

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: Trenchant Capital Corp. (the "Issuer").

Trading Symbol: TCC

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

Disclosure regarding the transactions with Related Persons has been disclosed in the notes to the Financial Statements for the nine month period ended December 31, 2023.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures , etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
October 22, 2020	Common Shares	Debt Settlement	499,335	\$0.05 (deemed)	Deemed aggregate consideration of \$24,966.79	Services	Arm's Length	N/A
March 24, 2022	Units	Private Placement	14,950,000	\$0.10	\$1,495,000	Cash	Arm's Length	N/A
December 28, 2023	Common Shares	Exercise of Warrants	3,900,000	\$0.05	\$195,000	Cash	Arm's Length	N/A

(b) summary of options granted during the period,

The Issuer has granted the following options since the date of the Listing Statement:

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
October 31, 2023	1,500,000	Eric Boehnke, Officer and Director	N/A	\$0.05	October 31, 2025	\$0.015
October 31, 2023	250,000	Jennie Choboter, Officer and Director	N/A	\$0.05	October 31, 2025	\$0.015
October 31, 2023	1,500,000	Darren Devine, Director	N/A	\$0.05	October 31, 2025	\$0.015
October 31, 2023	1,500,000	Thomas English, Director	N/A	\$0.05	October 31, 2025	\$0.015

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
- (b) number and recorded value for shares issued and outstanding,

- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

A summary of the securities has been disclosed in the Consolidated Statement of Changes in Shareholders' Equity and in the notes to the Financial Statements for the nine month period ended December 31, 2023.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name of Director and Officer	Position(s) Held
Eric Boehnke	Chief Executive Officer and Director
Jennie Choboter	Chief Financial Officer, Secretary and Director
Thomas English	Director
Darren Devine	Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

See the attached Management's Discussion & Analysis for the period ended December 31, 2023.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated February 22, 2024.

Eric Boehnke

Name of Director or Senior Officer

"Eric Boehnke"

Signature

Chief Executive Officer

Official Capacity

<i>Issuer Details</i> Name of Issuer Trenchant Capital Corp.	For Quarter Ended December 31, 2023	Date of Report YY/MM/D 24/02/22
Issuer Address Suite 2380 – 1055 West Hastings Street		
City/Province/Postal Code Vancouver, BC V6E 2E9	Issuer Fax No. N/A	Issuer Telephone No. 604.307.4274
Contact Name Eric Boehnke	Contact Position CEO	Contact Telephone No. 604.307.4274
Contact Email Address eric@trenchantcapital.net	Web Site Address https://www.trenchantcapital.net/	

SCHEDULE "A"

TRENCHANT CAPITAL CORP.
Consolidated Financial Statements
Nine Months Ended December 31, 2023

Expressed in Canadian Dollars

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Vancouver, Canada

February 22, 2024

Trenchant Capital Corp.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Notes	December 31, 2023	March 31, 2023
ASSETS			
Current assets			
Cash		\$ 427,165	\$ 731,564
Accounts receivable		-	32,436
Other receivable		37,680	35,180
Prepays		9,180	8,903
Convertible notes	4	500,000	500,000
		974,025	1,308,083
Long-term assets			
Property and equipment, net	6	230,972	283,769
Investment	4	700,000	375,925
TOTAL ASSETS		\$ 1,904,997	\$ 1,967,777
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7,9	662,319	\$ 199,998
Lease liability, current portion	8	53,580	53,580
		715,899	253,578
Long-term Liabilities			
Lease liability	8	115,828	155,711
TOTAL LIABILITIES		831,727	409,289
SHAREHOLDERS' EQUITY			
Subscription received		100,000	-
Share capital	10	7,140,289	6,945,289
Share-based payment reserve	10	560,542	541,931
Deficit		(6,727,561)	(5,928,732)
TOTAL EQUITY		1,073,270	1,558,488
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,904,997	\$ 1,967,777

Going concern (Note 1)

On behalf of the board:

"Eric Boehnke"
Eric Boehnke, Director

"Tom English"
Tom English, Director

Trenchant Capital Corp.
Consolidated Statements of Comprehensive Income (Loss)
(Expressed in Canadian Dollars)

		Three month periods ended		Nine month periods ended	
	Notes	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Revenues					
Interest income		\$ -	\$ 342,528	\$ -	\$ 985,697
Expenses					
Accretion		-	-	-	51,853
Business development	1	25,798	16,973	35,057	28,520
Consulting		174,738	436,050	465,438	438,255
Depreciation		20,811	20,035	61,364	54,652
General and administrative		17,779	20,215	51,458	27,920
Interest		2,622	247,120	8,549	741,863
Professional fees		81,602	11,915	204,101	57,291
Share-based payments		18,611	-	18,611	-
Transfer agent and filing fees		6,715	4,874	16,406	32,642
		348,676	757,182	860,984	1,432,996
Other items					
Rental income		-	-	18,692	-
Gain (loss) on sale of investment	3	14,137	-	253,884	-
Unrealized gain (loss) on investment		-	1,225,000	(210,421)	575,000
		14,137	1,225,000	62,155	575,000
Net and comprehensive income (loss) for the period					
		\$ (334,539)	\$ 810,346	\$ (798,829)	\$ 127,701
Income (loss) per share – basic and diluted					
		\$ (0.01)	\$ 0.02	\$ (0.02)	\$ 0.00

See accompanying notes to the consolidated financial statements

Trenchant Capital Corp.
Consolidated Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	<u>Share Capital</u>					
	Number of Common Shares	Common shares	Share-based payment reserve	Share subscriptions	Deficit	Total
Balance, March 31, 2022	34,211,286	\$ 6,945,289	\$ 541,931	\$ -	\$ (4,760,869)	\$ 2,726,351
Comprehensive loss	-	-	-	-	(682,645)	(682,645)
Balance, December 31, 2022	34,211,286	\$ 6,945,289	\$ 541,931	\$ -	\$ (5,443,514)	2,043,706
Balance, March 31, 2023	34,211,286	6,945,289	541,931	-	(5,928,732)	1,558,488
Shares issued on warrant exercised	3,900,000	195,000	-	-	-	195,000
Share subscriptions received	-	-	-	100,000	-	100,000
Share-based payments	-	-	18,611	-	*	18,611
Comprehensive loss	-	-	-	-	(798,829)	(798,829)
Balance, December 31, 2023	38,111,286	\$ 7,140,289	\$ 560,542	\$ 100,000	\$ (6,727,561)	\$ 1,073,268

See accompanying notes to the consolidated financial statements

Trenchant Capital Corp.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Nine months ended	
	December 31, 2023	December 31, 2022
Operating activities		
Net income (loss)	\$ (798,829)	\$ 127,701
Adjustments for non-cash items:		
Accretion expense	-	51,853
Accrued interest expense	8,549	10,883
Depreciation	61,364	54,652
Share-based payments	18,611	
Unrealized gain on investment	375,925	(575,000)
Changes in non-cash working capital items:		
Advances	(2,500)	(35,180)
Receivables	32,436	(32,435)
Prepaid expenses	(277)	(1,657)
Interest receivable	-	194,956
Accounts payables and accrued liabilities	462,321	(386,375)
Net cash flows provided by (used in) operating activities	157,600	(590,602)
Investing activities		
Debentures	-	7,740,000
Convertible note	-	(500,000)
Investment in GNQ	(700,000)	-
Property and equipment	(8,567)	(18,181)
PIK receivable	-	991,611
Net cash flows provided by (used in) investing activities	(708,567)	8,213,430
Financing activities		
Repayment of lease obligation	(48,432)	(64,680)
Repayment of debentures	-	(7,740,000)
Subscription received	100,000	-
Warrants exercised	195,000	-
Net cash flows provided by (used in) financing activities	246,568	(7,804,680)
Decrease in cash	(304,399)	(181,852)
Cash, beginning	731,564	883,389
Cash, ending	\$ 427,165	\$ 701,537

1. Nature and continuance of operations

Trenchant Capital Corp. (the “Company”) was incorporated under the British Columbia Business Corporations Act on December 17, 2009 and trades on Canadian Stock Exchange (“CSE”) under the symbol “TCC”.

The Company’s head office is located at suite 2380, 1055 West Hastings Street, Vancouver, BC, V6E 2E9.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company has incurred losses for most of the years since its inception and had an accumulated deficit of \$4,633,168 at December 31, 2023, which has been funded primarily by loans from related parties. This indicates the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Such adjustments could be material.

