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TRENCHANT FILES PRELIMINARY PROSPECTUS FOR $20,000,000 FINANCING
Also provides update on Waiward Loan and Convertible Preferred Share Offering

March 8, 2017, Toronto, ON – Trenchant Capital Corp. (TSX.V: TCC.H) ("Trenchant" or the "Company") is pleased to announce that it has filed and obtained a receipt for a preliminary prospectus with the securities regulatory authorities in each of 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 secured convertible debentures (the "**Debentures**") priced at $1,000 per Debenture (the "**Debenture Offering Price**"), for gross proceeds of a minimum of $5,000,000 and a maximum of $20,000,000 (the "**Debenture Offering**").

The Debenture Offering is being made on a best efforts, fully marketed basis, through a syndicate of agents to be led by **Industrial Alliance Securities Inc.** ("**IA**"), and including Canaccord Genuity Corp., GMP Securities L.P, Raymond James Ltd., Echelon Wealth Partners Inc., Mackie Research Capital Corporation, PI Financial Corp., Hampton Securities Limited, Integral Wealth Securities Limited and Leede Jones Gable Inc. (together with IA, the "**Agents**"), pursuant to the terms of an engagement letter between the Company and IA dated February 28, 2017 (the "**Engagement Letter**"). The Company has granted the Agents an option, expiring on the closing of the Debenture Offering, to sell up to an additional 15% of the Debentures sold under the Offering to cover over-allocations (the "**Over-Allotment Option**").

The Debenture Offering is subject to usual closing conditions, including regulatory approvals and the approval of the TSX Venture Exchange (the "**TSXV**"). Trenchant will use the proceeds from the Debenture Offering to fund the Loan (as defined herein).

The Company also announces that it will not proceed with its previously announced unit private placement financing, as disclosed on October 31, 2016, and announces amended terms for its previously announced convertible preferred share offering, as further described below under the heading "The Convertible Preferred Share Offering".

The Debenture Offering

The Debentures will mature on March 31, 2022 and the outstanding principal of the Debentures will bear interest (the "**Debenture Interest**") at the rate of 9.0% per annum, payable quarterly in cash. The terms of the Debentures will be set out in a trust indenture to be entered into between the Company and Computershare Trust Company of Canada prior to the closing of the Debenture Offering (the "**Closing**").

Commencing on the date that is one year after the date of issuance of the Debentures (the "**Closing Date**"), the outstanding principal amount of the Debentures may be converted, at the option of the holder, into common shares of the Company (each, a "**Common Share**") at a conversion price equal to the greater of: (i) 95% of the volume weighted average trading price of the Common Shares for the 30 trading day period ending three business days before the conversion date, and (ii) $1.00 per Common Share, provided that, unless the conversion is being effected in connection with a redemption by the Company, no more than 25% of the aggregate principal amount of Debentures held by a holder may be converted in any 180-day period.

The Company may prepay the outstanding principal of the Debentures, and the Debenture Interest thereon, in cash, at any time after two years from the Closing Date by paying the Debenture holders 105% of the outstanding principal amount of the Debentures in year three, 103% of the outstanding principal amount of the Debentures in year four, and 101% of the outstanding principal amount of the Debentures in year five, plus any accrued Debenture Interest thereon.

The Closing is subject to the concurrent closing of the previously announced Convertible Preferred Share Offering (as defined herein, and together with the Debenture Offering the "**Offerings**"), the satisfaction or waiver of all conditions precedent to the making of the Loan (other than the completion of the Offerings), and the receipt of the conditional approval of the TSXV for the Change of Business (as defined herein). The Company will pledge all of the outstanding shares of the Lender (as defined herein) to the holders of the Debentures as security for the Company's outstanding obligations under the Debentures. The holders of Debentures will have no recourse to the Company other than with respect to such Lender shares.

Pursuant to the terms of the Engagement Letter, IA has agreed to act as lead agent and sole bookrunner, on behalf of the Agents, in connection with the Debenture Offering. The Company has also agreed to grant the Agents the Over-Allotment Option, exercisable in whole or in part at any time prior to the Closing Date, to arrange for the purchase of up to an additional 15% of the Debentures sold by the Agents under, and on the same terms as, the Debenture Offering, subject to the agreement of Borrower (as defined herein) to increase the amount of the Loan by the amount of the Over-Allotment Option that is exercised. In consideration for their services, the Agents will receive a cash commission equal to 6.5% of the gross proceeds of the Debenture Offering, including any proceeds received in connection with the exercise of the Over-Allotment Option (the "**Agents' Commission**"), and be reimbursed for their reasonable expenses. As the proceeds of the sale of the Debenture Offering will be used by the Company to fund the Loan, the Agents' Commission and expenses will be paid from the proceeds of the Convertible Preferred Share Offering.

