Torrent Capital Ltd.
Management Discussion and Analysis
Year ended December 31, 2018

This Management's Discussion and Analysis ("MD&A") of Torrent Capital Ltd. ("Torrent" or the "Company"), formerly Metallum Resources Inc. is dated April 26, 2019 and provides an analysis of the financial operating results for the years ended December 31, 2018 and December 31, 2017. This MD&A should be read in conjunction with the audited annual financial statements and accompanying notes for the years ended December 31, 2018 and December 31, 2017 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") for financial statements. All amounts are in Canadian dollars unless otherwise specified. The MD&A, financial statements and other information, including news releases and other disclosure items are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com under the Company's profile. The common shares of Torrent Capital Ltd. are traded on the TSX Venture Exchange under the symbol "TORR".

Except for the historical statements contained herein, this MD&A presents "forward-looking statements" within the meaning of Canadian securities legislation that involve inherent risks and uncertainties. Forward-looking statements include, but are not limited to, future developments; use of funds; and the business and operations of the issuer having completed the change of business. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "proposed", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", "projections" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Torrent to be materially different from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and competitive, risks relating to investment decisions; investee company outlook and performance of the investments; the Company's ability to realize sufficient proceeds from the disposition of investments; market fluctuations; fluctuations in prices of commodities underlying our interests and equity investments; foreign exchange fluctuations; political and economic conditions in countries in which the interests of the Company's portfolio investments are located; delay or failure to receive the Board of Directors, shareholder or regulatory approvals; and the results of continued development, as well as those factors disclosed in Torrent's publicly filed documents. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Although the Management and Officers of Torrent believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Torrent does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

The Company's Change of Business

Torrent Capital Ltd. ("Torrent", or the "Company") previously carried on business involving the acquisition, exploration and development of properties for the mining of precious and base metals. In early 2017, the Company received final approval from the TSX Venture Exchange ("TSXV") for its Change of Business ("COB") from a Mining Issuer to an Investment Issuer. The Company's focus is upon strategic investments in public and private company securities.

At the February 2, 2017 Annual General and Special Meeting, the Company received overwhelming support for its COB and other matters. In excess of 99% of voting shareholders approved the COB, the name change to Torrent Capital Ltd. and the consolidation of its common shares on a basis of one new common share for every three common shares. The Company filed articles of amendment to effect the name change and the share consolidation and both were in effect when the shares of the Company recommenced trading on February 6, 2017 under the symbol "TORR". All references to the number of common shares have been adjusted retrospectively to reflect the Company's one-for-three share consolidation for the prior periods disclosed in this MD&A.

Investment Issuer Objective

Torrent invests primarily in the securities of public and private companies, with the objective of increasing shareholder return. The Company seeks to identify investments by utilizing the experience and expertise of its Management team and Board of Directors (the "Board").

Investment Strategy
The nature and timing of the Company's investments will depend, in part, on available capital at any particular time and the investment opportunities identified and available to the Company.

Subject to the availability of capital, the Company intends to create a diversified portfolio of investments. The composition of its investment portfolio will vary over time depending on its assessment of a number of factors including the performance of financial markets and credit risk.

The following are the guidelines for Torrent's investment strategy:

- The Company will invest in the securities of both public and private companies and may take part in private or public offerings for predetermined royalties, equity positions, debt, convertible or preferred securities.
- Investment arrangements may include a combination of securities including, but not limited to, equity, debt, warrants, preferred shares, bridge financing, collateral, royalty arrangements or other securities as deemed appropriate by the Company's Management and in compliance with the Investment Policy. In certain cases, the Company expects to enter into oversight arrangements as a condition of the investment. Oversight may range from Board of Director appointments, advisory positions or management consulting positions with the target companies.
- The Company may purchase or sell securities on public exchanges.
- The Company reserves the right to acquire all or part of other businesses or assets of a target company that Management believes will enhance the value for shareholders.
- The Company will be industry agnostic in terms of investment sectors. The Company's investments shall not be required to follow a percentage of industry diversification. The Company's Management and Board will make use of expertise within the Company and invest in industries that Management believes the involvement of the Company's funds and expertise can provide superior returns for shareholders.
- The Company may make investments in extra-ordinary activities, or activities not in the normal course of business, which may include but not be limited to mergers, acquisitions, corporate restructurings, spin-offs, take-overs, bankruptcies or liquidations, public listings, leveraged buyouts or start-ups. The Company may elect to invest in such events, provide financing or purchase securities in exchange for fees, interest or equity positions.
- The majority of investments are expected to be short to medium term investments, with an expected life of an investment of 6 – 24 months.
- Depending on market conditions, the Company intends to fully invest its available capital, apart from working capital requirements. Any funds not invested at a point in time will be expected to be invested in the near term.
- All investments will be made in compliance with applicable laws in relevant jurisdictions and in compliance with any associated exchange policy.

The Company's management and the Board may authorize investments outside the guidelines described above if they feel the investment is for the benefit of the Company and its shareholders.

Investment Portfolio

Since the Company commenced investment activities late in the first quarter of 2017, the Company has initiated and maintains positions in DHX Media Ltd. (TSX: DHX), Trican Well Services Limited (TSX: TCW), kneat.com, inc. (TSXV: KSI), Martello Technologies Corporation (TSXV: MTLO), Pivot Technology Solutions (TSX: PTG), Peyto Exploration and Development Corp. (TSX: PEY), Sona Nanotech Inc. (CSE: SONA), Yamana Gold Inc. (TSX: YRI) and, as well as investments in a number of other public and private companies.

Where a Director or Officer identifies themselves to be in a conflict of interest, they recuse themselves from any and all of the Company's discussions and decisions relating to a potential targeted investment. The Company also participates from time to time in investments associated with the venture capital firm Numus Financial Ltd. and its wholly-owned subsidiary Numus Capital Corp., an Exempt Market Dealer, (together "the Numus Group"). If the Company invests in these associated ventures, there may be financing fees payable to Numus Capital Corp. The Numus Group is jointly owned by the CEO and a Director.

DHX Media Ltd. ("DHX")
DHX is a leading children's content and brands company, recognized globally for high-profile programs including Peanuts, Teletubbies and Strawberry Shortcake. DHX is one of the world's largest producers of children's shows and owns the world's largest independent library of children's content, with 13,000 half-hours of programs. DHX licenses its content to broadcasters and streaming companies worldwide and generates royalties from its global consumer products program. Through its subsidiary, WildBrain, DHX also operates one of the largest networks of children's channels on YouTube.

In 2017, DHX announced a strategic review to explore strategic alternatives with a focus on enhancing shareholder value. Since the announcement of the strategic review, DHX has replaced its Chief Executive Officer, Chief Financial Officer, as well as, some of its senior management team. DHX has also provided more transparent guidance on its short-term objectives to boost organic growth, improve its cash flow and reduce debt. The company completed its strategic review which has resulted in a new content distribution strategy and an emphasis on reducing costs. DHX has moved its focus to a distribution model focusing on streaming online versus the more traditional television distribution model and has split the business into these two divisions. The company recently announced a Subscription Video on Demand ("SVOD") deal with Apple indicating that its streaming business is of high quality and likely to provide significant growth. The company has also recently announced the sale of its property in Toronto with the proceeds of $12 million being used to pay down debt.

DHX has been underperforming due to short-term missteps made by management. The stock had been over valued due to lofty management guidance, poor working capital management and acquisitions made at aggressive valuations that resulted in the corresponding accumulation of debt. As the share price corrected, the debt-to-equity multiple deteriorated and the company has also suspended its dividend, creating uncertainty in the market.