2. Significant accounting policies and basis of preparation

The consolidated financial statements were authorized for issue and filings with the securities regulators on February 22, 2024 by the directors of the Company.

Statement of compliance with International Financial Reporting Standards

The consolidated financial statements of the Company comply with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

Revenue recognition

Interest income on loans is determined using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating the income over the life of the asset. The effective interest rate is the rate that exactly discounts estimated future cash flows to the initial carrying amount.

Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

2. Significant accounting policies and basis of preparation (cont'd)

The following table shows the classification of the Company's financial instruments under IFRS 9:

Asset or Liability	Classification
Cash	FVTPL
Interest receivable	Amortized cost
Convertible notes	FVTPL
Loans receivable	Amortized cost
Investment	FVTPL
Accounts payables	Amortized cost

Measurement

Debt investments at FVTOCI

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of comprehensive loss in the period in which they arise.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

2. Significant accounting policies and basis of preparation (cont'd)

Financial instruments (cont'd)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flow from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are recognized in the statements of comprehensive loss.

Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statements of comprehensive loss. Where an item of property and equipment comprises major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized. As at March 31, 2023 and 2022, property and equipment consists of furniture and right of use assets which are amortized over their useful life estimated as follows:

Property and Equipment (cont'd)

Furniture and fixtures	straight line method over 5 years
Right of use assets	term of the lease

The depreciation expense for each period is recognized in the statements of comprehensive loss.

Basis of preparation

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

2. Significant accounting policies and basis of preparation (cont'd)

Financial instruments (cont'd)

Consolidation

The consolidated financial statements include the accounts of the Company and its controlled entity. Details of the controlled entity is as follows:

	Country of incorporation	Percentage owned*	
		December 31,	March 31, 2023
0960128 B.C. Ltd.	Canada	100%	100%
1141864 B.C. Ltd.	Canada	100%	100%
Trenchant Energy Holdings Inc.	Canada	100%	100%
Trenchant Investment Corp.	Canada	100%	100%

*Percentage of voting power is in proportion to ownership.

Significant estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

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

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment applied in preparing the Company's financial statements are the assessment of the Company's ability to continue as a going concern, and the recoverability of deferred tax assets and loan receivable, useful life of property and equipment, and ability to control associated entities.

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the earnings (loss) attributable to common shareholders by the weighted average number of common shares outstanding in the period. Diluted earnings (loss) per share is calculated by the treasury stock method. Under the treasury stock method, the

2. Significant accounting policies and basis of preparation (cont'd)

Financial instruments (cont'd)

weighted average number of common shares outstanding for the calculation of diluted earnings (loss) per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is provided using the asset and liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Foreign currency translation

The functional currency of each entity is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Canadian dollars which is the Company and its subsidiaries' functional and presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive loss in the statement of comprehensive loss to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive loss. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

2. Significant accounting policies and basis of preparation (cont'd)

Financial instruments (cont'd)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right-of-use asset is measured based on the present value of the remaining lease payments at the initial application date, plus any initial direct costs incurred, and estimate of costs to dismantle and remove or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated from the initial application date using the straight-line method. The lease term includes consideration of an option to renew or to terminate if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the initial application date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising mainly from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, renewal or termination option due to a significant event or change in circumstances.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3. Investment in ASEP Medical Holdings Inc. ("ASEP")

During the nine months ended December 31, 2023, the Company sold 1,368,500 ASEP shares for proceeds of \$660,063 and recorded a realized gain of \$253,884. During the year ended March 31, 2023, the Company sold 1,133,000 ASEP shares for proceeds of \$439,808 and recorded a realized gain of \$438,675. As at December 31, 2023, the fair value of the ASEP investment was \$165,651 (March 31, 2023 - \$375,925), resulting in an unrealized loss of \$210,421 (2022 - \$647,942).

	December 31, 2023	March 31, 2023
Beginning balance	\$ 375,925	\$ 1,025,000
Disposals	(419,388)	(439,808)
Realized gain on disposal	253,884	438,675
Unrealized loss on investment	(210,421)	(647,942)
	\$ -	\$ 375,925

4. Investment in GNQ Insilico Inc. (“GNQ”)

On November 30, 2023 the Company entered into an Option agreement with GNQ Insilico Inc. (“GNQ”) whereby GNQ agreed to grant the Company up to 50% of the common shares in the capital of GNQ in exchange for aggregate cash consideration of \$17,500,000 and the issuance of 7,500,000 common shares in the capital of Trenchant. The Option was exercisable in up to four tranches, with an initial tranche consisting of the acquisition of 20% of the common shares in the capital of GNQ in exchange for aggregate cash consideration of \$2,500,000 and the issuance of 7,500,000 common shares in the capital of Trenchant on or before December 22, 2023 (the “Initial Investment”).

On December 29, 2023, the Option Agreement with GNQ was amended with the timeline for payment the timeline for the payment of the consideration comprising the Initial Investment has been amended such that it will be satisfied by way of: (a) the payment in cash by Trenchant to GNQ of \$700,000 on December 29, 2023; and (b) the payment in cash by Trenchant to GNQ of \$1,800,000 and the issuance by Trenchant to GNQ of 7,500,000 Trenchant Shares on or prior to February 29, 2024.

On December 29, 2023, the Company paid \$700,000 to GNQ in exchange for acquiring 59,322 common shares in the capital of GNQ being 5.6% of its issued share capital.

5. Convertible notes

Investment in Nectar Health Sciences

On March 7, 2022, the Company subscribed to a convertible promissory note of Nectar Health Sciences Inc. (“Nectar”) for \$250,000 bearing interest at 12% per year (the “Nectar Note”), maturing in a year. If Nectar completes any financing with gross proceeds of at least \$500,000, the Company can convert the Nectar Note and accrued interest (the “Outstanding Amount”) into common shares of Nectar with the number of shares equal to the quotient of the Outstanding Amount divided by the conversion price, which equals to 75% of the offering price per share. If not converted, Nectar shall pay the Outstanding Amount in cash. If Nectar prepays any portion of the Outstanding Amount prior to the maturity date, the Outstanding Amount shall be increased to an amount equal to 110% of the Outstanding Amount and such additional amount shall be repaid in accordance with the terms of the Nectar Note as if it was the Outstanding Amount.

The convertible promissory note was classified as FVTPL at the fair value of \$250,000 upon initial measurement. As at March 31, 2023, the convertible note was in default. The Company determined the fair value to be \$100,000 by estimating the recoverable amount with an expected loss recovery rate of 40%. Therefore, the Company recorded a \$150,000 of change in fair value in the statement of comprehensive income (loss). At December 31, the fair value is \$100,000.

Investment in CG International Petroleum Corp.

On August 3, 2022, the Company subscribed to an unsecured convertible promissory note of CG International Petroleum Corp. (“CGIC”) for \$500,000 accruing interest at 10% per year with a maturity date of August 8, 2023 (“CGIC Note”). Pursuant to the CGIC Note, in the event that CGIC completes a reverse takeover (“RTO”), the principal amount of the CGIC Note and all accrued interest shall automatically convert into units of the listed issuer with the number of units equal to the quotient of the outstanding amount of the CGIC Note principal and all accrued interest divided by the conversion price, which equals to 70% of the initial listing price of the shares in the RTO. Each unit shall consist of one share of the listed issuer and such number of warrants of the listed issuer as is equal to the principal amount of the CGIC Note times 10% exercisable at the listing price, with each such warrant exercisable into one additional common share of the listed issuer with an exercise price equal to the listed issuers price per share in the RTO.

Trenchant Capital Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)
For the nine months ended December 31, 2023 and 2022

5. Convertible notes (cont'd)

CGIC granted the Company the right to act as the RTO target. The Company and CGIC agreed to negotiate to enter into a letter agreement ("Letter Agreement") outlining the terms of the proposed RTO within 30 days of the execution of the CGIC Note subscription. In the event the Company and CGIC fail to enter into the Letter Agreement, the Company has the right to (a) request the repayment of the principal with accrued interest and a 10% cash penalty within 30 days of CGIC receiving a written request from the Company or in the event the Company does not request repayment (b) a 10% increase in the value of the principal payment of the CGIC Note. As at March 31, 2023, CGIC and the Company have not entered into the Letter Agreement.

As at March 31, 2023, the Company determined that its fair value at \$400,000 using the probability weighted expected return method using the following assumptions: loan to maturity discount of 30%, probabilities of RTO of 2% and loan maturity of 98%, and a risk free rate of 4.3%. Therefore, the Company recorded a \$100,000 of change in fair value in the statement of comprehensive income (loss).

