

Triangle Industries Ltd.

Managements Discussion and Analysis
(Unaudited)

Prepared by Management

Expressed in Canadian dollars

For the three months ended March 31, 2020 and 2019

Triangle Industries Ltd.

Management's Discussion and Analysis

For the three months ended March 31, 2020 and 2019

This Management's Discussion and Analysis ("MD&A") has been prepared by management as of May 22, 2020 and is intended to assist in the understanding and assessment of trends and significant changes in the results of operations and financial condition of the Company. As such, it should be read in conjunction with the Company's unaudited condensed interim financial statements for the three months ended March 31, 2020 and the audited financial statements for the years ended December 31, 2019 and 2018, which were prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts are expressed in Canadian dollars.

Cautionary Statement on Forward-Looking Information

This MD&A may contain forward-looking statements in respect to various matters including upcoming events. The results or events predicted in these forward-looking statements may differ materially from actual results or events. The Company disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily be indicative of future results from operations.

About Triangle Industries Ltd.

Triangle Industries Ltd. (the "Company" or "Triangle") was incorporated on November 16, 1983 in the Province of British Columbia, Canada and its common shares are voluntary delisted on the NEX but remains a reporting issuer in certain jurisdictions in Canada. The NEX is a separate board of the TSX Venture Exchange ("TSX-V") for companies that have a low level of business activity or have ceased to carry on active business.

Description of Business

Historically, the Company, through its wholly-owned subsidiaries Bridges Reload Inc., Burnaby Distribution Centres Inc. and Triangle Assets Management Ltd. operated a freight and warehousing service organization providing freight, reloading and warehousing services, collectively called "transloading". These wholly-owned subsidiaries have since been dissolved.

On August 5, 2010, the Company announced the winding down of its transloading business and disposed of substantially all related assets by the end of 2010. Industry changes, the economic downturn, changing business conditions, and escalating land costs all contributed to this decision. Management was of the opinion that the Company's resources could be better utilized under a new business plan designed to improve prospects and to recapture shareholder interest. Since this time, the Company has been actively seeking opportunities to acquire or participate in new assets or businesses.

On September 7, 2012, the Company's shares were transferred to the NEX board of the TSX-V due to its lower level of business activity. The NEX is a separate board of the TSX-V that provides a trading forum for listed companies that have low levels of business activity or have ceased to carry on an active business. Until the Company enters new business activities, it will have no revenue and will continue to incur expenses for accounting, legal, audit, tax, listing and transfer agent fees, and other costs associated with its stock exchange listing. The Company has inadequate cash reserves to meet its ongoing costs of administration for the next 12 months while it continues to actively screen new investment opportunities and may incur short term loans from related parties or a financing.

The Company has voluntary delisted from the NEX but remains a reporting issuer in certain jurisdictions in Canada. The Company has no significant transactions pending at the date of this report.

Overall Performance and Highlights

The Company announced that it intended to apply to the TSX Venture Exchange (the "Exchange") to voluntarily delist from the NEX Board of the Exchange (the "NEX"). The Company has recently been evaluating various options and alternatives to allow the Company to expand its business activities. Some of these options and alternatives include:

- (1) health sciences businesses activities operating in jurisdictions that are not permissible for a listed Company on the Exchange; and/or
- (2) smaller scale business activities that would require further growth, additional working capital and a history of operations before the Company would be able to qualify for listing on the Exchange or an alternative recognized stock exchange.

The Company's management has determined that, in order to allow it to fully explore, secure or realize on these options or alternatives, the Company will require the ability to raise more working capital than the rules of the NEX would permit it to raise through the issuance of securities. Subject to delisting, the Company plans to conduct a private placement offering. The terms of the offering have not been determined at this time.

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Overall Performance and Highlights (Continued)

As a result, the Company has determined that continued listing of the common shares on the NEX is not currently in the best interests of the Company. In particular, by not being listed on the Exchange, the Company believes it will be able to pursue the most beneficial transaction that may be available at a given time, without being subject to the rules and policies of a stock exchange that may prohibit, hinder or delay transaction, providing the Company with the maximum amount of flexibility to structure a transaction to meet its current and future needs.

Subsequent to delisting, the Company will continue to be a Reporting Issuer in certain jurisdictions in Canada and remain subject to continuous disclosure requirements. If the Company is able to identify and complete a transaction (or series of transactions) or develop a business in house that results in the Company expanding upon its business activities it may consider, if deemed appropriate at the time a new application for listing of the Common Shares on a recognized stock exchange at a future date.

Pursuant to the policies of the Exchange, in order to voluntarily delist the Common Shares from the facilities of the Exchange, a majority of the holders of common shares, excluding those common shares held by officers or directors of the Company, must approve the delisting.

The Company intended to seek this approval by way of written consent and did not intend to hold a shareholders meeting for this purpose.

The delisting from the NEX was subject to the approval of the TSX Venture Exchange.

The Company has delisted from the NEX but remains a reporting issuer in certain jurisdictions in Canada.