Torrent believes that DHX is undervalued, trading at a steep discount to the inherent value of its assets and its ability to generate future cash flow. Based on its 2019 forecasts, DHX is expected to generate around $40 million in free cash flow, which is sufficient to cover its debt service obligations. The Company believes that this offers investors a degree of comfort as management is in the process of initiating the recently outlined strategic alternatives. DHX currently trades at a one year forward EV/EBITDA multiple of 12.1X, which is at a significant discount to the peer group average of 21.5X. This discount is expected to decrease as DHX's management continues to streamline the business and aims to enhance shareholder value.

kneat.com, inc. ("KSI")

KSI offers its Kneat Gx software application platform ("Kneat Gx") which focuses on the validation lifecycle management and testing within the life sciences industry (i.e. biotechnology, pharmaceutical and medical device manufacturing). The Kneat Gx platform provides a compliant, digital solution that enables companies in the Life Sciences industry to become efficient and compliant with an automated process that has traditionally been manual, in-efficient and paper-based. KSI possesses a quality management system and is certified to ISO 9001:2015. In addition, it adheres to all applicable Life Sciences regulations such as all current cGMPs, GAMP5, International Conference on Harmonization ICH Q8, Q9 and Q10, EU Annex 11, FDA CFR Title 21 Part 11 governing Electronic Records and Electronic Signatures. Adhering to these regulations and guidelines is a mandatory requirement in order to supply to this highly regulated market.

A number of case studies have been released that highlight the effectiveness and disruptive nature of the Kneat Gx platform, including case studies co-written with tier one companies Myriad and Biogen. Myriad implemented a paperless Computer System Validation ("CSV") and Change Management process which have resulted in "substantial impact on the business by enabling more right first time, greater productivity, shorter cycle times and a higher compliance standard." Biogen's white paper classified KSI's platform as "a genuine breakthrough."

KSI appears to be entering a rapid growth phase. The company signed seven new customers and scaled two existing customers in 2018. These new customers add to KSI's potential install base within existing customers which is now in excess of 200 manufacturing sites. Torrent expects continued news flow in 2019 with two or three go live events for the newly signed and scaled customers, which will serve to highlight the growth prospects of KSI.

KSI has a modest enterprise value of $50 million in relation to its experienced management team, marquee clients, limted debt, strong cash position, rapid stage of growth and industry leading technology.

Pivot Technology Solutions ("PTG")

PTG was founded in 2010 and is an Enterprise IT valued added reseller ("VAR"). PTG was formed through the acquisition of four US VARs with a focus on enterprise storage and server hardware. PTG acquired Canadian based TeraMach Technologies Inc. in October 2016 to expand its footprint in North America. PTG aims to support its clients in all aspects of their IT lifecycle management. PTG currently designs, sells and supports IT enterprise solutions which include hardware, maintenance and support. It also offers data center management, infrastructure management, systems architecture, technical services, and procurement and integration services.

The Company believes that PTG is an undervalued company in relation to the quality of its business and profitability profile. PTG serves over 2,000 customers with more than 70% of its revenue generated from Fortune 100 IT software and service companies, most of which are in a period of accelerated growth. PTG has a meager market capitalization of $32 million, despite annual revenue of $1.9 billion and a healthy dividend yield of 15%.

Torrent believes that PTG is due to enjoy improved profitability as PTG's management looks to expand its higher margin services related business. The company has also been advancing its proprietary Smart Edge technology with a strategic partner which will serve to add an additional growth element to the PTG story. Smart Edge is an advanced developer platform designed to support enterprise Multi-Access Edge Computing ("MEC") solutions and built to operate on Intel technology. It simplifies enterprise-based mobility and delivers an immersive user experience by placing computer applications and content adjacent to the user. As Smart Edge advances via test trials with potential clients and its revenue window approaches, the market should begin to price the platform into PTG shares.

At an EV/EBITDA of 6.0X, PTG trades at historical lows on both an absolute basis (3-year average of 8.1X) and relative to its peer group (14.3X). This discount is expected to narrow as PTG revenue growth returns to trend, its services-based business continues to boost margins, management institutes further cost cuts, Smart Edge moves towards commercialisation and the market recognises that its dividend yield of 15% is well supported.