The table below summarizes the convertible notes for the years ended December 31, 2023 and March 31, 2023:

	December 31, 2023	March 31, 2023
Beginning balance	\$ 500,000	\$ 250,000
Addition	-	500,000
Fair value adjustment	-	(250,000)
	\$ 500,000	\$ 500,000

6. Property and Equipment

	Equipment	Right of use	Total
Cost			
March 31, 2022	\$ 60,865	\$ 419,665	\$ 480,530
Additions	61,625	-	61,625
Disposals	(150)	-	(150)
March 31, 2023	\$ 122,340	\$ 419,665	\$ 542,005
Additions	8,566	-	8,566
December 31, 2023	130,906	419,665	550,571
Amortization			
March 31, 2022	\$ (26,159)	\$ (158,140)	\$ (184,299)
Charge for the period	(16,877)	(57,060)	(73,937)
March 31, 2023	\$ (43,036)	\$ (215,200)	\$ (258,236)
Charge for the period	(18,568)	(42,795)	(61,363)
December 31, 2023	(61,604)	(257,995)	(319,599)
Net book value			
March 31, 2023	\$ 79,304	\$ 204,465	\$ 283,769
December 31, 2023	69,302	161,670	230,972

7. Accounts payable and accrued liabilities.

	December 31, 2023	March 31, 2023
Accounts payable (Note 8)	\$ 662,319	\$ 199,998
Accrued liabilities (Note 8)	-	-
	\$ 662,319	\$ 199,998

8. Lease liabilities

On April 30, 2021, the Company entered into a new lease agreement for use of office premises. The term of lease is 5 years from November 1, 2021. The schedule of monthly payments is below:

	Monthly lease payment
November 1, 2021 to October 31, 2024	\$ 5,390
November 1, 2024 to October 31, 2026	\$ 5,659

On December 31, 2023, and March 31, 2023, the balance of the lease liability is as follows:

	December 31, 2023	March 31, 2023
Balance, beginning	\$ 209,291	\$ 265,210
Additions	-	-
Interest	8,549	14,213
Payments	(48,432)	(70,132)
Balance, ending	\$ 169,408	\$ 209,291

	December 31, 2023	March 31, 2023
Short term	\$ 53,580	\$ 53,580
Long term	115,828	155,711
Total	\$ 169,408	\$ 209,291

9. Related party transactions

The Company considers its officers (CEO and CFO) and directors to be key management. Key management are those persons having authority and responsibility for planning, directing, and controlling activities, directly or indirectly, of the Company.

Trenchant Capital Corp.
Notes to the Consolidated Financial Statements
(Expressed in Canadian Dollars)
For the nine months ended December 31, 2023 and 2022

9. Related party transactions (cont'd)

Related party balances:

The following amounts are due from/(to) related parties:

	December 31, 2023	March 31, 2023
CFO (Note 6)	\$ (2,625)	\$ (2,625)
CEO (Note 6)	(189,000)	(47,250)
Directors (Note 6)	(392,400)	(98,100)
Companies with common management	-	38,253
	\$ (584,025)	\$ (109,722)

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Key management personnel compensation

	December 31, 2023	March 31, 2022
CFO – Professional fees	\$ 23,625	\$ 31,500
CEO – Consulting fees	\$ 141,750	\$ 231,000
Directors – Consulting fees	\$ 294,300	\$ 436,000
Company with common management – rental income	\$ 13,994	\$ -

10. Share capital

Authorized share capital

Unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

On December 28, 2023 the Company issued 3,900,000 common shares on the exercise of 3,900,000 warrants at the exercise price of \$0.05 per share.

At December 31, 2023 and March 31, 2023, there were 38,111,286 and 34,211,286 issued and fully paid common shares respectively.

Basic and diluted loss per share

The calculation of basic income per share for the year ended December 31, 2023 was based on the loss attributable to common shareholders of \$ 798,829 (income 2022- (\$682,645)) and the weighted average number of common shares outstanding of 34,243,341 (2022- 34,211,286).

Stock options

On March 3, 2010, the directors of the Company consented to adopt a Company Share Option Plan (the "Plan"). The shareholders of the Company approved the Plan on September 8, 2011. The Plan provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved

10. Share capital (cont'd)

for issuance will not exceed 10% of the common shares outstanding at the time of the granting of options. Such options may be exercisable for a period of up to 10 years from the date of the grant. In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved.

for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or 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.

On October 31, 2023, the Company granted an aggregate of 4,750,000 incentive stock options to purchase up to 4,750,000 common shares of the Company to its directors under its Omnibus Equity Incentive Plan. The Options are exercisable for a period of two years from the date of grant, expiring on October 31, 2025, at a price of \$0.05 per Share, and are fully vested. The fair value of the options granted was determined to be \$18,611 using the Black-Scholes Option Pricing model using the following assumptions: Risk-free rate of 3.85%; Expected life of 2 year, expected volatility of 100% and dividend yield of nil.

Share purchase warrants

The continuity of warrants for the year ended December 31, 2023 is as follows:

	Number of warrants outstanding	Weighted average exercise price
Balance, December 31, 2023	11,050,000	\$ 0.05
Balance, March 31, 2023	14,950,000	\$ 0.05

Details of warrants outstanding as at December 31, 2023 are as follows:

Expiry date	Exercise price	Warrants outstanding	Weighted average remaining contractual years
March 24, 2024	\$ 0.05	11,050,000	0.23

On January 30, 2023 the Company decreased the exercise price of the warrants issued in previous private placement from \$0.115 to \$0.05 and extended the expiry date from March 24, 2023 to March 24, 2024 with all other terms of the warrants to continue in full force.

Share-based payment reserve

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

11. Financial risk and capital management

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

11. Financial risk and capital management (cont'd)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in a bank account. The cash is deposited in a bank account held with a major bank in Canada. As the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. Credit risk is assessed as low. Credit risk with respect to convertible notes is assessed as high as the Nectar Note is in default. Both Nectar and CGIC are startup companies with limited cash inflow from operation. The Company is working with Nectar and CGIC on collection of the convertible notes. The collection is uncertain.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity and debenture securities for cash. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity and debt funding. Liquidity risk is assessed as high.

The following table sets out liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

Less than 1 year	\$ 662,319	\$ 53,580	\$ 715,899
1-5 years	–	115,828	115,828
Balance at March 31, 2023	\$ 662,319	\$ 169,408	\$ 831,727

Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company had no exposure to foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash on hand is subject to minimal interest rate risk. Interest rate risk is assessed as low.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital and working capital. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

11. Financial risk and capital management (cont'd)

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	December 31, 2023	March 31, 2023
FVTPL:		
Cash	\$ 427,165	\$ 731,564
Investment	700,000	375,925
Convertible notes	500,000	500,000
	\$ 1,627,165	\$ 1,607,489

Financial liabilities included in the statement of financial position are as follows:

	September 30, 2023	March 31, 2023
Non-derivative financial liabilities:		
Accounts payable	\$ 662,319	\$ 199,998

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Financial instruments classified as level 1 – quoted prices in active markets include cash and investment.
Financial instruments classified as level 3 include convertible notes.

12. Subsequent event

On January 9, 2024, the Company issued 2,500,000 common shares on the exercise of 2,500,000 warrants at the exercise price of \$0.05 per share.

TRENCHANT CAPITAL CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS
for the nine months ended December 31, 2023, and 2022

Date of Report: February 22, 2024

INTRODUCTION

This management's discussion and analysis (this "MD&A") is prepared as of February 22, 2024, and provides a review of the performance of Trenchant Capital Corp. (the "Company"). It should be read in conjunction with the Company's unaudited consolidated interim financial statements for the fiscal nine months ended December 31, 2023, and related notes thereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All of the financial data herein has been prepared in accordance with IFRS, unless otherwise indicated, and all figures are stated in Canadian dollars. Additional information on the Company is available on the SEDAR website at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute "forward-looking statements". When used in this MD&A, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, and known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking information will not be realized.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the 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 any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated. The reader is cautioned not to place undue reliance on any forward-looking statements contained in this MD&A. Such forward-looking statements are presented for the purpose of assisting investors in understanding the Company's expected financial and operating performance and the Company's plans and objectives in making an investment decision and may not be appropriate for other purposes. All forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Company disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements, or to reflect the occurrence of anticipated or unanticipated events, except as required by applicable laws.

