

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Trenchant Capital Corp. (the “Company”)
Suite 1790 – 1066 West Hastings Street
Vancouver, BC V6E 3X1

Item 2 Date of Material Change

August 26, 2020

Item 3 News Release

News Release dated August 26, 2020 was disseminated via Newsfile Corp.

Item 4 Summary of Material Change

The Company announced that the Canadian Securities Exchange (the “CSE”) has 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 “CSE Listing”) and expects that the Securities will commence 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 CSE Listing, the Company expects to delist the Securities from the TSX Venture Exchange (the “TSXV”) at the close of market on August 27, 2020.

The Company also provided an update on the status of its private equity investments following an assessment of the impact from the COVID-19 pandemic (the “Pandemic”).

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that the CSE has approved the listing of the Company’s Securities on the CSE and expects that the Securities will commence 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 CSE Listing, the Company expects to delist the Securities from the TSXV at the close of market on August 27, 2020.

Corporate Update

Pursuant to a loan agreement dated March 2, 2017, the Company has made loan advances to Waiward Industrial Limited Partnership (“Waiward”), one of Canada’s largest steel fabricators and erectors, which were financed through convertible debentures offerings of the Company. Both the Pandemic and the oil price slump have had an impact on Waiward’s projects, and therefore the revenue Waiward expected to generate in the first two quarters of 2020 has been reduced. Waiward remained open during the province wide shut down, and was

declared an essential service. No Pandemic related health issues were experienced in the factory to the knowledge of the Company. Fortunately Waiward had a large backlog of work and a strong balance sheet heading into the Pandemic and its management is cautiously optimistic in the short term as sites reopen and business slowly returns. Waiward remains profitable and expects business to remain stable for the balance of the year while it continues to secure work with its major customers. To date Trenchant has paid to the convertible debenture holders from the offering related to the Waiward investment an aggregate of \$2,149,907 in interest payments. Please visit www.waiward.com to learn more about Waiward.

Omni

Pursuant to a loan agreement made in December 2017, the Company has made loan advances to the parent company of Omni Health Investments Inc. (“**Omni**”), one of Canada’s largest long-term care home operators, which were financed through convertible debentures offerings of the Company. Omni, along with the rest of the long-term care sector in Ontario was impacted from Pandemic in terms of operations; however, support from the government muted any material volatility in terms of cash flows and earnings. Omni currently has no long-term care homes with a Pandemic outbreak; however, sadly the Almonte suffered a number of Pandemic-related deaths. At various times Omni had up to 5 homes with varying degrees of Pandemic outbreaks, but the Almonte home is the only one which experienced deaths. Omni was early to adopt procedures and policies to minimize and slow down the spread including limiting visitors, screening and shifting eating in dining halls to rooms. Although things are relaxing, Omni’s homes are still screening, limiting visitors to appointments and are operating at higher vigilance. The Ontario Ministry of Health (the “**Ministry**”) is funding all homes as if they were 100% occupied and the province of Ontario still has a healthy waitlist, so Omni’s occupancy rate has remained stable. The Ministry has also increased funding in the nursing envelope to cover emergency pay, increased personal protective equipment costs and to offset increased costs due to operational changes. Omni’s management feels the worst is over and in terms of its financial performance and it does not expect any material changes. To date Trenchant has paid to the convertible debenture holders from the offering related to this investment an aggregate of \$1,779,720 in interest payments. Please visit www.omniway.ca to learn more about Omni.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None.

Item 8 Executive Officer

Eric Boehnke, CEO (604) 307-4274

Item 9 Date of Report

August 27, 2020



1790 – 1066 West Hastings Street, Vancouver, BC V6E 3X1

Tel: (604) 307-4274

August 26, 2020

Trading Symbol: TCC

TRENCHANT ANNOUNCES LISTING ON THE CANADIAN SECURITIES EXCHANGE AND PROVIDES CORPORATE UPDATE

VANCOUVER, BC – Trenchant Capital Corp. (TSX.V: TCC) (“Trenchant” or the “Company”) announces that the Canadian Securities Exchange (the “CSE”) has 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 “CSE Listing”) and expects that the Securities will commence 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 CSE Listing, the Company expects to delist the Shares from the TSX Venture Exchange (the “TSXV”) at the close of market on August 27, 2020.

The Company is also providing an update on the status of its private equity investments following an assessment of the impact from the COVID-19 pandemic (the “Pandemic”).

Waiward Industrial

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currently has no long-term care homes with a Pandemic outbreak; however, sadly the Almonte suffered a number of Pandemic-related deaths. At various times Omni had up to 5 homes with varying degrees of Pandemic outbreaks, but the Almonte home is the only one which experienced deaths. Omni was early to adopt procedures and policies to minimize and slow down the spread including limiting visitors, screening and shifting eating in dining halls to rooms. Although things are relaxing, Omni's homes are still screening, limiting visitors to appointments and are operating at higher vigilance. The Ontario Ministry of Health (the "**Ministry**") is funding all homes as if they were 100% occupied and the province of Ontario still has a healthy waitlist, so Omni's occupancy rate has remained stable. The Ministry has also increased funding in the nursing envelope to cover emergency pay, increased personal protective equipment costs and to offset increased costs due to operational changes. Omni's management feels the worst is over and in terms of its financial performance and it does not expect any material changes. To date Trenchant has paid to the convertible debenture holders from the offering related to this investment an aggregate of \$1,779,720 in interest payments. Please visit www.omniway.ca to learn more about Omni.

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.

ON BEHALF OF THE BOARD TRENCHANT CAPITAL CORP.

Per: "Eric Boehnke"
Eric Boehnke, CEO

For further information, please contact:
Trenchant Capital Corp.
Eric Boehnke, CEO
Email: info@trenchantcapital.net

Disclaimer for Forward-Looking Information

This news release contains forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company, such as statements that the Company intends to list the Securities on the CSE and delist the Securities from the TSXV and the expected financial condition of Waiward and Omni. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including the unknown magnitude and duration of the effects of the Pandemic and other risks that are customary to businesses of similar to the Company's business. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

Neither TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.