to be issued to Vendor as consideration	1,000,000	10.6%
Shares to be issued as Finder's Fee Shares	75,000	0.8%
Total Shares (non diluted):	**8,413,600**	**89.2%**
Shares issuable upon exercise of Options(1)	733,860	7.8%
Shares issuable upon exercise of Agent's Options(2)	279,480	3.0%
Total Shares (fully diluted):	**9,426,940**	**100.0%**

Notes:

(1) See *"Information Concerning the Corporation – Stock Option Plan"* and *"Information Concerning the Resulting Issuer – Options to Purchase Securities"*.

(2) Such Agent's Options are non-transferable options, each of which is exercisable into one Share at a price of $0.20 per Share, on or before April 15, 2012.

Available Funds and Principal Purposes

Funds Available

As of January 31, 2012, the *pro forma* working capital of the Resulting Issuer (prior to accounting for the estimated costs of the Proposed Qualifying Transaction ($100,000) and the cash consideration to be paid to the Vendor upon Closing ($50,000)) would be approximately $740,000.

Dividends

There are no restrictions in the Corporation's articles or elsewhere which could prevent the Resulting Issuer from paying dividends subsequent to the Completion of the Proposed Qualifying Transaction. The Corporation does not contemplate paying any dividends on any shares of the Corporation in the immediate future subsequent to the Completion of the Proposed Qualifying Transaction, as it anticipates investing all available funds to finance the growth of the Resulting Issuer's business. The directors of the Resulting Issuer will determine if, and when, to declare and pay dividends in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time. All of the Shares of the Resulting Issuer will be entitled to an equal share in any dividends declared and paid on a per share basis.

Principal Purpose of Funds

The following table sets out the estimated available funds after giving effect to the Proposed Qualifying Transaction and the proposed principal uses for those funds:

Expenditure	Amount
To fund first phase of Recommended Exploration Program (see "*Information Concerning the Resulting Issuer – Narrative Description of the Business*")	$362,000
Cash Consideration payable to Vendor upon Closing	$50,000
Estimated expenses of the Proposed Qualifying Transaction	$100,000
Estimated 12 months General and Administrative Expenditures	$100,000
Unallocated Working Capital	$128,000
Total Available Funds:	**$740,000**

The above uses of available funds are estimates only. Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult at this time to definitively project the total funds necessary to execute the planned undertakings of the Resulting Issuer. For these reasons, management considers it to be in the best interests of the Resulting Issuer and its shareholders to permit management a reasonable degree of flexibility as to how the Resulting Issuer's funds are employed among the above uses or for other purposes, as the need may arise.

Principal Securityholders

To the best of the knowledge of management of the Corporation, the only Persons who will beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the voting rights attached to all of the outstanding shares of the Resulting Issuer after Completion of the Proposed Qualifying Transaction are as follows:

Shareholder and Municipality of Residence	Number of Post-Consolidation Shares Beneficially Owned After Completion of Proposed Qualifying Transaction	Percentage of Shares Beneficially Owned After Completion of Proposed Qualifying Transaction	
		Issued	Fully Diluted[(3)]
49 North Resources Inc.[(1)] *Saskatoon, Saskatchewan*	1,000,000	11.9%	10.6%
BEC International Corporation *Saskatoon, Saskatchewan*	1,000,000[(2)]	11.9%	10.6%

Notes:

(1) Mr. Thomas MacNeill is the President and a director of 49 North Resources Inc. and holds approximately 11% of the outstanding voting shares thereof. 49 North Resources Inc. does not act jointly or in concert with BEC.
(2) Mr. William MacNeill is an officer, director, and the principal shareholder of BEC. He is arm's length to both Kenna and its principals, as well as to 49 North Resources Inc. and its principals. BEC does not act jointly or in concert with 49 North Resources Inc. In addition to the aforementioned shareholdings, Mr. MacNeill holds a further 250,000 Shares in his personal name.
(3) Gives effect to the exercise of all convertible securities of the Resulting Issuer.

All of the Shares set forth in the above table are owned both beneficially and of record by the shareholder identified in the table, except as otherwise indicated in the notes.

Directors, Officers and Promoters

Name, Municipality of Residence, Occupation and Security Holdings

It is expected that upon Completion of the Proposed Qualifying Transaction, the directors of the Resulting Issuer will continue to be Corey Giasson, Todd Lahti, Steve Halabura, Nigel Lees and Shane Shircliff. It is expected that upon Completion of the Proposed Qualifying Transaction, Corey Giasson will continue as President and Chief Executive Officer of the Resulting Issuer and Todd Lahti will continue as Chief Financial Officer and Corporate Secretary. It is anticipated that the audit committee of the Resulting Issuer will consist of Steve Halabura, Nigel Lees and Shane Shircliff.

It is expected that upon Completion of the Proposed Qualifying Transaction, Mr. Giasson will devote approximately fifty percent (50%) of his time to the business of the Resulting Issuer, that Mr. Lahti and Mr. Shircliff will devote approximately twenty-five percent (25%) of their time to the business of the Resulting Issuer and that each of the remaining directors and officers will devote approximately 5 percent (5%) of their time to the Resulting Issuer or such other amount of time as is necessary to successfully manage the Resulting Issuer and fulfill their obligations as directors and officers.

The following table lists the name, municipality of residence, proposed office, principal occupation and anticipated shareholdings of each proposed director and officer of the Resulting Issuer.

Name and Municipality of Residence	Positions and Offices to be Held	Principal Occupation During the Past 5 years	Anticipated Number of Common Shares Owned, Beneficially Held or Controlled upon Completion of the Proposed Qualifying Transaction and % of Class Held or Controlled [(2)]	Director or Officer of the Corporation Since
Corey J. Giasson *Saskatoon, Saskatchewan*	Director, President and Chief Executive Officer	CEO and director of Rallyemont Energy Inc. Prior thereto, Vice President, Business Development and Investor Relations for Anglo Potash Ltd., and prior thereto Manager, Market Research of Potash Corp.	600,100 7.13%	September 25, 2009