RISKS AND UNCERTAINTIES

Risk factors applicable to the Company and its business include:

- that the Company is an "Investment Issuer" as defined by the policies of the Canadian Securities Exchange (the "CSE") and may be unsuccessful in developing this business or generating material

revenues from it. The Company has only been able to complete two material investments. The Company may not be successful in making any additional material investments.

- risks related to the Company's investments in private issuers and illiquid securities, and the potential concentration of the Company's investments;
- due diligence risks and risks relating to non-controlling interests;
- that the Company may be unable to identify sources of income to generate material cash flow and revenue, and even if identified, such sources of income may be unavailable to the Company;
- that the Company is heavily reliant on its directors and management, and they only devote part of their time and efforts to the affairs of the Company;
- the possible tightening of the credit markets, global economic uncertainty, and counterparty risk;
- risks related to the Company's investment approach, objectives and strategy;
- that the Company's expectations regarding the performance of certain sectors may be incorrect;
- the ability of the Company to identify other potential investment opportunities on satisfactory terms or at all;
- that the price of the Company's common shares on the CSE is volatile;
- risks relating to available investment opportunities and competition for investments;
- the ability of the Company to obtain future financing on acceptable terms or at all; and
- other risks that may arise from time to time that are beyond the knowledge and/or control of the Company.

Additional risk factors with respect to the Company's business and operations can be found in the Company's final long form prospectus dated May 8, 2019 (the "Prospectus"), as filed on SEDAR on May 8, 2019, which are available under the Company's profile at www.sedar.com and the Company's CSE Listing Statement dated August 28, 2020 available at <https://www.thecse.com/en/listings/diversified-industries/trenchant-capital-corp>.

OVERALL PERFORMANCE

Nature of Business and Overall Performance

The Company was incorporated under the *Business Corporations Act* (British Columbia) on December 17, 2009. The Company's common shares are listed on the CSE under the trading symbol "TCC".

The Company's head office is located at Suite 2380, 1055 West Hastings Street, Vancouver, BC, V6E 2E9. The Company has four wholly owned subsidiaries being 0960128 B.C. Ltd. ("0960128"), 1141864 B.C. Ltd. ("1141864"), Trenchant Energy Holdings Inc. and Trenchant Investment Corp.

Wholly owned subsidiaries 0960128 and 1141864 are the investment vehicles for the now repaid former Waiward Investment and Omni Investment respectively, which are discussed below. Trenchant Energy Holdings Inc. and Trenchant Investment Corp. are inactive.

On April 25, 2016, the Company entered into a strategic alliance agreement with the Hillcore Group ("Hillcore"). This agreement renews automatically on an annual basis unless terminated by either party in writing. Hillcore is a leading independent Canadian investment and advisory firm that invests predominantly in the life sciences, real estate, seniors living, financial, industrial and energy sectors. Pursuant to the terms of the strategic alliance agreement, Hillcore agreed to grant the Company an exclusive first right to: (i) review Hillcore's initial due diligence on potential business targets, and (ii) negotiate with Hillcore the participation by the Company in Hillcore's acquisition of business targets, primarily by way of special situation debt, which may include secondary, subordinated, mezzanine or non-traditional debt, asset backed securities and back-leveraged/holdco debt. The Company has also been granted certain back-in and tag along negotiation rights, as well as negotiation rights for capital market transactions with respect to projects for which the Company has provided financing. Hillcore does not own any shares in the Company.

In May 2016, the Company pursued a change of business to become an Investment Issuer on the TSXV. In connection with this change of business, the Company changed its name to Trenchant Capital Corp., and on May 16, 2017, the Company commenced trading under the symbol "TCC".

On August 26, 2020, the CSE approved the listing of the Company's common shares, 9% Series A convertible debentures and 8% Series B convertible debentures (collectively, the "Securities") on the CSE. The Securities commenced trading on the CSE at market open on August 28, 2020, under the symbols "TCC", "TCC.DB" and "TCC.DB.A" respectively. In connection with the listing of the Securities on the CSE, the Company delisted the Securities from the TSX Venture Exchange (the "TSXV") at the close of market on August 27, 2020. On March 31, 2022, the 9% Series A convertible debentures (TCC.DB) were delisted from the CSE upon the maturity of the Waiward Investment.

The Waiward Debenture Offering

On March 7, 2017, the Company filed and obtained a receipt for a preliminary prospectus from the security regulatory authorities in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario for a proposed public offering of a minimum of 5,000 and a maximum of 20,000 9% secured convertible debentures (the "Waiward Debentures") priced at \$1,000.00 per Debenture, for gross proceeds of a minimum of \$5,000,000 and a maximum of \$20,000,000 (the "Waiward Debenture Offering").

The Waiward Debenture Offering was made on a best-efforts basis through a syndicate of agents led by Industrial Alliance Securities Inc. (collectively, the "Agents") pursuant to the terms of an agency agreement dated May 18, 2017. The Waiward Debenture Offering closed in three tranches for aggregate gross proceeds of \$7,744,000. The first tranche, pursuant to which gross proceeds of \$5,522,000 were raised through the issuance of 5,522 Waiward Debentures, closed on May 18, 2017. The second tranche, pursuant to which gross proceeds of \$1,488,000 were raised through the issuance of 1,488 Waiward Debentures, closed on June 26, 2017. The third tranche, pursuant to which gross proceeds of \$730,000 were raised through the issuance of 730 Waiward Debentures, closed on July 19, 2017. In connection with the Waiward Debenture Offering, the Company paid the Agents aggregate cash commissions equal to 6.5% of the gross proceeds raised under the Waiward Debenture Offering and reimbursed for their reasonable expenses.

The net proceeds of the Waiward Debenture Offering were used to fund the Waiward Investment, as described below.

The Waiward Debentures matured on March 31, 2022, and bore interest at the rate of 9.0% per annum, payable quarterly in cash. The terms of the Waiward Debentures were set out in a debenture indenture dated May 18, 2017, a copy of which is available on SEDAR, between the Company and Computershare Trust Company of Canada ("Computershare").

The Company pledged all the outstanding shares of 0960128 to Computershare, on behalf of the holders of the Waiward Debentures, as security for the Company's outstanding obligations under the Waiward Debentures. 0960128 in turn owns the rights to the security for the Waiward Investment (see "The Waiward Investment" below). The holders of Waiward Debentures have no recourse to the Company other than with respect to such shares.

Effective on August 28, 2020, the Waiward Debentures commenced trading on the CSE under the symbol "TCC.DB". See listing information in Nature of Business and Overall Performance.

Effective March 30, 2022, the Waiward Debentures (symbol TCC.DB) were delisted from the CSE upon the maturity of the Debentures and the underlying Waiward Investment (see "Waiward Investment", below). During the year ended March 31, 2023, the Waiward Debentures were repaid in full.

The Waiward Investment

On March 2, 2017, 0960128 entered into a loan agreement dated March 2, 2017, as amended (the "Loan Agreement"), with Waiward Investments Limited Partnership (the "Borrower"), a limited partnership related to Hillcore, pursuant to which 0960128 agreed to loan a minimum of \$5,000,000 and a maximum of \$20,000,000 (the "Waiward Investment") to the Borrower. The Waiward Investment is secured by the Borrower's indirect equity interest in Waiward Steel Limited Partnership ("Waiward Steel"), one of Canada's largest steel fabricators and erectors.

The net proceeds of the Waiward Debenture Offering were used to fund the Waiward Investment, which was completed on May 18, 2017.

The outstanding principal of the Waiward Investment bore interest at the rate of 12.5% per annum with a maturity date of March 31, 2022. Additionally, the outstanding principal of the Waiward Investment includes a Payment in Kind ("PIK") of 2.5% per annum of the outstanding loan amount accruing and payable on maturity.

Pursuant to the terms of the Waiward Loan Agreement, the Borrower granted the Company a five-year unit purchase option entitling it to purchase up to 10% of the Borrower for an exercise price of up to \$9,367,000. The actual percentage interest that the Company may acquire pursuant to the purchase option will be adjusted on a pro rata basis in accordance with the amount of funds advanced under the Waiward Loan Agreement.

Waiward may prepay the outstanding principal of the Waiward Investment by paying 0960128 the outstanding principal amount of the Waiward Investment, plus any accrued and unpaid interest thereon, as well as an amount equal to the break fee incurred in connection with the prepayment of the Convertible Debentures.

The Waiward Loan Agreement also provides that 0960128 will provide management services to the Borrower, have observer rights at board meetings of Borrower, and have the right to appoint a nominee to the Board of Directors of the Borrower.

