TRENCHANT CAPITAL CORP.

Condensed Consolidated Interim Financial Statements

Three Months Ended June 30, 2017

Expressed in Canadian Dollars

NOTICE TO READER

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 condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated interim financial statements have been prepared by and are the responsibility of the management of Echelon Petroleum Corp.

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

Vancouver, Canada

August 29, 2017

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

	Notes	June 30, 2017	March 31, 2017
ASSETS			
Current assets			
Cash		$ 951,184	$ 188,651
GST receivable		33,346	13,076
Prepaids		-	20,000
Advance	3	1,500,000	-
Financing costs		-	236,253
Interest receivable		70,236	-
		2,554,766	457,980
Long-term assets			
Loans	4	7,010,000	-
TOTAL ASSETS		**$ 9,564,766**	**$ 457,980**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5,7	$ 217,973	$ 154,010
Long-term Liabilities			
Debentures (net)	6	6,504,376	-
TOTAL LIABILITIES		**$ 6,722,349**	**$ 154,010**
SHAREHOLDERS’ EQUITY			
Common shares	8	4,111,518	4,111,518
Preferred shares		2,700,000	-
Share- based payment reserve	8	343,158	343,158
Deficit		(4,312,259)	(4,150,706)
TOTAL EQUITY		**2,842,417**	**(303,970)**
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		**$ 9,564,766**	**$ 457,980**

Going concern (Note 1)

On behalf of the board:

“Eric Boehnke”
Eric Boehnke, Director

”John Legg”
John Legg, Director

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

	Notes	Three months ended June 30, 2017	Three months ended June 30, 2016
Revenues			
Interest income		$ 70,236	$ -
-			
Expenses			
Business development		54,292	20,904
Consulting		75,000	-
General and administrative		9,393	9,624
Interest		63,212	-
Professional fees		10,928	40,789
Transfer agent and filing fees		18,964	4,786
		(231,789)	(76,103)
Net and comprehensive (loss)		**$ (161,553)**	**$ (76,103)**
Loss per share – basic and diluted		**$ (0.01)**	**$ (0.01)**

Trenchant Capital Corp.

Condensed Consolidated Interim Statement of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Share capital							
	Number of Common shares	Number of Preferred shares	Amount common shares	Amount preferred shares	Obligation to issue shares	Share-based payment reserve	Deficit	Total
Balance at March 31, 2016	**535,885**	**-**	**$ 3,451,518**		**$ 4,500**	**$ 343,158**	**$ (3,953,208)**	**$ (154,032)**
Issue of shares for debt	1,000,000	-	60,000		-	-	-	60,000
Issue of shares for cash	9,925,000	-	595,500		-	-	-	595,500
Issue of shares for obligation to issue shares	75,000	-	4,500		(4,500)	-	-	-
Comprehensive loss	-	-	-		-	-	(76,103)	(76,103)
Balance at June 30, 2016	**11,535,885**	**-**	**$ 4,111,518**		**$ -**	**$ 343,158**	**$ (4,029,311)**	**$ 425,365**
Balance at March 31, 2017	**11,535,885**	**-**	**$4,111,518**	**-**	**$ -**	**$ 343,158**	**$ (4,150,706)**	**$ 303 970**
Issue of preferred shares	-	6,750,000	-	2,700.000	-	-	-	2,700,000
Comprehensive loss	-	-	-	-	-	-	(161,553)	(161,553)
Balance at June 30, 2017	**11,535,885**	**6,750,000**	**$ 4,111,518**	**$2,700,000**	**$ -**	**$ 343,158**	**$ (4,312,259)**	**$ 2,842,417**

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

	Three month periods ended June 30, 2017	June 30, 2016
Operating activities		
Net income (loss)	$ (161,553)	$ (76,103)
Changes in non-cash working capital items:		
GST receivable	(20,270)	(4,321)
Financing costs	236,253	-
Interest receivable	(70,236)	-
Prepaids	20,000	-
Advance	(1,500,000)	-
Accounts payable and accrued liabilities	63,963	(64,490)
Net cash flows used in operating activities	(1,431,843)	(144,914)
Investing activities		
Loans	(7,010,000)	-
Cash flows from investing activities	(7,010,000)	-
Financing activities		
Issues of preferred shares for cash	2,700,000	595,500
Debentures	7,010,000	-
Financing costs	(269,371)	-
Cash flows from financing activities	9,440,629	595,500
Increase in cash	998,786	450,586
Cash, beginning	188,651	2,053
Cash, ending	**$ 951,184**	**$ 452,639**

1. Nature and continuance of operations

Trenchant Capital Corp. (formerly Echelon Petroleum Corp.) (the "Company") was incorporated under the British Columbia Business Corporations Act on December 17, 2009. The Company's shares are listed on the TSX Venture Exchange ("TSXV").