Name and Municipality of Residence	Positions and Offices to be Held	Principal Occupation During the Past 5 years	Anticipated Number of Common Shares Owned, Beneficially Held or Controlled upon Completion of the Proposed Qualifying Transaction and % of Class Held or Controlled [(2)]	Director or Officer of the Corporation Since
Todd L. Lahti *Saskatoon, Saskatchewan*	Director, Chief Financial Officer and Corporate Secretary	President of Pembrook Capital Advisors Inc., a company which provides advisory services to start-up companies, assisting with financial management, business planning and operations.	100,000 1.19%	September 25, 2009
Steve P. Halabura[(1)] *Saskatoon, Saskatchewan*	Director	President of North Rim Holdings Ltd., a Saskatchewan-based geoscience and engineering consulting firm focusing on proven leading-edge, innovative solutions.	100,000[(3)] 1.19%	September 25, 2009
C. Nigel Lees[(1)] *Toronto, Ontario*	Director	President of Sage Gold Inc., a Canadian exploration and development company with land positions in Timmins and Beardmore in northern Ontario.	100,000 1.19%	November 13, 2009
Shane W. Shircliff[(1)] *Saskatoon, Saskatchewan*	Director	Chief Operating Officer of Westcore Energy Ltd. Prior thereto, Director of Corporate Development with Cameco Corporation, one of the world's largest uranium producers, with global uranium assets.	200,000 2.37%	September 25, 2009

Notes:

(1) Member of the audit committee. The Corporation does not presently have a compensation committee or a corporate governance committee.
(2) Non-diluted.
(3) Shares are held by North Rim Holdings Ltd., a company owned and controlled by Steve Halabura.

Following the Completion of the Proposed Qualifying Transaction, the audit committee of the Resulting Issuer will continue to be comprised of Messrs. Halabura, Lees and Shircliff. The board of directors of the Resulting Issuer will establish such other committees as it determines to be appropriate following the Completion of the Proposed Qualifying Transaction.

As of the date of this Filing Statement, the Shares beneficially owned, directly or indirectly, by all promoters, directors and officers of the Corporation, as a group, is 1,100,100 Shares or approximately 14.99% of the 7,338,600 Shares that are currently issued and outstanding. Upon Closing of the Proposed Qualifying Transaction, the Shares beneficially owned, directly or indirectly, by all promoters, directors, officers and Insiders of the Resulting Issuer, as a group, will be 3,350,100 Shares or approximately 39.82% of the 8,413,600 Shares then to be issued and outstanding. The foregoing reflects the number of Shares to be held or controlled by Mr. William MacNeill after giving effect to the issuance of 1,000,000 Shares as partial consideration under the Acquisition Agreement.

Management

The following are summaries of the proposed directors and principal management of the Resulting Issuer, including their respective proposed positions with the Resulting Issuer and relevant work and educational background. None of these parties have entered into non-competition or non-disclosure agreements with the Corporation at this time, although it is intended that such agreements may be entered into prior to Closing of the Proposed Qualifying Transaction.

Corey J. Giasson (age 34), MBA, B.Sc. – Proposed President, Chief Executive Officer and a Director of the Resulting Issuer. Mr. Giasson is the President, Chief Executive Officer and a Director of the Corporation. It is anticipated that he will serve as President, Chief Executive Officer and a Director of the Resulting Issuer upon Completion of the

Proposed Qualifying Transaction. Mr. Giasson has been President, CEO and Director of Rallyemont Energy Inc., a private Saskatchewan corporation that is focused on heavy oil exploration, since its inception in July of 2009. Since August of 2008 Mr. Giasson has also served as an independent consultant to a group of companies and projects. The companies included PanWestern Energy Inc. (TSXV-PW), Infrastructure Materials Corp. (OTCBB-IFAM), and Anglo Potash Ltd. (TSXV-AGP) formerly Anglo Minerals Ltd. (TSXV-ALM). Prior thereto, from May of 2007 until July of 2008, Mr. Giasson served as the Vice President, Business Development and Investor Relations for Anglo Potash Ltd. which was in a joint venture with BHP Billion Diamonds Inc. ("BHP") and in 2008 was acquired by BHP for $284 million. Prior thereto, from August of 2005 until April of 2007, Mr. Giasson was employed by Potash Corp. the world's largest fertilizer company, where he held the title of Manager, Market Research. He received his MBA from the University of Saskatchewan, where he also received a B.Sc. in Agriculture Economics.

Todd L. Lahti (age 46) – Proposed Chief Financial Officer, Corporate Secretary and a Director of the Resulting Issuer. Mr. Halabura is the Chief Financial Officer, Corporate Secretary and a Director of the Corporation. It is anticipated that he will serve as Chief Financial Officer, Corporate Secretary and a Director of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction. Since August of 1997 Mr. Lahti has evaluated and managed a number of startup companies in the biotechnology, agricultural and oil and gas sectors, working directly on financing transactions, mergers and acquisitions, corporate strategy, business development, technology transfer and operations set up. Prior to this, he was Treasurer of PartnerRe Ltd., one of the largest reinsurance companies in the world, from November of 1993 until February of 1998. There he participated in large international mergers and acquisitions and financing initiatives and had responsibilities in investment management, investor relations, capital management and financial operations. He has closed over forty mergers and acquisitions, financing and licensing transactions totalling over $3.2 billion. Mr. Lahti obtained his Chartered Accountant designation in 1990 and his Chartered Financial Analyst designation in 1995.

Steve P. Halabura (age 53) – Proposed Director of the Resulting Issuer. Mr. Halabura is a Director of the Corporation. It is anticipated that he will serve as a Director of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction. Mr. Halabura attended the University of Saskatchewan in Saskatoon where he studied geology and engineering, prior to obtaining a B.Sc. in Geology (Honours) in 1980, and a M.Sc. in Geology in 1983. He obtained his Professional Geoscientist designation in 1997 and is registered as a Professional Geoscientist in the provinces of Alberta, Saskatchewan, Manitoba and Ontario. He is also an honorary Fellow of Engineers Canada. In 1984, Mr. Halabura founded North Rim Exploration Ltd., a geoscience consulting company, which provides advisement in the potash, industrial and sedimentary minerals sectors. In November 2009, Mr. Halabura sold North Rim and presently is founder, President and CEO of Concept Forge Inc., a private company specializing in identifying, quantifying, and monetizing stranded resource commodities present in Saskatchewan. Mr. Halabura began his career as a petroleum geologist with Petrocanada Inc. where he worked from June of 1980 to May of 1983. He is directly involved in the petroleum business as co-founder, shareholder, and chairman of Rallyemont Energy Inc. and Admiralty Oils Ltd. In addition, Mr. Halabura sits on numerous boards, including 49 North Resources Inc., a TSX Venture Exchange listed resource fund that invests in the mining and oil and gas sectors in Canada, DEEP Earth Energy Production Inc., Nexxt Potash Inc. and Pilot Energy, Inc.

C. Nigel Lees (age 68) – Proposed Director of the Resulting Issuer. Mr. Lees is a Director of the Corporation. It is anticipated that he will serve as a Director of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction. Mr. Lees has over 25 years experience in the investment banking industry in Canada and the United Kingdom and is the past founder and director of TVX Gold Inc., which merged with Kinross Gold in 2003. Since January of 1980 he has acted as the President of C.N. Lees Investments Limited, a private investment and consulting company and President and Chief Executive Officer of SAGE Gold Inc., a public precious metals exploration company listed on the Exchange.