On March 17, 2020 the Company raised \$10,000 by issuing a promissory note carrying interest at 8% per annum to a Company.

On April 2, 2019, the Company issued 260,000 common shares pursuant to 260,000 warrants exercised at \$0.05 for gross proceeds of \$13,000.

Quarterly Highlights

The following table provides selected financial information of the Company, prepared in accordance with IFRS for each of the eight most recent quarters:

| | Mar 31, 2020 | Dec 31, 2019 | Sep 30, 2019 | Jun 30, 2019 | Mar 31, 2019 | Dec 31, 2018 | Sep 30, 2018 | Jun 30, 2018 |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Total Revenue | \$ Nil |
| Total assets | 126,030 | 125,001 | 128,151 | 142,859 | 211,177 | 336,398 | 732,273 | 1,124,159 |
| Working capital | 41,722 | 62,134 | 87,612 | 113,975 | 173,935 | 277,954 | 678,787 | 1,050,574 |
| Loss and comprehensive loss | 22,012 | 25,869 | 29,330 | 75,894 | 106,921 | 403,800 | 372,983 | 17,727 |
| Basic and diluted loss per share | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 0.02 | 0.01 | 0.01 |

Discussion:

During the three months ended March 31, 2020, the Company incurred a net loss of \$22,012 (2019 - \$106,921), a decrease of \$84,909 compared to 2019.

An explanation of these changes are mainly as follows:

- Consulting fees decreased by \$15,625 in 2020 from 2019 as a result of no activity from the Company's consultants related to business development for the Company and meetings with potential customers, strategic partners and key industry contacts as the Company attempts to preserve cash.
- Director fees decreased by \$23,883 in 2020 from 2019 as a result of current directors not receiving any compensation.
- Office and administration decreased by \$38,783 in 2020 from 2019 as a result of the decrease in activity related to exploring new opportunities to acquire or participate in new assets and businesses in an attempt to preserve cash.

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Summary of Cash Flows

The following tables summarize the Company's cash flow information:

| | For the three months periods ended | |
|---|------------------------------------|-------------------|
| | March 31, 2020 | March 31, 2019 |
| Cash flows used in operating activities | \$ (8,867) | \$ (130,033) |
| Cash flows used in investing activities | - | - |
| Cash flows provided by financing activities | 10,000 | - |
| Cash, end of period | \$ 1,805 | \$ 172,044 |

The Company had a cash balance of \$1,805 as at March 31, 2020, a decrease of \$170,239 from March 31, 2019. The decrease in cash is mainly a result of the cash outflow related to operating activities of \$8,867 for the three-month period ending March 31, 2020 and \$130,033 for the three-month period ending March 31, 2019. It was used for general maintenance of the Company as discussed above. There were no investing activities during the three months periods ending March 31, 2020 and 2019. Financing activities provided a \$10,000 cash inflow as a promissory note was issued to a company.

Liquidity and Capital Resources

The balances of and changes in working capital are shown in the following table:

| | As at | |
|---------------------|-------------------|----------------------|
| | March 31, 2020 | December 31, 2019 |
| Current assets | \$ 106,178 | \$ 103,549 |
| Current liabilities | 64,456 | 41,415 |
| Working capital | \$ 41,722 | \$ 62,134 |

Working capital decreased by \$20,412 from \$62,134 to \$41,722 on March 31, 2020. An increase in accounts payable in 2020 and proceeds from promissory notes issued in 2020 helped to finance the expenses. Management estimates the cash balance of \$1,805 is insufficient for the Company's operations and that the Company might borrow money through loans or raise money through financing to meet current and short-term working capital requirements.

Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transactions with Related Parties

The Directors and Executive Officers of the Company are as follows:

Richard Savage – CEO

Sean Bromley – Director

Nader Vatanchi – Director, CFO and Corporate Secretary

Lucas Birdsall – Former CFO and Corporate Secretary

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Transactions with Related Parties (Continued)

| | Three-months periods ended | |
|----------------|-----------------------------------|---------------------------|
| | March 31, 2020 | March 31, 2019 |
| | \$ | \$ |
| Directors fees | - | 23,883 |
| Interest paid | 33 | - |
| | 33 | 23,883 |

During the three-months period ended March 31, 2020, the Company paid or accrued director fees of \$Nil (2019 - \$23,883) to Neil Halldorson, Michael Reimann, Keith Scott and Geoffrey Edwards, former directors of the Company.

On March 17, 2020, the Company obtained a promissory note of \$10,000 (December 31, 2019 - \$Nil) from a company controlled by a director. The promissory note was also included in accounts payable and accrued liabilities. The promissory note bears interest at 8% per annum and an amount of \$33 interest accrued for the three-months period ending March 31, 2020.

As at March 31, 2020, the balance due to related parties was \$3,043 (December 31, 2019 - \$3,043), which is included in accounts payable and accrued liabilities.

Proposed Transactions

The Company does not have any proposed transactions.