It is expected that the Closing Date will occur on or about March 31, 2017, subject to the satisfaction of certain conditions, including receipt of the approval of the TSXV and any other applicable regulatory approvals. The Company will covenant to apply to list the Debentures on the TSXV within 90 days of Closing.

A preliminary prospectus containing important information relating to the Debentures being offered under the Debenture Offering has been filed with securities commissions or similar authorities in certain jurisdictions of Canada. The preliminary prospectus is still subject to completion or amendment. There will not be any sale or any acceptance of an offer to buy the Debentures until a receipt for the final prospectus has been issued.

The Loan

The Company has entered into a loan agreement (the "**Loan Agreement**") dated March 2, 2017 (which replaces the loan agreement dated October 28, 2016) with Waiward Investments Limited Partnership (the "**Borrower**"), a limited partnership related to the **Hillcore Group** ("**Hillcore**"), pursuant to which a wholly owned subsidiary of the Company (the "**Lender**") has agreed to loan a minimum of $5,000,000 and a maximum of $20,000,000 (or $23,000,000 in the event that the Over-Allotment Option is exercised in full) (the "**Loan**") to the Borrower, secured by the Borrower's indirect equity interest in **Waiward Steel Limited Partnership** ("**Waiward Steel**"), one of Canada's largest steel fabricators and erectors (refer to "**The Loan Agreement**", below).

Waiward Steel LP

In business for over 40 years, Waiward Steel is an industry-leading provider of construction, engineering and drafting services. Using a multi-disciplinary approach and managing strategic partnerships across Canada, Waiward Steel adds value to projects from conception to completion. Based in Edmonton, Alberta, Waiward Steel operates one of Canada's largest steel fabrication facilities, with over 200,000 square feet of fabrication space and the ability to produce up to 1,000 tons per week. With over 600 employees, Waiward Steel has been named one of Canada's Top 50 Best Managed Companies every year since 2005. Waiward Steel serves multiple sectors across Western Canada and around the world. For more details on Waiward Steel's operations see ww.waiward.com.

The Convertible Preferred Share Offering

The Company is also undertaking a concurrent non-brokered financing of up to 8,750,000 non-voting convertible preferred shares (the "**Convertible Preferred Shares**") at a price of $0.40 per Convertible Preferred Share to raise gross proceeds of up to $3,500,000 (the "**Convertible Preferred Share Offering**").

The Convertible Preferred Shares will be subject to special rights and restrictions, which include the right of holders to receive annual non-cumulative dividends at a fixed rate of 8% per annum. Holders of Convertible Preferred Shares may, commencing on the date that is one year after the date of issuance of the Convertible Preferred Shares, convert their Convertible Preferred Shares into Common Shares on a one for one basis, subject to a semi-annual maximum conversion limit of such number of Common Shares as is equal to 25% of a particular holder's Convertible Preferred Shares. The Convertible Preferred Shares will automatically convert into Common Shares on a one for one basis on the third anniversary of the date of issuance.

Holders of Convertible Preferred Shares will not be entitled to receive notice of, attend or vote at any general meeting of the shareholders of the Company. The Convertible Preferred Shares will not be listed for trading on the TSXV or on any other stock exchange or quotation system. Closing of the Convertible Preferred Share Offering is subject to the concurrent closing of the Debenture Offering, the satisfaction or waiver of all conditions precedent to the making of the Loan (other than the completion of the Offerings), and the receipt of the conditional approval of the TSXV for the Change of Business.

The Convertible Preferred Share Offering is subject to a minimum of 6,875,000 of Convertible Preferred Shares being subscribed for, for minimum gross proceeds of $2,750,000. The maximum number of Convertible Preferred Shares that will be issued is 8,750,000, for gross proceeds of $3,500,000. The proceeds of the Convertible Preferred Share

Offering will be used for: (i) payment of the Agents' Commission (up to $1,495,000 assuming the Over-Allotment Option is exercised in full); (ii) fees and expenses for the Offerings, the Loan and the Change of Business (estimated at $350,000), (iii) to fund in part the operation expenses of the Company over the next twelve months (estimated at $400,000) and (iv) for general working capital purposes ($505,000 assuming the minimum number of Convertible Preferred Shares are subscribed for, and $1,255,000 assuming the maximum number of Convertible Preferred Shares are subscribed for). The Company may pay a commission or finder's fee on the sale of the Convertible Preferred Shares to eligible parties in connection with the Convertible Preferred Share Offering, subject to the approval of the TSXV and compliance with applicable securities laws.

All of the securities the Company issues under the Convertible Preferred Share Offering will be subject to a hold period that expires four months and a day after the issuance thereof.

None of the securities to be issued pursuant to the Convertible Preferred Share Offering or the Debenture Offering have been or will be registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would require registration or otherwise be unlawful.