Shane W. Shircliff (age 40), MBA, B.Comm. – Proposed Director of the Resulting Issuer. Mr. Shircliff is a Director of the Corporation. It is anticipated that he will serve as a Director of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction. Mr. Shircliff has extensive experience in acquisitions and divestitures being directly involved in deals worth over $1.0 billion. Mr. Shircliff studied economics prior to completing a Bachelor of Commerce degree with majors in Finance and Economics and a Masters of Business Administration from the University of Saskatchewan. Mr. Shircliff currently serves as Chief Operating Officer and a Director of Westcore Energy Ltd., a mining exploration company whose shares are listed and posted for trading on the Exchange. Mr. Shircliff previously worked at Cameco Corp., the world's largest uranium producer, from October of 1998 until July

2011, where he most recently served as the director of corporate development and power generation. Prior to joining Cameco, Mr. Shircliff was a commercial account manager with HSBC from October of 1996 to October 1998.

Promoter Consideration

Corey Giasson may be considered to be a promoter of the Corporation in that he took the initiative in founding and organizing the Corporation. Upon Completion of the Proposed Qualifying Transaction, Corey Giasson will hold or have control or direction over an aggregate of 600,100 Shares, which will represent approximately 7.20% of the issued and outstanding Shares on a non-diluted basis.

Cease Trade Orders or Bankruptcies

Within the past ten years none of the individuals proposed for appointment as a director, officer, promoter or other member of management of the Resulting Issuer upon Closing of the Proposed Qualifying Transaction, nor any promoter of the Resulting Issuer or security holder anticipated to hold a sufficient number of securities the Resulting Issuer to affect materially the control of the Resulting Issuer, has been a director, officer or promoter of any other issuer that, while he was acting in that capacity has been a director, officer or promoter of any other issuer that:

(a) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemptions under applicable securities law for a period of more than thirty (30) consecutive days; or

(b) was declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

No individual proposed for appointment as a director or officer of the Resulting Issuer, nor any promoter of the Resulting Issuer or any shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Corporation upon Closing of the Proposed Qualifying Transaction, has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making a decision about the Proposed Qualifying Transaction.

Personal Bankruptcies

No individual proposed for appointment as a director or officer of the Resulting Issuer upon Closing of the Proposed Qualifying Transaction, nor any promoter of the Resulting Issuer or any shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer upon Closing of the Proposed Qualifying Transaction, nor any personal holding company of any such person, has, within the ten years before the date of this Filing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Conflicts of Interest

Some of the individuals proposed for appointment as directors or officers or promoters of the Resulting Issuer upon Closing of the Proposed Qualifying Transaction are also directors, officers and/or promoters of other reporting and non-reporting issuers. Conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of *The Business Corporations Act* (Saskatchewan) to act at all times in good faith in the interest of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise. Except as otherwise provided herein, to the best of its knowledge, the Corporation is not aware of the existence of any conflicts of interest between the Corporation and any of its directors and officers as of the date of this Filing Statement. The shareholders of the Corporation must appreciate that they will be required to rely on the judgment and good faith of its directors and officers in resolving any conflicts of interest that may arise.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoter of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

The following table sets out the proposed directors, officers and promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or Promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Name	Name of Reporting Issuer	Exchange or Market	Position	From	To
Corey J. Giasson	Anglo Potash Ltd.	TSXV	Vice President	05/2007	07/2008
C. Nigel Lees	Sage Gold Inc.	TSXV	President & CEO	12/2003	Present
	Yamana Gold Inc.	TSX/NYSE/LSE	Director	06/2005	Present
	Hawk Uranium Inc.	TSXV	Director	03/2007	02/2010
	Augyva Mining Resources	TSXV	Director	08/2011	Present
Steve P. Halabura	49 North Resources Inc.	TSXV	Director	06/2009	Present
	Wedona Energy Inc.	N/A	Director	08/2002	Present
	Wedona Energy II Inc.	N/A	Director	05/2003	Present
Shane W. Shircliff	Westcore Energy Ltd.	TSXV	Director, COO	07/2011	Present

Executive Compensation

The following table sets out the proposed annual compensation to be paid, after giving effect to the Proposed Qualifying Transaction for the twelve months following Completion of the Proposed Qualifying Transaction, to the proposed CEO of the Resulting Issuer and four most highly compensated executive officers.

		Annual Compensation			Long Term Compensation	
Name and Principal Position	**Year Ended Dec. 31**	**Salary ($)**	**Bonus ($)**	**Other Annual Compensation ($)**	**Securities Under Stock Options Granted**	**All Other Compensation ($)**
Corey J. Giasson *President and Chief Executive Officer*	2012	TBD(1)	Nil	Nil	Nil(2)	Nil
Todd Lahti *Chief Financial Officer and Corporate Secretary*	2012	TBD(1)	Nil	Nil	Nil(2)	Nil

Note:

(1) To be determined by the board of directors of the Resulting Issuer following Completion of the Proposed Qualifying Transaction. It is expected that any salaries payable to the officers of the Resulting Issuer will be commensurate to industry standards, having regard to various

factors, including but not limited to: the stage of development of the Resulting Issuer; the financial capacity of the Resulting Issuer; the relative experience of such officers; and the proportion of time devoted to the performance of their responsibilities as officers of the Resulting Issuer.

(2) The officers of the Corporation will be eligible to receive Incentive Stock Options at the discretion of the directors.

Following Completion of the Proposed Qualifying Transaction, it is anticipated that the Resulting Issuer may pay compensation to its directors and officers. However, no payment other than reimbursements for the Corporation's reasonable allocation of rent, secretarial services and other general administrative expenses, at fair market will be made by the Resulting Issuer, or by any party on behalf of the Resulting Issuer, after Completion of the Proposed Qualifying Transaction, if the said payment relates to services rendered or obligations incurred or in connection with the Proposed Qualifying Transaction.

Indebtedness of Directors and Officers

Upon Closing of the Proposed Qualifying Transaction, none of the directors or officers of the Corporation, nor any other individual who at any time since incorporation of the Corporation was a director or officer of the Corporation, nor any of its Associates, will be indebted to the Corporation, and neither will any indebtedness of any of these individuals or Associates to another entity be the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

Investor Relations Arrangements

The Corporation has not entered into any written or oral agreement or understanding with any person to provide promotional or investor relations services, or to engage in activities for the purposes of stabilizing the market, either now or in the future.