Financial Instruments, Capital Management and Risk Management

There were no significant changes to the Company's financial instruments, capital management and risk exposures during the three-months periods ended March 31, 2020, as compared to those reported in the Company's annual financial statements for the years ended December 31, 2019 and 2018.

I) Financial Instruments

The Company's financial instruments include cash, loan receivable, and accounts payable and accrued liabilities.

Determination of Fair Value

The carrying value of cash, loan receivable, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments. The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| | Fair Value Measurement Hierarchy | Financial assets at FVTPL | Financial assets at amortized cost | Financial liabilities at amortized cost |
|--|---|--|---|--|
| As at March 31, 2020: | | | | |
| Cash | Level 1 | \$ 1,805 | \$ - | \$ - |
| Loan receivable | Not applicable | - | 104,873 | - |
| Accounts payable and accrued liabilities | Not applicable | - | - | (64,456) |
| As at December 31, 2019: | | | | |
| Cash | Level 1 | \$ 672 | \$ - | \$ - |
| Loan receivable | Not applicable | - | 102,877 | - |
| Accounts payable and accrued liabilities | Not applicable | - | - | (41,415) |

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Fair Value Hierarchy

Financial instruments measured at fair value on the statement of financial position are summarized into the following fair value hierarchy levels:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

II) Capital Management

The Company's capital management objectives are to safeguard its ability to continue as a going concern and to seek new investment opportunities for the benefit of its shareholders. The Company includes shareholders' equity in the definition of capital.

The Company sets the amount of capital required in proportion to its operating requirements and perceived risk of loss. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company has historically relied on the equity markets to fund its activities and is open to new sources of financing to manage its expenditures in the interest of sustaining long-term viability. The Company's capital management objectives, policies and processes have not changed over the years presented.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital requirements.

III) Risk Management

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and loan receivable. The Company's credit exposure is limited to the carrying amount of its financial assets.

The Company's cash is held with a high-credit-rated financial institution and as such, the Company does not believe there to be a significant credit risk in respect to cash. The Company is exposed to credit risk on the \$100,000 loan provided to an arm's length party.

b) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of four types of risk: foreign currency risk, interest rate risk, commodity price risk and equity price risk.

(i) Foreign currency risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and a foreign currency will affect the Company's operations and financial results. The Company does not have significant exposure to foreign exchange rate fluctuations.

(ii) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to a promissory note of \$10,000 carrying interest at 8% per annum. Its interest rate risk is limited to potential decreases on the interest rate offered for cash held with chartered Canadian financial institutions. On July 10, 2019 the Company provided a loan to a non-related company. The loan is unsecured, due and payable in one year and is interest bearing at 6% per annum until the loan is repaid in full. Therefore, the Company considers the interest rate risk to be immaterial.

(iii) Commodity price risk

Commodity risk is the exposure to fluctuations in the market price of commodities. The Company does not have any commodity exposure.

(iv) Equity price risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Company does not have any equity investments.

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Fair Value Hierarchy (Continued)

c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can only do so at excessive cost. The key success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

The Company's policy is to ensure that it will have sufficient cash to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

| | Up to 3 months | 3 to 12 months | 1 to 2 years | Over 2 years | Total |
|---|----------------|----------------|--------------|--------------|-----------|
| Accounts payable and other liabilities: | | | | | |
| March 31, 2020 | \$ 64,456 | \$ - | \$ - | \$ - | \$ 64,456 |
| December 31, 2019 | 41,415 | - | - | - | 41,415 |

Outstanding Share Data

As of the date of this report, the following securities were outstanding:

| | |
|----------------------------|---|
| Authorized: | Unlimited common shares without par value |
| Issued and outstanding: | 26,122,783 |
| Share options outstanding: | Nil |
| Warrants outstanding: | Nil |
| Share Capital: | \$ 8,162,830 |

Changes in accounting standards

- IFRS 16 Leases is effective for years commencing on or after January 1, 2019, and will replace IAS 17, Leases. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value, while lessor accounting remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained.

The adoption of IFRS 16 did not have a material impact on the Company's financial statements.

Forwarding Looking Information

Triangle remains focused on seeking to identify and acquire a viable business while preserving its cash. The success of the Company depends upon a number of factors, many of which are beyond our control. Typical risk factors and uncertainties, among others, include political risks, financing risks, credit risks, commodity prices, exchange rate risks, and changing laws and public policies. As the Company is not presently involved in an active business, it is not currently exposed to industry specific risks.

This Management's Discussion and Analysis may contain forward-looking statements, including statements regarding the business and anticipated financial performance of the Company, which involve risks and uncertainties. These risks and uncertainties may cause the Company's actual results to differ materially from those contemplated by the forward-looking statements. Readers are encouraged to consider the other risks and uncertainties discussed in and additional information contained in the Company's required financial statements and filings filed on SEDAR at www.sedar.com.

Other information:

Stock Exchange Listing – Voluntary delisting

Voluntary delisting - NEX of TSX Venture Exchange
Previous Trading Symbol "TLD.H"

Auditors

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