The Waiward Investment matured on March 31, 2022. On this date the Borrower had not repaid the Waiward Investment. As a result, the Company issued a notice of default to the Borrower. Subsequently on April 4, 2022, the Borrower repaid in full the Waiward Investment including additional interest from the date of maturity to the date to April 4, 2022, being \$7,740,000 of loan principal, \$222,951 of loan interest and \$991,611 of accrued payment in kind.

The Omni Debenture Offering

In December 2017, the Company filed and obtained a receipt for a preliminary prospectus with security regulatory authorities for a proposed public offering of a minimum of 10,000 and a maximum of 20,000 8% secured convertible debentures (the "Omni Debentures") priced at \$1,000 per Omni Debenture, for gross proceeds of a minimum of \$10,000,000 and a maximum of \$20,000,000 (or \$23,000,000 in the event that the Over-Allotment Option is exercised in full) (the "Omni Debenture Offering").

The Omni Debenture Offering was made on a best-efforts basis, through a syndicate of agents led by Canaccord Capital Corp. and Industrial Alliance Securities Inc. (collectively, the "Agents").

The Omni Debenture Offering closed in two tranches for aggregate gross proceeds of \$7,994,000. The first tranche, pursuant to which gross proceeds of \$5,659,000 were raised through the issuance of 5,659 Omni Debentures, closed on March 23, 2018. The second tranche, pursuant to which gross proceeds of \$2,335,000 were raised through the issuance of 2,335 Omni Debentures, closed on May 17, 2018. On May 30, 2019, the Company closed the third tranche of its Omni Debentures for gross proceeds of \$2,428,000 through the issuance of 2,428 Omni Debentures. On June 28, 2019, the Company closed the fourth tranche of its Omni Debentures for gross proceeds of \$1,761,000 through the issuance of 1,761 Omni Debentures.

The net proceeds of Omni Debenture Offering were used to fund the Omni Investment, as described below.

The Omni Debentures issued in the Omni Debenture Offering had a maturity date of January 27, 2023, and bore interest at the rate of 8.0% per annum, payable quarterly in cash.

The Company pledged all the outstanding shares of 1141864 to Computershare, on behalf of the holders of the Omni Debentures, as security for the Company's outstanding obligations under the Omni Debentures. 1141864 in turn owns the rights to the security for the Omni Investment (see "The Omni Investment" below). The holders of Omni Debentures have no recourse to the Company other than with respect to such shares.

Effective August 28, 2020, the Debentures commenced trading on the CSE under the symbol TCC.DB.A. See listing information in Nature of Business and Overall Performance

Effective January 31, 2023, the Omni Debentures (symbol TCC.DB.A) were delisted from the CSE upon the maturity of the Debentures and the underlying Omni Investment (see "Omni Investment", below).

The Omni Investment

In December 2017, 1141864 entered into a loan agreement (the "Omni Loan Agreement"), with ABO Investments Limited Partnership ("ABO"), a limited partnership related to Hillcore, pursuant to which 1141864 agreed to loan a minimum of \$10,000,000 and a maximum of \$20,000,000 (or \$23,000,000 in the event that the Over-Allotment Option is exercised in full) (the "Omni Investment") to ABO. This minimum loan amount was subsequently lowered to a minimum of \$5,000,000 and a maximum of \$10,000,000. The

Omni Investment is secured by a pledge of ABO's indirect 88.73% equity interest in Omni Health Investments Inc. ("Omni"), one of Canada's largest long-term care operators, to 1141864.

The net proceeds of the Omni Debenture Offering were used to fund the Omni Investment, which was completed on June 28, 2019.

The outstanding principal of the Omni Investment bore interest at the rate of 10% per annum with a maturity date of January 27, 2023.

Pursuant to the terms of the Omni Loan Agreement, ABO granted the Company a five-year unit purchase option entitling it to purchase up to 15% of ABO's indirect holdings in Omni for an exercise price of up to \$7,725,000 with ABO being able to repurchase the outstanding unit purchase option from the Company on maturity for consideration of the payment of up to \$6,000,000. The actual percentage interest that the Company may acquire pursuant to the purchase option will be adjusted on a pro rata basis in accordance with the amount of funds advanced under the Omni Loan Agreement.

ABO may prepay the outstanding principal of the Omni Investment by paying 1141864 the outstanding principal amount of the Omni Investment, plus any accrued and unpaid interest thereon, as well as an amount equal to the break fee payable by the Company on the redemption or repurchase of Omni Debentures with a principal amount of not more than the principal amount being prepaid by ABO.

The Omni Loan Agreement also provides that 1141864 will provide management services to ABO, have observer rights at board meetings of ABO, and have the right to appoint a nominee to the Board of Directors of ABO.

The Omni Investment matured on January 27, 2023. On this date the Borrower repaid in full the Omni Investment including interest from January 1, 2023 to January 27, 2023, being \$12,183,000 of loan principal, \$90,121 of loan interest.

The Trenchant Life Sciences Investment

Trenchant Life Sciences Investment Corp. ("TLSIC") was incorporated by the Company on January 20, 2021 under the name 1261038 B.C. Ltd. TLSIC has no active business and was formed to facilitate the completion of an amalgamation of 1295277 B.C. Ltd. (a newly formed wholly-owned subsidiary of TLSIC) ("NewCo") with ASEP Medical Inc., a B.C. corporation that holds the option to acquire a fully-diluted 50.1% equity interest in each of ABT Innovations Inc. ("ABT") and Sepset Biosciences Inc. ("Sepset") with the intention of creating, financing and listing the common shares of a life sciences development company.

On January 20, 2021, the Company made an investment into TLSC by acquiring 2,500,000 common shares at a price of \$0.001 for a payment of \$2,500.

On April 14, 2021, TLSIC closed a private placement to issue an aggregate of 8,000,000 common shares at a price of \$0.001 per share for gross proceeds of \$8,000.

On April 16, 2021, TLSIC closed a private placement to issue an aggregate of 6,500,000 common shares at a price of \$0.02 per share for gross proceeds of \$130,000.

On May 25, 2021, TLSIC closed a private placement of unsecured convertible debentures in the aggregate amount of \$500,000. The convertible debenture matures twelve months from issuance and carries an

interest rate of 8% per annum. Pursuant to the Amalgamation Agreement, the debentures are convertible into common shares prior to the amalgamation effective date at a conversion price calculated by dividing (A) by (B), where (A) is \$8,000,000, and where (B) is the product obtained by adding (x) the number of all of the issued and outstanding common shares of ASEP as of the date of the ASEP conversion, which is the conversion of all of the principal outstanding under the ASEP debentures into ASEP shares on a fully diluted basis assuming conversion of all outstanding convertible securities of ASEP other than the ASEP debentures, with (y) the number of shares issuable by TLSIC in connection with TLSIC's financing to complete a private placement of up to 10,000,000 special warrants at a price of \$0.50 per warrant for aggregate gross of up to \$5,000,000.

On June 3, 2021, TLSIC entered into the Amalgamation Agreement with ASEP and NewCo, pursuant to which TLSIC, ASEP and NewCo agreed to combine their respective businesses by way of a three-concerned amalgamation under the provisions of the BCBCA. Upon completion of the Transaction (being the completion of the amalgamation, the exercise of both of the ABT and Sepset options and conditional approval to the list the common shares of TLSIC on the CSE) the resulting entity of the Amalgamation, will be a wholly-owned subsidiary of the TLSIC, will carry on the business of ASEP, with the common shares of TLSIC trading on the CSE.

As noted above on completion of the Transaction, TLSIC would hold, through its wholly-owned subsidiary, 50.1% of the fully diluted share capital of ABT and Sepset.

ABT was incorporated on July 3, 2015, pursuant to the provisions of the BCBCA under the name "ABT Innovations Inc." for the purpose of ensuring the commercialization of the broad peptide technology developed by its founder, Dr. Robert Hancock. This peptide technology covers a broad range of therapeutic applications including bacterial biofilm infections (medical device infections, chronic infections, lung, bladder, wound, dental, skin, ear-nose and throat, sinusitis, orthopedic, etc.), representing two thirds of all infections, anti-inflammatories, anti-infective immune-modulators and vaccine adjuvants.