Options to Purchase Securities

Options To Purchase Securities

As at the date hereof, there are 733,860 Options issued and outstanding. The Corporation has also granted to the firm who acted as agent for the Corporation's IPO, Agent's Options to purchase 279,480 Shares. No new Options are expected to be granted prior to the Closing of the Proposed Qualifying Transaction. The following table illustrates the number of Options that will be held by the proposed officers, directors, employees and consultants of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction (assuming that no Options are exercised prior to such time).

Name and Principal Position	Number of Holders	Options (#)	Exercise or Base Price ($/Share)	Expiration Date
Officers of the Resulting Issuer, as a group	2	366,930	$0.20	April 15, 2015
Directors of the Resulting Issuer who are not officers, as a group	3	366,930	$0.20	April 15, 2015
Officers and Directors of subsidiaries of the Resulting Issuer, as a group	0	Nil	N/A	N/A
Employees of the Resulting Issuer, as a group	0	Nil	N/A	N/A
Consultants of the Resulting Issuer, as a group	0	Nil	N/A	N/A

All of the foregoing options of the Resulting Issuer will be governed by the Option Plan of the Corporation.

Stock Option Plan

The stock option plan of the Resulting Issuer will continue to be the Option Plan. For a description of the Option Plan, see *"Information Concerning the Corporation – Stock Option Plan"*.

Escrowed Securities

To the best of the knowledge of the management of the Corporation, as of the date of this Filing Statement, the following table discloses the names and municipalities of residence of the securityholders, the number of Shares currently held in escrow and the number of Shares anticipated to be held in escrow upon Completion of the Proposed Qualifying Transaction, and the percentage that those numbers represent of the outstanding Shares both prior to and upon Completion of the Proposed Qualifying Transaction:

		Prior to Giving Effect to the Proposed Qualifying Transaction		**After Giving Effect to the Proposed Qualifying Transaction**	
Name and Municipality of Residence of Securityholder	**Designation of Class**	**No. of securities held in escrow**	**Percentage of class**	**No. of Shares to be held in escrow**	**Percentage of class[(2)]**
Corey J. Giasson *Saskatoon, Saskatchewan*	Shares	600,100**[(1)]**	8.17%	600,100**[(1)]**	7.13%
Shane W. Shircliff *Saskatoon, Saskatchewan*	Shares	200,000**[(1)]**	2.73%	200,000**[(1)]**	2.38%
Todd L. Lahti *Saskatoon, Saskatchewan*	Shares	100,000**[(1)]**	1.36%	100,000**[(1)]**	1.19%
North Rim Holdings Ltd.[(3)] *Saskatoon, Saskatchewan*	Shares	100,000**[(1)]**	1.36%	100,000**[(1)]**	1.19%
C. Nigel Lees *Toronto, Ontario*	Shares	100,000**[(1)]**	1.36%	100,000**[(1)]**	1.19%
49 North Resources Inc.[(4)] *Saskatoon, Saskatchewan*	Shares	1,000,000**[(1)]**	13.63%	1,000,000**[(1)]**	11.89%
Nicole MacNeill *Saskatoon, Saskatchewan*	Shares	250,000**[(1)]**	3.41%	250,000**[(1)]**	2.97%
Peter Aitken *Saskatoon, Saskatchewan*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Carol Joanne Balcewich *Winnipeg, Manitoba*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
David Chapman *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Kelly Gould *Saskatoon, Saskatchewan*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
682501 Alberta Ltd.[(5)] *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Robert Guist *Saskatoon, Saskatchewan*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Daniel Hardie *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Andrew McCreath *Calgary, Alberta*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%

Name and Municipality of Residence of Securityholder	Designation of Class	Prior to Giving Effect to the Proposed Qualifying Transaction		After Giving Effect to the Proposed Qualifying Transaction	
		No. of securities held in escrow	Percentage of class	No. of Shares to be held in escrow	Percentage of class[(2)]
Donald S. Mcfarlane *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Larry Riggin *London, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Mark Smith-Windsor *Saskatoon, Saskatchewan*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Mark Wayne *Calgary, Alberta*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Sharon Wingate *Saskatoon, Saskatchewan*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Rene Dansereau *Winnipeg, Manitoba*	Shares	25,000**[(1)]**	0.34%	25,000**[(1)]**	0.30%
Robert Theoret *Saskatoon, Saskatchewan*	Shares	25,000**[(1)]**	0.34%	25,000**[(1)]**	0.30%
Frank Lukowich *Saskatoon, Saskatchewan*	Shares	20,000**[(1)]**	0.27%	20,000**[(1)]**	0.24%
Paul Conroy *Calgary, Alberta*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	1.49%
Jeffrey Engen *Calgary, Alberta*	Shares	40,000**[(1)]**	0.55%	40,000**[(1)]**	0.48%
Nicole Ryer *Saskatoon, Saskatchewan*	Shares	10,000**[(1)]**	0.14%	10,000**[(1)]**	0.12%
Robert Hannah *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Robert Christopherson *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Philip Armstrong *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Felcom Capital Corporation[(6)] *Toronto, Ontario*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
William R. MacNeill *Saskatoon, Saskatchewan*	Shares	250,000**[(1)]**	3.41%	250,000**[(1)]**	2.97%
Mary Giasson *Shaunavon, Saskatchewan*	Shares	25,000**[(1)]**	0.34%	25,000**[(1)]**	0.30%
Jan Lahti *Saskatoon, Saskatchewan*	Shares	100,000**[(1)]**	1.36%	100,000**[(1)]**	1.19%
Donald A. Simon *Vancouver, British Columbia*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%
Joseph R. Martin *Vancouver, British Columbia*	Shares	50,000**[(1)]**	0.68%	50,000**[(1)]**	0.59%

Name and Municipality of Residence of Securityholder	Designation of Class	Prior to Giving Effect to the Proposed Qualifying Transaction		After Giving Effect to the Proposed Qualifying Transaction	
		No. of securities held in escrow	Percentage of class	No. of Shares to be held in escrow	Percentage of class(2)
BEC International Corporation(7) *Saskatoon, Saskatchewan*	Shares	Nil	-	1,000,000(8)	11.89%

Notes:

(1) Subject to the CPC Escrow Agreement (among the Corporation, Equity Transfer & Trust Company and the founding shareholders of the Corporation) whereby 10% of such securities shall be released from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**") and an additional 15% shall be released on the dates that are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. In addition, any Shares issued upon exercise of Options to Principals of the Corporation prior to Completion of the Proposed Qualifying Transaction will be subject to the CPC Escrow Agreement.
(2) Non-diluted.
(3) A private corporation that is owned or controlled by Steve P. Halabura, a director of the Corporation.
(4) A public company whose shares are listed and posted for trading on the Exchange.
(5) A private corporation that is owned or controlled by Jeff Green.
(6) A private corporation that is owned or controlled by Otto Felber.
(7) A private corporation that is owned or controlled by Mr. William MacNeill.
(8) All of the Shares that are issued to BEC upon Closing of the Proposed Qualifying Transaction will be deposited under the Surplus Security Escrow Agreement (to be entered into concurrent with the Closing of the Proposed Qualifying Transaction between the Resulting Issuer, BEC and Equity Transfer & Trust Company) whereby 5% of such securities shall be released from escrow on the issuance of the Final Exchange Bulletin, an additional 5% shall be released on the date that is 6 months following the Initial Release, 10% shall be released on the dates that are 12 months and 18 months following the Initial Release, 15% shall be released on the dates that are 24 months and 30 months following the Initial Release and 40% shall be released on the date that is 36 months following the Initial Release.