Martello Technologies Corporation ("MTLO")

MTLO is a company in the unified communications sector, a segment of the economy driven by strong secular trends, that is experiencing a compound annual growth rate of 25%. MTLO was founded in 2009 and is headquartered in Ottawa, with staff in Canada, France and the United States. In January of 2018, Martello merged with Elfiq Networks to offer a solution that pairs performance management software with software-defined wide area network technology to provide exceptional, unified communication performance. MTLO's solution delivers confidence in the performance of real-time services on cloud and enterprise networks and it is a proven provider of performance management software for Mitel customers.

MTLO was originally structured and funded by Terry Matthews, a well-known technology investor who founded several companies including Mitel and Newbridge Networks. Mr. Matthews remains the largest shareholder of MTLO and is its co-chairman, with Bruce Linton, the Founder and Chief Executive Officer of Canopy Growth Corp, a publicly traded Cannabis company with a market capitalization of approximately $21.9 billion. MTLO's newly appointed Chief Executive Officer is John Proctor, previously the VP of global cyber security with CGI Group, a multinational IT consulting firm with $10 billion in annual revenues.

MTLO is an established technology company with a presence on over 7,000 networks, 16,000 devices and reaches more than 150 countries around the globe. Martello's underlying clients are comprised of numerous well-known global enterprises, including Volkswagen, the United Nations, Hilton Worldwide and Major League Baseball. In addition, Martello currently has approximately 100 employees, an annual revenue run rate of $12.4 million and is on the verge of being profitable based on our projections.

Torrent believes that MTLO is on the verge of a rapid growth phase, driven by both organic and acquired expansion. MTLO's performance management software is on thousands of networks and presents a tremendous opportunity as MTLO can view where the deficiencies are on their enterprise client networks in real time. With this information, MTLO can then decide if it wants to build-out a solution internally or make a strategic acquisition to acquire a technology solution to address the concern. As MTLO expands into different channels, potentially into areas such as artificial intelligence or cyber security, it already has an established network of clients. This reduces the inherent risk of an early stage software company that often spend a significant amount of capital on product development before establishing a customer base.

The stock trades at less than 3X our 2019 EV/Revenue forecasts, which is at a significant discount to the group average of 8-10X. This discount should narrow given the growth prospects of the unified communications sector, the quality of the Executive team, ongoing news flow associated with M&A and supreme revenue and earnings visibility for a small cap technology company in Canada.

Sona Nanotech ("SONA")

Halifax-based SONA is a nanotechnology life sciences company that has developed two proprietary methods of manufacturing rod-shaped gold nanoparticles. Its principal business is the research and development of its proprietary technology for use in multiplex diagnostic testing platforms that will improve performance of existing tests in the market.

SONA is the manufacturer of the Gemini and Omni Gold Nanorod ("GNR") product lines. SONA is the world's first company to develop the ability to synthesize high volumes of gold nanorods without the use of the cytotoxin, cetyltrimethylammonium bromide ("CTAB"). GNR products are ideally suited for in-vitro Diagnostics test products including lateral flow assays, enzyme-linked immunosorbent assays, flow through assays and lab analyzers. In addition, Sona's gold nanorods have potential to be incorporated into disruptive emerging medical applications including targeted drug delivery, photothermal therapy and cell imaging.

SONA currently has a market capitalization of $17 million, which is modest in relation to the company's potential. The lateral flow market is growing exponentially driven by the growth of an aging population and the corresponding advancement of chronic disease and the need for point of care diagnostic tests. In addition, various segment applications in the market, such as infectious diseases, animal diagnostics, and self-testing associated with personal health and wellness continue to grow substantially.

SONA has made excellent strides thus far, partnering with top tier counterparties in the sector such as Romer Labs, Operon, Expendeon and OLM Diagnostics. These companies are well-established, have diverse product lines and significant distribution channels. If the product development partnerships succeed, it would translate into sizeable royalty revenues and further validate SONA's nanoparticle technology.