The Loan Agreement

Pursuant to the Loan Agreement, the Lender has agreed to loan a minimum of $5,000,000 and a maximum of $20,000,000 (or $23,000,000 in the event that the Over-Allotment Option is exercised in full) to the Borrower, subject to: (i) the closing of the Offerings, and (ii) TSXV approval. The outstanding principal of the Loan will bear interest (the "**Loan Interest**") at the rate of 12.5% per annum, with 10% payable quarterly in cash and 2.5% being added quarterly to the outstanding principal of the Loan and payable on the maturity date, which will be five years from the date the Loan is made (the "**Loan Closing Date**"). The Borrower has also agreed to pay the Company a fee equal to 7% of the funds advanced to the Borrower under the Loan Agreement. No finder's fees are payable in connection with the Loan.

The Borrower will also grant the Company a five-year unit purchase option entitling it to purchase up to 10% of the Borrower's indirect holdings in Waiward Steel, with an escalating exercise price based upon the projected earnings of Waiward Steel. The actual percentage interest to be acquired will be based upon the amount of funds advanced under the Loan Agreement.

The Borrower may prepay the outstanding principal of the Loan, and the Loan Interest thereon, at any time after two years from the Loan Closing Date by paying the Lender 105% of the outstanding principal amount of the Loan in year three, 103% of the outstanding principal amount of the Loan in year four, and 101% of the outstanding principal amount of the Loan in year five, plus any applicable Loan Interest thereon. Closing of the Loan is subject to the closing of the Offerings and receipt of the conditional approval of the TSXV for the Change of Business. The Loan will be secured by a pledge of the Borrower's indirect interest in Waiward Steel.

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

The Change of Business

The Offerings and the Loan are part of the previously announced change of business of the Company (the "**Change of Business**") under which the Company plans to become a Tier 2 Investment Issuer on the TSXV. Please refer to the Company's news releases dated June 7, 2016 and October 31, 2016 for additional details with respect to the proposed Change of Business.

Hillcore Strategic Alliance

To further its development as an Investment Issuer, the Company has entered into a strategic alliance with Hillcore that grants the Company rights of first negotiation to provide special situation debt financing to Hillcore's pipeline of current and future private equity investments. The Company expects that such financings 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. HCG5 Investment Limited Partnership ("**HCG5**"), a limited partnership related to Hillcore, holds approximately 17.3% of the issued and outstanding Common Shares.

MI 61-101 Disclosure

As HCG5 holds 17.3% of the issued and outstanding Common Shares, the Loan will constitute a "related party transaction" as such term is defined in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), which requires that the Company, in the absence of exemptions, obtain a formal valuation for, and minority shareholder approval of, the related party transaction.

The Company is relying on the exemptions from the formal valuation and minority shareholder approval requirements set out in sections 5.5(e) and 5.7(c) of MI 61-101. The Loan and related transactions are supported, and the Company anticipates will be approved, by Eric Boehnke, a director of the Company who is not an interested party to the Loan Agreement and related transactions and who owns 4,955,793 Common Shares, representing 43.0% of the Company's issued and outstanding Common Shares.

About Trenchant

The Company aims to become a diversified investment and venture capital firm with a focus on providing special situation debt financing to established companies with a proven track record. The Company expects to benefit from its strategic alliance with Hillcore, a leading independent Canadian investment and advisory firm, that grants the Company rights of first negotiation to provide financing and management services to Hillcore's pipeline of current and future private equity investments.

About the Hillcore Group

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. With offices in Toronto, Vancouver, Calgary and Montreal, Hillcore employs approximately 2,500 people throughout Canada across its various groups and portfolio companies. Entities under management by Hillcore had an asset value in excess of $4.4 billion as of December 31, 2015.

Other Information

Completion of the transactions described herein is subject to a number of conditions, including TSXV acceptance and disinterested shareholder approval. The transactions cannot close until the required shareholder approval is obtained. There can be no assurance that these transactions will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement to be prepared in connection with the transaction, any information released or received with respect to the Change of Business may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

There are no material facts or material changes about the Company that have not been generally disclosed.

ON BEHALF OF THE BOARD
TRENCHANT CAPITAL CORP.

Per: *"Eric Boehnke"*
Eric Boehnke, CEO

For further information, please contact:
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Disclaimer for Forward-Looking Information
This news release includes certain "forward-looking statements" under applicable Canadian securities legislation that are not historical facts. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, but are not limited to, statements regarding the proposed Change of Business, the Loan, the Offerings and statements regarding the proposed business and operations of the Company following completion of the foregoing transactions. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors that may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: delay or failure to receive board, shareholder or regulatory approvals for the respective transactions; an inability to complete either or both of the Offerings; general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; and other risks outside of the Company's control. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except as required by applicable laws, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.