Auditors, Transfer Agent and Registrar

Auditor

The Resulting Issuer's auditors will be Hergott Duval Stack LLP, at their offices located at 1200 Saskatoon Square, 410 – 22nd Street East, Saskatoon, Saskatchewan S7K 5T6.

Transfer Agent and Registrar

It is anticipated that the registrar and transfer agent for the Shares subsequent to the Completion of the Proposed Qualifying Transaction will continue to be Equity Transfer & Trust Company, with an office located at 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1.

GENERAL MATTERS

Sponsorship and Agent Relationship

Sponsor

No Sponsor has been retained in connection with the Proposed Qualifying Transaction as the Exchange has granted the Corporation an exemption from sponsorship requirements.

Relationships

The Corporation has not entered into any agreement with any registrant to provide sponsorship or corporate finance services other than as set forth herein.

Experts

Opinions

The Corporation engaged Amerlin Exploration Services Ltd. for the purposes of preparing a report in accordance with NI 43-101 in respect of the Property. Neither Amerlin, nor its officers, has any direct or indirect interest in the property of the Corporation, or the Property of the Resulting Issuer upon Completion of the Proposed Qualifying Transaction, nor will any such interest be receivable at such time.

Interests of Experts

At the date hereof, officers, directors, employees and consultants of Amerlin, the authors of the Technical Report, own, directly or indirectly, in the aggregate, less than one percent of any of the securities of the Corporation. No officer, director, employee or consultant of Amerlin is or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer.

As at the date hereof, partners and associates of Hergott Duval Stack LLP, the Corporation's current auditors, who were directly involved in services provided to the Corporation own, respectively, directly or indirectly, in the aggregate, less than one percent of any of the securities of the Corporation. No partner or associate of Hergott Duval Stack LLP is or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer. As of the date hereof, the auditors of the Corporation, Hergott Duval Stack LLP, have advised that they are independent with respect to Kenna and BEC within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Saskatchewan.

At the date hereof, lawyers with Tingle Merrett LLP, counsel to the Corporation, own, directly or indirectly, in the aggregate, less than one percent of the common shares of the Corporation. No lawyer with Tingle Merrett LLP is or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or of any associate or affiliate of the Resulting Issuer.

Other Material Facts

There are no other material facts about the Corporation, the Resulting Issuer or the Proposed Qualifying Transaction that are not elsewhere disclosed herein and which are necessary in order for this Filing Statement to contain full, true and plain disclosure of all material facts relating to the Corporation and the Resulting Issuer, assuming Completion of the Proposed Qualifying Transaction.

Board Approval

The contents and the filing of this Filing Statement have been approved by the board of directors of the Corporation. Where information contained in this Filing Statement rests particularly within the knowledge of a person other than the Corporation, the Corporation has relied upon information furnished by such person.

AUDITOR'S CONSENTS

Hergott Duval Stack LLP
CHARTERED ACCOUNTANTS

Suite 1200, 410 - 22nd Street East Saskatoon, SK S7K 5T6
Phone (306) 934-8000 Fax (306) 653-5859 www.hergott.com

AUDITORS' CONSENT

We have read to the filing statement of Kenna Capital Corp. (the "Corporation") dated March 13, 2012, prepared and filed in accordance with Policy 2.4 of the TSX Venture Exchange in connection with the Company's qualifying transaction. We have complied with Canadian generally accepted standards for auditors' involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report to the Shareholders of the Corporation regarding our audit on the balance sheets of the Corporation as at December 31, 2010 and 2009, and the statement of income and deficit, and cash flows for the periods then ended. Our auditors' report is dated January 24, 2011.

Hergott Duval Stack LLP

SASKATOON, SASKATCHEWAN

March 13, 2012

Chartered Accountants

APPENDIX "A"
FINANCIAL STATEMENTS OF KENNA CAPITAL CORP.

KENNA CAPITAL CORP.

FINANCIAL STATEMENTS

DECEMBER 31, 2010

Hergott Duval Stack LLP
CHARTERED ACCOUNTANTS

Suite 1200, 410 - 22nd Street East Saskatoon, SK S7K 5T6
Phone (306) 934-8000 Fax (306) 653-5859 www.hergott.com

INDEPENDENT AUDITORS' REPORT

To the Directors of
Kenna Capital Corp.

We have audited the accompanying financial statements of Kenna Capital Corp., which comprise the balance sheet as at December 31, 2010 and 2009, and the statements of loss and deficit and cash flows for the periods then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Kenna Capital Corp. as at December 31, 2010 and 2009, and the results of its operations and cash flows for the periods then ended in accordance with Canadian generally accepted accounting principles.

Hergott Duval Stack LLP

SASKATOON, SASKATCHEWAN

January 24, 2011 Chartered Accountants

KENNA CAPITAL CORP.

BALANCE SHEET

DECEMBER 31, 2010

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	$ 860,046	$ 355,648
Accounts receivable and prepaid expenses	3,635	1,669
Deferred share issue costs	-	36,184
	$ 863,681	**$ 393,501**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**$ 16,707**	**$ 27,918**
SHAREHOLDERS' EQUITY		
Share capital (Note3)	898,954	384,510
Contributed surplus (Note 3)	126,069	-
Deficit	(178,049)	(18,927)
	846,974	**365,583**
	$ 863,681	**$ 393,501**

Approved by the Board

"Stephen P. Halabura" Director

"Corey J. Giasson" Director

KENNA CAPITAL CORP.