Trican Well Service Ltd. ("TCW")
TCW is a Canada-based oilfield services company. It engages in the provision of products, equipment and services used during the exploration and development of oil and natural gas reserves. The Company's products and services include acidizing and production enhancement, carbon dioxide, cementing, coiled tubing, fracturing, geological, completion systems and downhole tool services, nitrogen and industrial services. TCW's operations are primarily in Canada and the US, as well as limited exposure to Kazakhstan, Russia, Norway, Saudi Arabia and Colombia.

TCW is Canada's largest pressure pumping company representing 30% of total fracturing capacity in Canada in terms of Hydraulic Horsepower. It is also the market leader in cementing services based on total market share. Despite a soft operating environment due to reduced industry wide frac utilization, pricing pressure and trough level Canadian well-completion rates, TCW remains in a relatively strong position due to disciplined capital allocation, cost control, broad range of services, underutilized fleet of equipment, a strong balance sheet with net debt of $38 million and working capital of $108 million.

Torrent believes that TCW is well-positioned to take advantage of a turn in the sector as oil and gas prices stabilize at elevated levels and overly depressed sentiment moderates. TCW is trading at cyclical lows in relation to its tangible book value which is typically an opportune entry point for investors willing to be patient in the pursuit of outsized returns. Furthermore, the company is trading a steep discount to our modest 2020 EBITDA projections and we are encouraged by management's ongoing commitment to maximizing returns for its shareholders via an aggressive share buyback program.

Peyto Exploration & Development Corp ("PEY")
PEY is an energy company engaged in acquisition, exploration, development and production of oil and natural gas in Western Canada. Its portfolio of assets includes exploration, exploitation and development opportunities located primarily in the Deep Basin of Alberta.

PEY is the fifth largest Canadian natural gas producer and is a pure play on the Alberta Deep Basin. Proven reserves, as of 2017 year-end filings, totaled 1.6 trillion cubic feet equivalents ("TCFe") while proven and probable reserves were reported at 4.3 TCFe. This gives a multi-year runway of low-cost production and PEY has extremely low cash breakeven rates, most recently estimated at $0.83/mcfe, making the company competitive even with extremely depressed natural gas prices.

PEY's low-cost production profile and efficient allocation of capital has enabled it to remain profitable in a very weak market. In addition to its aggressive cost cutting strategy, PEY has a strategic objective to diversify its gas sales away from the Alberta Energy Company and sell directly to industrial and power generation customers in Alberta, which should improve realized prices. Torrent believes PEY is well-positioned should gas prices harden as NTGL/LNG projects advance, connecting gas production in Western Canada to domestic and export markets.

Yamana Gold Inc. ("YRI")
YRI has a diversified portfolio of mining assets providing sustainable gold production supported by a large resource base. YRI has industry-low cash costs with operations in some of the world's most stable mining jurisdictions. YRI offers exposure and increasing leverage to gold through continued production and mineral resource growth. In 2019, YRI expects to deliver production of 940,000 ounces of gold, 10 million ounces of silver and 120 million pounds of copper.

YRI recently brought Cerro Moro online in Argentina, which is its seventh mine. YRI has been increasing gold production for the past few quarters at roughly 10% and boosted full year 2018 gold production guidance by 20,000 ounces to 940,000 ounces. Equally encouraging, YRI's cost profile has also improved with its all-in sustaining cash cost per ounce dropping from $758 per ounce ("/oz") to an attractive $712/oz.

Despite attractive assets, increasing production growth and a solid cost profile, YRI trades at a discounted price-to-book (0.56X vs. 0.85X) and price-to-sales (1.37X vs. 1.75X) in relation to its peer group. Torrent believes that YRI is well-positioned to provide leverage to a rising commodity environment over the short term as the United States dollar stabilizes and global growth remains steady. In the unlikely event that commodities remain under pressure, YRI's top quartile cost profile and decent dividend yield offer some protection.