Sepset was incorporated on April 23, 2015, pursuant to the provisions of the BCBCA under the name "Sepset Biosciences Inc." for the purpose of ensuring the commercialization of a diagnostic kit for predicting the onset of severe sepsis and organ failure that was developed by its founder Dr. Robert Hancock. Its diagnostic technology involves a patient gene expression signature that is identified in the blood and assessable by nucleic acid amplification technologies. Sepset's diagnostic technology differs from current diagnostic tests in enabling diagnosis of severe sepsis within 1-2 hours of first clinical presentation (i.e., in the emergency room), while other diagnostics only provide diagnosis after 24-48 hours. Sepset believes this will enable critical early decisions to be made by physicians regarding appropriate therapies and reduce mortality and morbidity.

On November 10, 2021, ASEP Holdings obtained a receipt for its long-form prospectus dated November 9, 2021. A copy of this prospectus can be reviewed under the ASEP Holdings profile at www.sedar.com.

On November 18, 2021, ASEP Holdings received final approval to list its common shares on the CSE and the common shares were listed for trading on the CSE on November 22, 2021, under the symbol "ASEP".

On November 19, 2021, the amalgamation of TLSIC, ASEP and NewCo was completed and TLSIC changed its name to ASEP Medical Holdings Inc. ("ASEP Holdings")

As of the date of this MD&A, the Company owns Nil common shares in ASEP Holdings. At December 31, 2023, the value of the ASEP investments was \$Nil, (March 31, 2023, the Company owned 1,367,000 common shares of ASEP Holdings with a value of \$375,925).

Nectar Loan

On March 7, 2022, the Company subscribed to a convertible promissory note of Nectar Health Sciences Inc. ("Nectar") for \$250,000 bearing interest at 12% per year (the "Nectar Note"), maturing in a year. If Nectar completes any financing with gross proceeds of at least \$500,000, the Company can convert the Nectar Note and accrued interest (the "Outstanding Amount") into common shares of Nectar with the number of shares equal to the quotient of the Outstanding Amount divided by the conversion price, which equals to 75% of the offering price per share. If not converted, Nectar shall pay the Outstanding Amount. If Nectar prepays any portion of the Outstanding amount prior to the maturity date, the Outstanding Amount shall be increased to an amount equal to 110% of the Outstanding Amount and such additional amount shall be repaid in accordance with the terms of the Convertible note as if it was the Outstanding Amount.

The convertible promissory note was classified as FVTPL at the fair value of \$250,000 upon initial measurement. As at March 31, 2023 (year-end) and December 31, 2023, the Nectar Note was overdue. The Company independently determined (as at March 31, 2023 year-end) the fair value of the Nectar Note to be \$100,000 by estimating the recoverable amount with an expected loss recovery rate of 40%. Therefore, as at March 31, 2023, the Company recorded a \$150,000 of change in fair value in the statement of comprehensive income (loss). At December 31, 2023 management has determined that the fair value of the Nectar Note is \$100,000.

CG International Loan

On August 3, 2022, the Company subscribed to an unsecured convertible promissory note of CG International Petroleum Corp. ("CGIC") for the principal of \$500,000 accruing interest at 10% per year with a maturity date of August 8, 2023 ("CGIC Note"). Pursuant to the CGIC Note, in the event that CGIC completes a reverse takeover ("RTO"), the principal amount of the CGIC Note and all accrued interest shall automatically convert into units of the listed issuer with the number of units equal to the quotient of the outstanding amount of the CGIC Note principal and all accrued interest divided by the conversion price, which equals to 70% of the initial listing price of the shares in the RTO. Each unit shall consist of one share of the listed issuer and such number of warrants of the listed issuer as is equal to the principal amount of the CGIC Note times 10% exercisable at the listing price, with each such warrant exercisable into one additional common share of the listed issuer with an exercise price equal to the listed issuers price per share in the RTO.

CGIC granted the Company the right to act as the RTO target issuer. The Company and CGIC agreed to negotiate to enter into a letter agreement ("Letter Agreement") outlining the terms of the proposed RTO within 30 days of the execution of the CGIC Note subscription. In the event the Company and CGIC fail to enter into the Letter Agreement, the Company has the right to (a) request the repayment of the principal with accrued interest and a 10% cash penalty within 30 days of CGIC receiving a written request from the Company or in the event the Company does not request repayment (b) a 10% increase in the value of the principal payment of the CGIC Note. As at December 31, 2023, CGIC and the Company have not entered into the Letter Agreement.

The CGIC Note was classified as FVTPL at the fair value of \$500,000 upon initial measurement. As at March 31, 2023 (year-end) and December 31, 2023, the CGIC Note was overdue. As at March 31, 2023 (year-end) the Company independently determined that its fair value at \$400,000 using the probability weighted expected return method using the following assumptions: loan to maturity discount of 30%, probabilities of RTO of 2% and loan maturity of 98%, and a risk free rate of 4.3%. Therefore, as at March 31, 2023 (year-end) the Company recorded a \$100,000 of change in fair value in the statement of

comprehensive income (loss). At December 31, 2023, management has determined that the fair value of the CGIC Note is \$400,000.

On November 30, 2023 the Company entered into an Option agreement with GNQ Insilico Inc. ("GNQ") whereby GNQ agreed to grant the Company up to 50% of the common shares in the capital of GNQ in exchange for aggregate cash consideration of \$17,500,000 and the issuance of 7,500,000 common shares in the capital of Trenchant. The Option was exercisable in in up to four tranches, with an initial tranche consisting of the acquisition of 20% of the common shares in the capital of GNQ in exchange for aggregate cash consideration of \$2,500,000 and the issuance of 7,500,000 common shares in the capital of Trenchant on or before December 22, 2023 (the "Initial Investment").

On December 29, 2023, the Option Agreement with GNQ was amended with the timeline for payment the timeline for the payment of the consideration comprising the Initial Investment has been amended such that it will be satisfied by way of: (a) the payment in cash by Trenchant to GNQ of \$700,000 on December 29, 2023; and (b) the payment in cash by Trenchant to GNQ of \$1,800,000 and the issuance by Trenchant to GNQ of 7,500,000 Trenchant Shares on or prior to February 29, 2024.

On December 29, 2023, the Company paid \$700,000 to GNQ to acquire 59,322 common shares in the capital of GNQ being 5.6% of the issued share capital of GNQ.

Investment Policy Disclosures

The Company has adopted an Investment Policy to govern its investment activities. The Investment Policy sets out, among other things, the Company's investment objectives and strategy, which is to provide special situation debt financing to established companies with a solid track record of earnings and demonstrated potential for future growth, the ability to generate shareholder equity by taking and, where prudent, exercising equity purchase rights in portfolio companies, participating in potential going-public transactions or other liquidity events in portfolio companies, and seeking to preserve capital and limit downside risk through securely structuring its investments. A copy of the Investment Policy is attached as Schedule "C" to the Filing Statement.

Results of Operations

These results of operations should be read in conjunction with the Company's audited financial statements for the nine months ended December 31, 2023, which are being filed concurrently with this MD&A. The financial data for the nine months ended December 31, 2023, and 2022, have been prepared in accordance with IFRS. All figures are stated in Canadian dollars.

Nine months ended December 31, 2023, and 2022

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2022
Revenues		
Interest income	\$ -	\$ 985,697
Expenses		
Accretion	-	51,853

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2022
Business development	35,057	28,520
Consulting	465,438	438,255
Depreciation	61,364	54,652
General and administrative	51,458	27,920
Interest	8,549	741,863
Professional fees	204,101	57,291
Share-based payments	18,611	-
Transfer agent and filing fees	16,406	32,642
	(860,984)	(1,432,996)
Other items		
Gain on sale of investment	253,884	-
Rental income	18,692	-
Unrealized gain (loss) on investment	(210,421)	575,000
	62,155	575,000
Net and comprehensive income (loss)	\$ (798,829)	\$ 127,701

The Company has generated limited revenue and has reported net losses for most years since inception. The net loss was \$798,829 for the nine months ended December 31, 2023 (Net income December 31 2022 – 127,701). The increased net loss was due to a significant reduction in revenues resulting from the repayment of the Omni Loan and the associated loss of interest revenue earned. \$700k was advanced in December, recorded as an investment, no impact on loss.

Revenues of \$Nil were during the nine months ended December 31, 2023 (December 31, 2022 - \$985,697). Revenues were reduced due to the repayment of the Omni Loan and the associated loss of interest revenue earned.

Accretion expense was \$Nil for the nine months ended December 31, 2023 (December 31, 2022- \$51,853). Accretion expenses were reduced due to the repayment of the Omni Loan and the associated loss of interest revenue earned.

Business development expenses were \$35,057 for the nine months ended December 31, 2023 (December 31, 2022 - \$28,520) The expenses were marginally higher in 2023 than 2022 due to more time was incurred in the search for additional investments. Management expects to continue to expend time negotiating additional investments and securing financing.