STATEMENT OF INCOME AND DEFICIT

FOR THE PERIODS ENDED DECEMBER 31,

	(12 months) 2010	(3 months) 2009
Revenue		
Interest income	**$ 3,080**	**$ 85**
Expenses		
Accounting and audit	15,028	8,250
Consultants	6,938	-
Insurance	7,185	87
Legal	23,869	8,134
Office and other	787	2,541
Stock based compensation	100,245	-
Transfer agent	5,084	-
Travel	3,066	-
	162,202	**19,012**
Net loss	**$ (159,122)**	**$ (18,927)**
Deficit, beginning of period	(18,927)	-
Deficit, end of period	**$ (178,049)**	**$ (18,927)**
Basic and diluted loss per share	**$ (0.025)**	**$ (0.005)**
Weighted average number of shares outstanding	**6,410,190**	**3,845,100**

KENNA CAPITAL CORP.

STATEMENT OF CASH FLOWS

FOR THE PERIODS ENDING DECEMBER 31,

	(12 months) 2010	(3 months) 2009
Cash flows from operating activities:		
Net loss	$ (159,122)	$ (18,927)
Stock based compensation	100,245	
Net changes in non-cash working capital		
Items related to operations:		
Accounts receivable and prepaid expenses	(1,966)	(1,669)
Accounts payable and accrued liabilities	8,208	8,499
	(52,635)	**(12,097)**
Cash flows from financing activities:		
Deferred share issue costs	36,184	(36,184)
Issuance of Class A shares	698,700	384,510
Share issuance costs	(158,432)	-
Accounts payable and accrued liabilities	(19,419)	19,419
	557,033	**367,745**
Net increase in cash during the period	504,398	355,648
Cash and cash equivalents, beginning of the period	355,648	-
Cash and cash equivalents, end of the period	**$ 860,046**	**$ 355,648**

1. Nature of operations

The Corporation was incorporated under the provisions of *The Saskatchewan Business Corporations Act* on September 25, 2009, under the name of Kenna Capital Corp. The Corporation is classified as a Capital Pool Corporation as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4.

The Corporation proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be accepted by the TSX-V, and in the case of a Non-Arm's Length Qualifying Transaction, is also subject to Majority of the Minority Approval in accordance with the Capital Pool Corporation Policy.

Continuance of operations

These financial statements have been prepared on a going concern basis which assumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the year ended December 31, 2010, the Corporation had a loss from operations of $159,122 and deficit in the amount of $178,049. The Corporation's continuing operations, as intended, are dependent on its ability to continue to raise adequate financing and to identify, evaluate, and negotiate an acquisition of, a participation in or an interest in, assets or businesses. The outcome of these matters cannot be predicted at this time.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") and reflect the following significant accounting policies, which were adopted upon incorporation:

Cash and cash equivalents

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

Future income taxes

The Corporation uses the liability method of recording income taxes. This method recognizes the future income tax outflows that will result whenever the carrying amount of an asset or liability is 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

The Corporation uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is recognized based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Basic loss per share is calculated using the weighted average number of shares outstanding during the period.

2. **Significant account policies** (continued)

Stock-based compensation

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 Corporation uses the Black-Scholes option-pricing method to determine the fair value of these incentives.

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.

By nature, valuations are subjective and do not necessarily result in precise determinations. Should underlying assumptions change, the estimated value could change by a material amount.

Financial instruments

The Corporation 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 fair value and their subsequent measurement is dependent on their classification.

The Corporation 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 CICA has issued several new accounting standards, including Section 1582 Business Combinations, Section 1601 Consolidated Financial Statements and Section 1602 Non-Controlling Interests. These Sections will be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

International financial reporting standards

The CICA has announced that public companies will be required to converge Canadian Generally Accepted Accounting Principles with International Financial Reporting Standards (IFRS). Management is currently assessing the impact of the IFRS convergence on the Corporation's financial statements.

3. Share capital

The authorized share capital of the Corporation consists of an unlimited number of Class A common shares (“Shares”).

Common shares issued

	Common Shares		Share Capital
Balance, September 25, 2009			
Shares issued	3,845,100	$	384,510
Share issue costs	-		-
Balance, December 31, 2009	**3,845,100**		**384,510**
Shares issued	3,493,500		698,700
Share issue costs	-		(184,256)
Balance, December 31, 2010	**7,338,600**	**$**	**898,954**

In 2009, the Corporation issued 3,845,100 Shares at a price of $0.10 per Share for total cash proceeds of $384,510, all of which are held in escrow (the “Escrow Shares”).

Ten percent of the Escrow Shares will be released from escrow upon issuance of a Final Exchange Bulletin by the TSX-V. The remainder of the Escrow Shares will be released from escrow in six equal tranches of 15% every six months thereafter for a period of 36 months. These Escrow Shares may not be transferred, assigned or otherwise dealt with or without the consent of the regulatory authorities. If a Final Exchange Bulletin is not issued, the Shares will not be released from escrow and if the Corporation is delisted, the Shares will be cancelled.

Rather than be delisted, the Corporation may also choose to list on the NEX, in which case some or all of the Escrow Shares may be cancelled.

On April 7, 2010, the Corporation completed its initial public offering (the “Offering”) of 3,493,500 Shares at a price of $0.20 per Share for aggregate gross proceeds of $698,700. The Offering was made pursuant to a prospectus dated March 24, 2010, filed with the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Financial Services Commission, the Manitoba Securities Commission and the Ontario Securities Commission.

The Shares commenced trading on the TSX-V Ex on April 15, 2010 under the symbol "MMG.P".

3. Share capital (continued)

Stock option plan

The Corporation has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase common shares.

On April 7, 2010, immediately following the closing of the Offering, the Corporation issued 733,860 stock options to its directors and officers. These stock options have an exercise price of $0.20 per share, are exercisable for a period of 5 years and vested immediately.

The fair value of stock options issued in 2010 was calculated using the Black-Scholes option-pricing model, was $100,245 which was allocated to stock-based compensation expense with a corresponding increase in contributed surplus. The fair value was determined using the following assumptions: risk free rate of 2.98%, volatility of 85%, dividend yield of nil and expected term of five years.

Agent's option

In conjunction with the Offering, the Corporation issued to its agent a non-transferable option to purchase 279,480 Shares at a price of $0.20 per Share, exercisable until April 15, 2012 and vested immediately.

The fair value of agent's options issued in 2010 was calculated using the Black-Scholes option-pricing model was $25,824 which was recorded as share issue costs, reducing share capital, with a corresponding increase in contributed surplus. The fair value was determined using the following assumptions: risk free rate of 1.78%, volatility of 85%, dividend yield of nil and expected term of two years.