The Company's head office is located 33 Bay Street, Suite 630, Toronto, ON, M5H 2R2. The Company has one subsidiary, 0960128 B.C. Ltd.

These 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 no source of revenues and incurred losses since its inception and had an accumulated deficit of $4,312,259 at June 30, 2017, which has been funded primarily by issuance of shares and 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 Company was formed as a Capital Pool Company on the TSXV. In May 2011, the Company completed its qualifying transaction as a resource issuer and was engaged in the exploration and development of natural resource properties.

On May 10, 2016, the Company changed its name to Trenchant Capital Corp. and commenced trading under the symbol "TCC.H".

In May 2016, the Company announced that it was pursuing a change of business to become an Investment Issuer on the TSXV (the "Change of Business"). In connection with the Change of Business the Company changed its name to Trenchant Capital Corp. on May 16, 2017. Approval for the Change of Business was obtained from the TSXV on May 26, 2017.

2. Significant accounting policies and basis of preparation

The condensed consolidated interim financial statements were authorized for issue on August 29, 2017 by the directors of the Company.

Statement of compliance with International Financial Reporting Standards

The condensed consolidated interim 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").

Basis of preparation

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

(Expressed in Canadian Dollars)

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

Consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

	Country of incorporation	Percentage owned*	
		June 30, 2017	June 30, 2016
0960128 B.C. LTD.	Canada	100%	100%

*Percentage of voting power is in proportion to ownership.

During the years ended March 31, 2017 and 2016, the Company's subsidiary, 0960128 BC LTD, was inactive.

Significant estimates and assumptions

The preparation of the Company's condensed consolidated interim 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.

Significant judgments

The preparation of condensed consolidated interim 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 is the assessment of the Company's ability to continue as a going concern.

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.

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

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 loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted 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.

Financial instruments

The Company classifies its financial instruments in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale and financial liabilities. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Financial assets are classified at fair value through profit or loss when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Company with significant financial assets is managed by key management personnel on a fair value basis in accordance with a risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortized cost. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortized cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not suitable to be classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments and are subsequently measured at fair value. These are included in current assets. Unrealized gains and losses are recognized in other comprehensive income, except for impairment losses and foreign exchange gains and losses.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortized cost.

Regular purchases and sales of financial assets are recognized on the trade-date – the date on which the Company commits to purchase the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

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

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's 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

(Expressed in Canadian Dollars)

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

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.

Accounting standards issued but not yet effective

Certain new standards, interpretations and amendments to existing standards are not yet effective as of March 31, 2017 and have not been applied in preparing these financial statements.

IFRS 9 Financial Instruments – Classification and Measurement

IFRS 9 is a new standard on financial instruments that will replace IAS 39 *Financial Instruments: Recognition and Measurement.*

IFRS 9 addresses classification and measurement of financial assets and financial liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

Effective for annual periods beginning on or after January 1, 2018.

3. Advance

On June 29, 2017, the Company advanced $1,500,000 to 10164950 Canada Ltd., a company controlled by the Hillcore, as an advance on a second investment transaction with the Hillcore, the terms of which are currently being negotiated

4. Loans

	June 30, 2017	March 31, 2017
May 18, 2017	$ 5,522,000	$ -
June 26, 2017	1,488,000	-
	$ 7,010,000	$ -

The loan bears interest at 12.5% per annum, with 10% payable quarterly in cash and 2.5% added quarterly to the principal balance and payable at maturity on March 31, 2022. The Borrower paid a fee equal to 7% of the funds advanced. Interest earned in the quarter ended June 30, 2017 was $70,236.

The loan is secured by the Borrower's indirect equity interest in Waiward Steel Limited Partnership. (See Note 6)

(Expressed in Canadian Dollars)

5. Accounts payable and accrued liabilities

	June 30, 2017	March 31, 2017
Accounts payable and accrued liabilities	$ 217,973	$ 154,010
	$ 217,973	$ 154,010

6. Debentures

	June 30, 2017	March 31, 2017
May 18, 2017	$ 5,522,000	$ -
June 26, 2017	1,488,000	-
Less Financing costs	(505,624)	-
	$ 6,504,376	$ -

On May 18, 2017, the Company closed the initial tranche of its prospectus offering of convertible debentures (the "Debentures"), pursuant to which it raised gross proceeds of $5,522,000 through the issuance of 5,522 Debentures.

On June 26, 2017, the Company closed a second tranche of its prospectus offering, for additional gross proceeds of $1,488,000 through the issuance of 1,488 Debentures

The Debentures will mature on March 31, 2022 and the outstanding principal of the Debentures will bear interest at the rate of 9.0% per annum, payable quarterly in cash. Interest for the quarter ended June 30, 2017 was $63,212.