Consulting fees were \$465,438 for the nine months ended December 31, 2023 (December 31, 2022 - \$438,255).

General and administrative expenses were \$51,458 for the nine months ended December 31, 2023 (December 31, 2022 – \$27,920). Expenses were more in current year due to an increase in overhead.

Interest expense was \$8,549 for the nine months ended December 31, 2023 (December 31, 2022 - \$741,863). The decrease in interest expense is due to the repayment of Omni Debentures in the prior year.

Professional fees of \$204,101 were incurred in the nine months ended December 31, 2023 (December 31, 2022 - \$57,291). These professional fees related legal & audit. Audit fees increased substantially in the current period due in part to the requirement to obtain an independent valuation of the Company's Nectar Loan and CG Loan as part of the year end audit.

Transfer agent and filing fees were \$16,406 for the nine months ended December 31, 2023 (December 31, 2022 - \$32,642). There were more filings in previous period.

Unrealized loss on the investment was \$210,421 compared to a gain of \$575,000 in the prior year, is due to the changes in the value of the investment in ASEP.

Gain on sale of common shares of ASEP Holdings was \$253,884 for the nine months ended December 31, 2023 (December 31, 2022 - \$Nil)

Three months ended December 31, 2023, and 2022

	For the three months ended December 31, 2023	For the three months ended December 31, 2022
Revenues		
Interest income	\$ -	\$ 342,528
Expenses		
Business development	25,798	16,973
Consulting	174,738	436,050
Depreciation	20,811	20,035
General and administrative	17,779	20,215
Interest	2,622	247,120
Professional fees	81,602	11,915
Share-based payments	18,611	-
Transfer agent and filing fees	6,715	4,874
	348,676	757,182
Other items		
Gain (loss) on sale of investment	14,137	-
Unrealized gain(loss) on investment	-	1,225,000
	⌘ 14,137	1,225,000
Net and comprehensive income (loss)	⌘ \$ (334,539)	\$ 810,346

The Company had net loss of \$334,539 for the three months ended December 31, 2023 (December 31, 2022 – (\$810,436)). The increased net loss was due to a significant reduction in revenues resulting from the repayment of the Omni loan and the associated loss of interest revenue earned.

Revenues were \$Nil for the three months ended December 31, 2023 (December 31, 2022 - \$342,428). Revenues were reduced due the repayment of the Omni Loan.

Business development expenses were \$25,798 for the three months ended December 31, 2023 (December 31, 2022 - \$16,973). Management expects to continue to expend time negotiating additional investments and securing financing.

Consulting fees were \$174,738 for the nine months ended December 31, 2023 (December 31, 2022 - \$436,050). Consulting fees in 2022 included fees for nine months

General and administrative expenses were \$17,779 compared to \$20,215 for the three months ended December 31, 2022.

Interest expense was \$2,622 for the three months ended December 31, 2023 (December 31, 2022 - \$247,120). The decrease in interest expense due to the repayment of Omni Debentures.

Professional fees were \$81,602 (December 31, 2022 - \$11,915). The professional fees related to audit and legal. Legal fees were considerably higher in the current period primarily due to expenses related to the Company's investment into GNQ Insilico.

Transfer agent and filing fees were \$6,715 (December 31, 2022 - \$4,874). Fees were slightly higher due to more filings in the current period.

Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters. The financial data has, except as referred to in the footnotes to this summary, been prepared in accordance with IFRS and all figures are stated in Canadian dollars.

For the quarter ended:	December 31, 2022	September 30, 2023	June 30, 2023	March 31, 2023
Total Revenues	-	-	-	13,986
Net and comprehensive income (loss) for the period	(334,539) ⁽¹⁾	(433,676) ⁽²⁾	(30,614) ⁽³⁾	(1,337,044) ⁽⁴⁾
Income (loss) per share, basic and diluted	(0.01)	(0.01)	(0.00)	(0.04)

For the quarter ended:	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Total Revenues	342,528	329,894	313,275	576,819
Net and comprehensive income (loss) for the period	810,346 ⁽⁵⁾	3,208 ⁽⁶⁾	(685,847) ⁽⁷⁾	(382,880) ⁽⁸⁾
Income (loss) per share, basic and diluted	0.02	(0.00)	(0.02)	(0.01)

- (1) The Company's loss for the period includes non-cash items of gain on sale of common shares of ASEP Holdings of \$14,137 and an unrealized loss on investment of \$Nil.
- (2) The Company's loss for the period includes non-cash items of loss on sale of common shares of ASEP Holdings of \$80,593 and an unrealized loss on investment of \$43,233.
- (3) The Company's loss for the period includes non-cash items of gain on sale of common shares of ASEP Holdings of \$320,340 and an unrealized loss on investment of \$167,188.
- (4) The Company's loss for the period includes non-cash items of change in fair value of the Nectar Note and CGIC Note, gain on sale of common shares of ASEP Holdings of \$438,675 and an unrealized loss on investment of common shares of ASEP Holdings of \$1,217,942 and accretion of financing costs of \$39,317
- (5) The Company's loss for the period includes non-cash item of an unrealized loss on investment of common shares of ASEP Holdings of \$1,225,000
- (6) The Company's loss for the period includes non-cash items of accretion of financing costs of \$26,593
- (7) The Company's loss for the period includes non-cash items of accretion of financing costs of \$25,260 and an unrealized loss on investment of common shares of ASEP Holdings of \$650,000
- (8) The Company's loss for the period includes non-cash items of accretion of financing costs of \$64,479

Financial Condition, Liquidity and Capital Resources

The Company had total assets of \$1,904,025 as at December 31, 2023 (March 31, 2023 – \$1,967,777). The primary current assets of the Company as of such date consisted cash of \$427,165 (March 31, 2022 – \$731,564), other receivables and prepaids of \$46,860 and convertible notes of \$500,000 (March 31, 2023 - \$32,436). Accounts payable and accrued liabilities as at December 31, 2023, were \$715,899 (March 31, 2023 - \$253,578). The Company had working capital of \$258,126 as at December 31, 2023 (March 31, 2023 –\$1,054,510). On December 29, 2023, the Company paid \$700,000 to GNQ, in exchange for 59,322 common shares in the capital of GNQ, being 5.6% of the issued share capital of GNQ.

The Omni Investment matured on January 27, 2023. On this date the Borrower repaid in full the Omni Investment including interest from January 1, 2023 to January 27, 2023, being \$12,183,000 of loan principal, \$90,121 of loan interest.

At December 31, 2023, the Company had not yet achieved profitable operations, and had accumulated a deficit of \$6,727,561 (March 31, 2023 – \$5,928,732).

The Company's unaudited financial statements for the nine months ended December 31, 2023, were prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast substantial doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months from loans from related parties and or the private placement of common shares.

As at December 31, 2023, the Company had contractual obligations of accounts payable and accrued liabilities of \$662,319, lease liability of \$169,408.

Classification of financial instruments

Financial assets included in the Company's statement of financial position are as follows:

	December 31, 2023	March 31, 2023
FVTPL:		
Cash	\$ 427,165	\$ 731,564
Investment	700,000	375,925
Convertible notes	500,000	500,000
	\$1,627,165	\$ 1,607,489

Financial liabilities included in the statement of financial position are as follows:

	December 31, 2023	March 31, 2023
Non-derivative financial liabilities:		
Accounts payable	\$ 662,319	\$ 199,998

Fair value

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Financial instruments classified as level 1 – quoted prices in active markets include cash and investment.

Financial instruments classified as level 3 include convertible notes.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

TRANSACTIONS WITH RELATED PARTIES

The Company considers its officers (CEO and CFO) and directors to be key management. Key management are those persons having authority and responsibility for planning, directing, and controlling activities, directly or indirectly, of the Company.

The following amounts were due to related parties as at the dates indicated and were included in accounts payable and accrued liabilities as at such dates. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

	December 31, 2023	March 31, 2023
CFO (Note 8)	\$ (2,675)	\$ (2,625)
CEO (Note 8)	(189,000)	(47,250)
Directors (Note 8)	(392,400)	(98,100)
Companies with common management	-	38,253
	\$ (584,025)	\$ (109,722)

Key management personnel compensation

	December 31, 2023	March 31, 202
CFO – Professional fees	\$ 23,625	\$ 31,500
CEO – Consulting fees	\$ 141,750	\$ 231,000
Directors – Consulting fees	\$ 194,300	\$ 436,000
Company with common management – rental income	\$ 13,994	\$ -

CRITICAL ACCOUNTING ESTIMATES

As disclosed in the December 31, 2023 unaudited nine month financial statements, and the Company's annual audited financial statements for the years ended March 31, 2023 (as are available on the Company's profile on SEDAR (www.sedar.com)), the Company has no critical accounting estimates.