Contributed surplus

The fair values of stock options and agent's options have been valued using the Black-Scholes option-pricing model. Upon grant, the fair value of these securities is added to contributed surplus. Upon exercise, the corresponding amount of contributed surplus related to the security is removed from contributed surplus and added to share capital. A summary of the contributed surplus activity is as follows:

Balance, December 31, 2009	**$ -**
Fair value of stock options granted	100,245
Fair value of agent's options granted	25,824
Balance, December 31, 2010	**$ 126,069**

4. Income taxes

A reconciliation of income taxes at Canadian statutory rates with the reported income taxes is as follows:

	2010	2009
Net loss per financial statements	**$ (159,122)**	**$ (18,927)**
Expected income tax expense (recovery)	**$ (49,328)**	**$ (5,867)**
Stock-based compensation	31,076	-
Share issuance costs	(9,823)	-
Tax losses not recognized	28,075	5,867
Actual income tax expense	**$ -**	**$ -**

Future income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Corporation's future tax assets and liabilities are as follows:

	2010	2009
Future income tax asset		
Non-capital loss carryforwards	$ 29,563	$ 5,110
Share issuance costs	34,221	
	63,784	5,110
Less: valuation allowance	(63,784)	(5,110)
Future income tax asset	**$ -**	**$ -**

As at December 31, 2010, the Corporation has non-capital losses of $109,424 which are available to reduce future taxable income. These losses begin to expire in 2029.

5. Capital management

The Corporation's objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to allow the Corporation to complete a qualifying transaction. Management defines capital as the Corporation's shareholders' equity. The Corporation is not subject to externally-imposed capital requirements.

6. Financial instruments

Fair value of 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.

KENNA CAPITAL CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

(Unaudited)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
PREPARED BY MANAGEMENT

The accompanying condensed interim financial statements of Kenna Capital Corp. (the "Company") comprised of the Condensed Interim Statements of Financial Position as at September 30, 2011 and December 31, 2010, and the Condensed Interim Statements of Operations and Comprehensive Loss, Condensed Interim Statements of Changes in Equity and Condensed Interim Statements of Cash Flows for the three and nine months ended September 30, 2011 and 2010 are the responsibility of the Company's management. The independent external auditors of the Company have not reviewed these financial statements.

KENNA CAPITAL CORP.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	September 30, 2011	December 31, 2010	January 1, 2010
	(Unaudited)	(Audited) (note 6)	(Unaudited) (note 6)
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 772,361	$ 860,046	$ 355,648
Accounts receivable and prepaid expenses	5,044	3,635	1,669
Deferred share issue costs			36,184
	$ 777,405	**$ 863,681**	**$ 393,501**
LIABILITIES			
Current Liabilities:			
Accounts payable and accrued liabilities	**$ 5,035**	**$ 16,707**	**$ 27,918**
SHAREHOLDERS' EQUITY			
Share Capital	898,954	898,954	384,510
Contributed Surplus	126,069	126,069	-
Deficit	(252,653)	(178,049)	(18,927)
	772,370	**846,974**	**365,583**
	$ 777,405	**$ 863,681**	**$ 393,501**

Approved by the Board on November 10, 2011

"Todd L. Lahti" Director *"Corey J. Giasson"* Director

KENNA CAPITAL CORP.

CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)
(Unaudited)

	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				
Share based compensation	-	-	-	100,245
Accounting and audit	6,034	4,730	12,513	15,280
Legal	3,746	-	39,622	8,609
Consultants	-	-	8,324	-
Insurance	2,374	2,362	7,123	4,811
Transfer agent, listing and filing fees	1,530	1,575	11,953	3,524
Travel	-	3,066	-	3,066
Office and miscellaneous	18	68	112	694
	13,702	**11,801**	**79,647**	**136,229**
Net comprehensive loss	**$ (12,054)**	**$ (10,776)**	**$ (74,604)**	**$(134,825)**
Deficit, beginning of period	(240,599)	(142,976)	(178,049)	(18,927)
Deficit, end of period	**$ (252,653)**	**$ (153,752)**	**$ (252,653)**	**$(153,752)**
Basic and diluted loss per common share	**$ (0.002)**	**$ (0.001)**	**$ (0.010)**	**$ (0.022)**
Weighted average number of common shares outstanding	**7,338,600**	**7,338,600**	**7,338,600**	**6,097,320**

KENNA CAPITAL CORP.

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)
(Unaudited)

	Common Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance, January 1, 2010	3,845,100	$ 384,510	$ -	$ (18,927)	$ 365,583
Initial public offering	3,493,500	698,700			698,700
Share issue costs		(158,432)			(158,432)
Agent's options		(25,824)	25,824		-
Share based compensation			100,245		100,245
Net loss and comprehensive loss				(134,825)	(134,825)
Balance, September 30, 2010	7,338,600	$ 898,954	$ 126,069	$ (153,752)	$ 871,271
Balance, December 31, 2010	7,338,660	$ 898,954	$ 126,069	$ (178,049)	$ 846,974
Net loss and comprehensive loss				(74,604)	(74,604)
Balance, September 30, 2011	7,338,660	$ 898,954	$ 126,069	$ (252,653)	$ 772,370

KENNA CAPITAL CORP.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2011	**2010**	**2011**	**2010**
Cash flows from operating activities:				
Net loss	$ (12,054)	$ (10,776)	$ (74,604)	$ (134,825)
Share based compensation				100,245
Net changes in non-cash working capital items related to operations:				
Accounts receivable and prepaid expenses	2,569	4,439	(1,409)	(3,135)
Accounts payable and accrued liabilities	393	2,770	(11,672)	(19,367)
	(9,092)	**(3,567)**	**(87,685)**	**(57,082)**
Cash flows from financing activities:				
Deferred share issue costs	-	-	-	36,184
Accounts payable and accrued liabilities	-	-	-	540,268
	-	**-**	**-**	**576,452**
Net increase (decrease) in cash during the period	(9,092)	(3,567)	(87,685)	519,370
Cash, beginning of the period	781,453	878,585	860,046	355,648
Cash, end of the period	**$ 772,361**	**$ 875,018**	**$ 772,361**	**$ 875,018**

KENNA CAPITAL CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2011

(Unaudited)

1. Nature of operations

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

The Company proposes to identify and evaluate businesses and assets with a view to completing a Qualifying Transaction as defined in TSX-V Corporate Finance Manual Policy 2.4 – *Capital Pool Companies* ("Policy 2.4"). Any proposed Qualifying Transaction must be accepted by the TSX-V and, in the case of a Non-Arm's Length Qualifying Transaction (as defined in Policy 2.4), is also subject to Majority of the Minority Approval (as defined in Policy 2.4).

Continuance of operations

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. During the nine months ended September 30, 2011, the Company had a loss from operations of $74,604 and deficit in the amount of $252,653. The Company's continuing operations, as intended, are dependent on its ability to continue to raise adequate financing and to identify, evaluate, and negotiate an acquisition of, a participation in or an interest in, assets or businesses. The outcome of these matters cannot be predicted at this time.