Commencing on the date that is one year after the date of issuance of the Debentures, the outstanding principal amount of the Debentures may be converted, at the option of the holder, into common shares of the Company 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 Company pledged all of the outstanding shares of the Company's subsidiary to the holders of the Debentures as security for the Company's outstanding obligations under the Debentures.

(Expressed in Canadian Dollars)

6. Debentures (cont'd)

The holders of Debentures have no recourse to the Company other than with respect to such shares.

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. (see Note 4 and 8)

7. Related party transactions

The following amounts are due to related parties and included in accounts payable and accrued liabilities:

	June 30, 2017	March 31, 2017
Directors and officers of the Company	$ -	$ 7,530
CFO	1,575	1,575
	$ 1,575	$ 9,105

Key management personnel compensation

	Three months ended	
	June 30, 2017	June 30, 2016
CFO	$ 1,500	$ 1,500

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

8. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At June 30, 2017 and 2016 there were 11,535,885 and issued and fully paid common shares.

During the three months ended June 30, 2016, the Company issued:

1. 75,000 common shares at $.06 for an obligation to issue shares of $4,500
2. 1,000,000 common shares at $.06 for a debt obligation of $60,000
3. 9,925,000 common shares at $.06 for cash of $595,500

Basic and diluted loss per share

The calculation of basic loss per share for the period ended June 30, 2017 was based on the loss attributable to common shareholders of $161,553 (2016: $76,103) and the weighted average number of common shares outstanding of 11,535,885.

8. Share capital (cont'd)

Preferred shares

The Company raised gross proceeds of $2,700,000 through the issuance of 6,750,000 Convertible Preferred Shares at a price of $0.40 per Convertible Preferred Share.

The Company completed a private placement of non-voting convertible preferred shares and raised gross proceeds of $2,700,000 through the issuance of 6,750,000 Preferred Shares at a price of $0.40 per Preferred Share. The Preferred Shares are entitled to receive annual non-cumulative dividends at a fixed rate of 8% per annum. Holders of Preferred Shares may, commencing on May 18, 2018, convert their 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 Preferred Shares. The Preferred Shares will automatically convert into Common Shares on a one for one basis on May 18, 2020. The Preferred Shares are subject to a hold period that expires on September 19, 2017. The Preferred Shares will not be listed for trading on the TSXV or on any other stock exchange or quotation system. The proceeds of the Preferred Share Offering will be used for payment of the fees and expenses for the Offerings, the Initial Investment and the Change of Business, to fund the operation expenses of the Company and for general working capital purposes. No commissions or finder's fees were paid on the sale of the Preferred Shares.

9. 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:

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.

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.

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

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

As at June 30, 2017, the Company had working capital of $1,385,609 consisting of cash of $951,184, GST receivable of $33,347, interest receivable of $70,236 advance of $1,500,000 and current liabilities of $217,973. The current liabilities are due within three months of year-end.

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. At June 30, 2017 and March 31, 2017, there was no foreign currency exposure because there are no liabilities denominated in foreign currencies. This risk is considered minimal.

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.

Market risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

Dependence on key personnel

The Company has a small management team and the loss of a key individual or the inability to attract suitably qualified personnel in the future could materially and adversely affect the Company's business.

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.

(Expressed in Canadian Dollars)

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

Classification of financial instruments

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

	June 30, 2017	March 31, 2017
Held for trading:		
Cash	$ 951,184	$ 188,651
Loans and receivables:		
Advance	1,500,000	+
Interest receivable	70,236	-
Loans	7,010,000	-
	$ 9,531,420	$ 188,651

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

	June 30, 2017	March 31, 2017
Non-derivative financial liabilities:		
Accounts payable	$ 217,973	$ 154,010
Debentures	6,504,376	-
	$ 6,722,349	$ 154,010

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.

10. Subsequent events

1. On July 19, 2017, the Company, through its subsidiary, closed a third and final tranche of its prospectus offering, for additional gross proceeds of $730,000 through the issuance of 730 Debentures. The aggregate gross proceeds of the Debenture Offering are $7,740,000.

   The Company, its subsidiary, has made a third and final advance of $730,000 to the Borrower pursuant to the terms of a loan agreement dated March 2, 2017. The Company has loaned an aggregate of $7,740,000 to the Borrower. The loan is secured by the Borrower's indirect equity interest in Waiward Steel Limited Partnership.

2. On August 1, 2017, the Company has retained the services of Hybrid Financial Ltd. to provide it with investor relations services. Under the terms of the agreement with Hybrid, the Company will pay a monthly retainer fee of $10,000 and the term of the agreement shall begin on August 1, 2017 for an initial period or two months.

   Trenchant has also retained Integral Wealth Securities Limited to provide market-making services in accordance with TSX Venture Exchange policies. Integral will trade securities of the Company on the TSXV for the purposes of maintaining an orderly market of the Company's securities. In consideration of the services provided by Integral, the Company will pay integral a monthly cash fee of $7,500 for a period of 12 months.