CRITICAL ACCOUNTING POLICIES

There are no accounting policies that the Company has adopted, other than what was disclosed in the Company's annual audited financial statements for the year ended March 31, 2023.

RISK FACTORS

The business of the Company is subject to risks and hazards, some of which are beyond the Company's control. Shareholders must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Company. The following is a summary of some risks and uncertainties that management believes to be material to the Company's business. Additional risk factors are included in the Filing Statement, which is available under the Company's SEDAR profile at www.sedar.com.

Risk of Payment Defaults Under Investment Agreement

While the Company intends to structure its investments in such a way as to minimize the risk of default, there is no guarantee that investee companies will not default on their payment obligations because of business failure or obligations to other lenders, investors or stakeholders. Further, there is no assurance that, in the event of a default by an investee company, the Company will be able to recover all or any of its investment. Such failure could have an adverse impact on the Company's financial condition and results of operations. In addition, in the event investments in investee companies are structured on a subordinated or unsecured basis, the Company's rights, including payment rights, will be subordinate to the rights of secured lenders of investee companies and other parties holding security interests against investee companies. As such, upon a default by an investee company, there may be no funds left to permit the Company to recover its investment.

Dependence on the Performance of Investee Companies

The Company is, and will be, dependent on the operations, assets and financial health of the investee companies in which it makes investments. The Company's ability to meet its operating expenses in the long term will be largely dependent on the interest and other payments received from investee companies, which are expected to be the sole source of cash flow for the Company. While the Company intends to focus on special situation debt financing to Hillcore's pipeline of current and future private equity investments, payments to the Company from investee companies may be based on a percentage of such companies' top line revenues, in which case negative financial performance of an investee company will likely have a negative impact on the Company's cash flow. In addition, if the financing position of an investee company declines such that it is unable to make interest payments to the Company, the Company's financial condition and cash flow will be adversely affected.

The Company has conducted, and will conduct, due diligence on each of its investee companies prior to entering into agreements with them. In addition, the Company plans to monitor investee company performance through observer rights at board meetings of investee companies, negotiating rights to appoint one or more directors to the boards of investee companies, and receiving and reviewing regular financial reports from the investee companies. Nonetheless, there is a risk that there may be some liabilities or other matters that are not identified through the Company's due diligence or ongoing monitoring that may have an adverse effect on an investee company's business and, as a result, on the Company.

Lack of Control Over Investee Company Management

The Company does not expect to have a high degree of influence over any of its investee companies or their operations, including the Borrower. Payments received by the Company from investee companies may therefore depend upon several factors that may be outside of the Company's control.

Volatility of Share Price

Securities markets throughout the world are cyclical and, over time, tend to undergo high levels of price and volume volatility. A publicly traded company will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Company's common shares will trade from time to time cannot be predicted. The market price of the common shares is subject to significant fluctuations in response to variations in quarterly and annual operating results, the results of any public announcements the Company makes, general economic conditions, and other factors. Increased levels of volatility and resulting market turmoil may adversely impact the price of the common shares. If the Company is (as it is expected to be) required to access capital markets to carry out its business objectives,

the state of domestic and international capital markets and other financial systems could affect its access to, and cost of, capital. Such capital may not be available on terms acceptable to the Company or at all, and this could have a material adverse impact on its business, financial condition, results of operations or prospects.

Financing Risks

The Company has no history of earnings or material revenue. In addition, the Company's business model is dependent on making investments in additional investee companies, and the Company anticipates having to raise additional capital to fund these investments. While the Company may generate additional working capital through equity or debt offerings, or through the receipt of interest or other payments from investee companies, there is no assurance that such funds will be sufficient to facilitate the development of the Company's business as envisioned or, in the case of equity financings, that such funds will be available on terms acceptable to the Company or at all. If available, future equity financing may result in substantial dilution to the Company's shareholders.

Limited Number of Investments

While the Company's intention is to negotiate and fund additional investments in companies in different industry sectors, it could take many years to create a diversified portfolio of investee companies and there is no guarantee the Company will ever achieve sufficient diversification. The Company may have a significant portion of its assets dedicated to a single business sector or industry for an extended period of time. In the event that any such business or industry is unsuccessful or experiences a downturn, this could have a material adverse effect on the Company's business, results of operations and financial condition.

Ability to Negotiate Additional Investments

A key element of the Company's growth strategy is expected to involve negotiating and finding investments in other operating companies. Achieving the benefits of future investments will depend in part on successfully identifying and capturing such opportunities in a timely and efficient manner and in structuring such arrangements to ensure a stable and growing stream of revenues. The Company's ability to identify investee companies and negotiate and fund additional investments in such a manner is not guaranteed.

Risks Facing Investee Companies

As previously noted, the Company's financial condition and results of operations will be affected by the performance of the companies in which it invests. Each investee company will also be subject to risks which will affect their respective financial condition. Given that, other than with respect to the Initial Investment, the Company does not currently know the exact nature of the businesses in which it may make investments, it is impossible to predict exactly what risks investee companies will face. Nonetheless, typical risks which investee companies might be expected to face include the following:

- Investee companies may need to raise capital through equity or debt financing. Failure to obtain such equity or debt, or the terms of such equity or debt that may be available, may impair the ability of investee companies to finance their future operations and capital needs. Flexibility to respond to changing business and economic conditions may therefore be limited.
- The success of investee companies may depend on the talents and efforts of one or two persons or a small group of persons. The death, disability or resignation of one or more of these persons could have a material adverse impact on an investee company.

- Investee companies may require additional working capital to carry out their business activities and to expand their businesses. If such working capital is not available, the financial performance and development of the businesses of the investee companies may be adversely affected.
- Damage to the reputation of investee companies' brands could negatively impact consumer opinion of those companies or their related products and services, which could have an adverse effect on their businesses.
- Investee companies may face intense competition, including competition from companies with greater financial and other resources, and more extensive development, manufacturing, marketing and other capabilities. There can be no assurance that investee companies will be able to successfully compete against their competitors or that such competition will not have a material adverse effect on their businesses.
- Investee companies may experience reduced revenues through the loss of a customer representing a high percentage of their revenues.
- Investee companies may experience reduced revenues due to an inability to meet regulatory requirements or may experience losses of revenues due to unforeseeable changes in regulations imposed by various levels of government.
- Investee companies may rely on government or other subsidy programs for revenue or profit generation. Changes to, or elimination of, such programs may have an adverse effect on such companies.
- Investee companies may experience negative financial results based on foreign exchange losses.

Reliance on Key Personnel

The success of the Company is dependent on the abilities, experience, efforts and industry knowledge of its senior management and other key personnel. The long-term loss of the services of any key personnel for any reason could have a material adverse effect on the business, financial condition, results of operations or future prospects of the Company. In addition, the growth plans of the Company may require additional personnel, increase demands on management, and produce risks in both productivity and retention levels. The Company may not be able to attract and retain additional qualified management and personnel as needed in the future. There can be no assurance that the Company will be able to effectively manage its growth, and any failure to do so could have a material adverse effect on its business, financial condition, results of operations and future prospects.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

At December 31, 2023, there were 38,111,286 and on March 31, 2023 there were 34,211,286 issued and fully paid common shares.

On January 30, 2023 the Company decreased the exercise price of the warrants issued in previous private placement from \$0.115 to \$0.05 and extended the expiry date from March 24, 2023 to March 24, 2024 with all other terms of the warrants to continue in full force.

As of the date of this MD&A, the following securities of the Company were outstanding:

Common Shares – 40,611,286.

Warrants - The Company has 8,550,000 warrants outstanding, exercisable \$0.05, expiring March 24, 2024.

On October 31, 2023, the Company granted an aggregate of 4,750,000 incentive stock options to purchase up to 4,750,000 common shares of the Company to its directors under its Omnibus Equity Incentive Plan. The Options are exercisable for a period of two years from the date of grant, expiring on October 31, 2025, at a price of \$0.05 per Share, and are vested.

OTHER INFORMATION AND BOARD APPROVAL

Additional information about the Company is available on SEDAR at www.sedar.com. This MD&A has been reviewed and approved by the Board of Directors of the Company.