2. Significant accounting policies

Statement of compliance

These condensed interim financial statements were prepared using International Financial Reporting Standards ("IFRS"). Prior to January 1, 2011, the Company prepared its financial statements in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP"). The disclosures required by the provisions of IFRS 1, "First-time adoption of International Financial Reporting Standards", explaining how the transition to IFRS has affected the reported financial performance, cash flows and financial position of the Company, are presented in Note 6.

These unaudited condensed interim financial statements have been prepared using International Accounting Standard 34, Interim Financial Reporting. 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 ("IASB") and interpretations of the International Financial Reporting Interpretations Committee.

The accounting policies described below have been applied consistently to all periods presented in these unaudited condensed interim financial statements. They have also been applied in preparing an opening IFRS balance sheet as at January 1, 2010 (Note 6) for the purposes of the transition to IFRS as required by 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.

2. Significant accounting policies (continued)

Basis of presentation

These unaudited condensed interim financial statements have been prepared on the historical cost basis.

Functional and presentation currency

These unaudited condensed interim 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

2. Significant accounting policies (continued)

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 condensed interim 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.

3. Share capital

The authorized share capital of the Company consists of an unlimited number of Class A shares ("Common Shares" or "Shares").

Common Shares issued and contributed surplus

	Common Shares		Share Capital		Contributed Surplus
Offering - 2009	3,845,100	$	384,510	$	-
Initial public offering - 2010	3,493,500		698,700		-
Share issue costs	-		(158,432)		-
Agent's options	-		(25,824)		25,824
Stock-based compensation	-		-		100,245
Balance, September 30, 2011 and December 31, 2010	**7,338,600**	**$**	**898,954**	**$**	**126,069**

In 2009, the Company issued 3,845,100 Shares at a price of $0.10 per Share for total cash proceeds of $384,510, all of which are held in escrow (the "Escrow Shares") pursuant to an escrow agreement dated March 24, 2010.

Pursuant to the escrow agreement, 10% of the Escrow Shares will be released from escrow upon issuance of a Final Exchange Bulletin by the TSX-V and the remainder of the Escrow Shares will be released from escrow in six equal tranches of 15% every six months thereafter for a period of 36 months. These Escrow Shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities. If a Final Exchange Bulletin is not issued, the Escrow Shares will not be released from escrow and if the Company is delisted, certain Escrow Shares will be cancelled.

Rather than be delisted, the Company may also choose to list on NEX, in which case certain of the Escrow Shares may be cancelled.

On April 7, 2010, the Company completed its initial public offering (the "Offering") of 3,493,500 Shares at a price of $0.20 per Share for aggregate gross proceeds of $698,700. The Offering was made pursuant to a prospectus dated March 24, 2010, filed with the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Financial Services Commission, The Manitoba Securities Commission and the Ontario Securities Commission.

The Shares commenced trading on the TSX-V on April 15, 2010 under the symbol "MMG.P".

3. Share capital (continued)

Stock option plan

The Company has adopted an incentive stock option plan (the "Option Plan"), which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Shares.

On April 7, 2010, immediately following the closing of the Offering, the Company issued 733,860 stock options to its directors and officers. These stock options have an exercise price of $0.20 per Share, are exercisable for a period of 5 years and vested immediately.

The fair value of stock options issued in 2010 calculated using the Black-Scholes option pricing model was $100,245 and was recorded as stock based compensation, with a corresponding increase in contributed surplus. The fair value was determined using the following assumptions: risk free rate of 2.98%, volatility of 85%, dividend yield of nil and expected term of five years.

Agent's option

In conjunction with the Offering, the Company issued to its agent a non-transferable option to purchase 279,480 Shares at a price of $0.20 per Share, exercisable until April 15, 2012.

The fair value of agent's options issued in 2010 calculated using the Black-Scholes option pricing model was $25,824 and was recorded as share issue costs, reducing share capital, with a corresponding increase in contributed surplus. The fair value was determined using the following assumptions: risk free rate of 1.78%, volatility of 85%, dividend yield of nil and expected term of two years.

4. Capital management

The Company's objective is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to allow the Company to complete a Qualifying Transaction. Management defines capital as the Company's shareholders' equity. The Company is not subject to externally imposed capital requirements.

5. Financial instruments

Fair value of 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.

6. Conversion to IFRS

As stated in Significant Accounting Policies Note 2, these condensed interim financial statements were prepared using IFRS as issued by the IASB. Prior to January 1, 2011, the Company prepared its financial statements in accordance with Canadian GAAP.

The policies set out in the Significant Accounting Policies section have been applied in preparing the financial statements for the three and nine months ended September 30, 2011 as well as the comparative information presented for the three and nine months ended September 30, 2010 and in preparation of an opening IFRS balance sheet at January 1, 2010, the Company's transition date (the "Transition Date").

6. Conversion to IFRS (continued)

First time adoption of IFRS

The Company did not use any of the optional exemptions listed in IFRS 1.

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 of 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.

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 and at the Transition Date are consistent with those that were made under Canadian GAAP.

Changes to accounting policies

The Company has changed certain accounting policies to be consistent with IFRS, however, these changes have not resulted in any significant change to the recognition and measurement of assets, liabilities, equity, revenue and expenses within its financial statements.

Transition date unaudited condensed statement of financial position

The Company's Transition Date IFRS unaudited statement of financial position is included as comparative information in the unaudited condensed interim statements of financial position in these 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.

Comparative unaudited condensed interim financial statements

The changes in accounting policies resulting from the Company's adoption of IFRS had no impact on the 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.

CERTIFICATE OF KENNA CAPITAL CORP.

Dated: March 13, 2012

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Kenna Capital Corp. assuming Completion of the Proposed Qualifying Transaction.

"*Corey Giasson*" Corey Giasson	"*Todd Lahti*" Todd Lahti
President and Chief Executive Officer	Chief Financial Officer and Corporate Secretary

On behalf of the Board of Directors

"*Shane Shircliff*" Shane Shircliff	"*Steve Halabura*" Steve Halabura
Director	Director

CERTIFICATE OF PROMOTER

DATE: March 13, 2012

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Kenna Capital Corp. assuming Completion of the Proposed Qualifying Transaction.

"*Corey Giasson*"
Corey Giasson

ACKNOWLEDGEMENT – PERSONAL INFORMATION

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

(a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in TSX Venture – Appendix 6B) pursuant to this Filing Statement; and

(b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

DATED this 13th day of March, 2012.

"*Corey Giasson*"
Corey Giasson

President and Chief Executive Officer