Selected Financial Information

The following table sets out selected financial information and highlights for the last three fiscal years:

For the year ended	**December 31, 2018 $**	**December 31, 2017 $**	**December 31, 2016 $**
Revenue			
Realized gain (loss) on investments	**4,821,181**	201,619	83,919
Unrealized gain (loss) on investments	**(1,086,219)**	1,639,681	-
	3,734,962	1,841,300	83,919
Expenses			
Consulting and wages	**710,230**	247,038	74,915
Professional fees	**25,951**	30,752	213,908
Directors fees	**59,354**	48,955	46,775
Insurance	**25,274**	26,216	20,823
Stock exchange and maintenance fees	**30,347**	34,948	42,490
Office, administration and other	**61,695**	38,794	12,318
Stock-based compensation	**121,732**	119,109	-
Loss (gain) on foreign exchange	**(1,355)**	8,393	(1,044)
	1,033,228	554,205	410,185
Operating income (loss) before the following	**2,701,734**	1,287,095	(326,266)
Gain on litigation settlement	**-**	-	320,000
Write down of note receivable	**-**	(292,312)	-
Net income (loss)	**2,701,734**	994,783	(6,266)
Net income (loss) per share	**$0.11**	$0.04	($0.00)
Weighted average # of shares	**23,663,675**	23,648,333	23,648,333
Cash	**447,097**	772,290	6,353,915
Investment at fair value	**10,620,779**	7,020,725	-
Total assets	**11,107,637**	7,800,433	6,677,101
Total liabilities	**595,248**	111,510	102,070
Shareholders' Equity	**10,512,389**	7,688,923	6,575,031

Results of Operations for the years ended December 31, 2018 and 2017

In 2018, the Company reported a net income of $2,701,734 or $0.11 per share as compared to a net income of $944,783 or $0.04 per share in 2017. During 2018, the Company realized gains on its investment portfolio of $4,821,181 or $0.20 per share (2017 - $201,619 or $0.01 per share) including net realized capital gains of $4,764,698 (2017 - $168,836) and dividends of $56,483 (2017 - $15,240). With the Company's investment activities since its COB in February 2017, the Company is now virtually fully-invested in shares of private and publicly-traded securities.

The 2018 realized gains/(losses) on investments are summarized as follows:

	$
Martello Technologies Corporation	3,843,125
DHX Media Ltd.	530,480
AnalytixInsight Inc.	505,808
Aguia Resources Limited	(412,629)
Wesdome Gold Mines Ltd.	265,850
Other (net)	32,064
	4,764,698

The Company fair values its investment portfolio at the end of the year based on market prices of the shares. The Company has recorded an unrealized loss on investments of $1.1 million (see summary in the *Unrealized gain on Marketable Securities* section below) or $0.05 per share as compared to unrealized gains on investments of $1.6 million or $0.07 per share in 2017. During 2018, the Company has recorded an unrealized gain on its investment in DHX of approximately $1.4 million and the reversal of 2017 unrealized gains on its investments in ALY and XBLK resulted in unrealized losses of approximately $1 million on each of these investments. During 2017, the Company had recorded an unrealized gain on marketable securities of approximately $1.6 million, most of which primarily related to its investments in ALY and XBLK.

During the current year, consulting fees of $710,230 (2017 - $247,038) consists primarily of CEO fees of $308,167 (2017 - $14,250), CFO fees of $69,712 (2017 - $49,988), service fees paid to Numus Financial of $34,850 (2017 - $22,800) and $295,000 (2017 - $160,000) paid to the Chief Investment Officer. The fees include management bonuses based on approximately 10% of realized gains, less an allowance for annual operating expenses, on the Company's investment portfolio. Any management bonus is also subject to a high-water mark. In 2018, the Company also incurred directors' fees of $59,354 (2017 - $48,955) and D&O insurance of $25,274 (2017 – $26,216).

In 2018 the Company incurred professional fees of $25,951 (2017 - $30,752) and stock exchange and maintenance fees of $30,347 (2017 - $34,948). The 2017 fees included certain fees associated with the Company's COB. In the year ended December 31, 2018, the Company incurred increased administration costs of $61,695 (2017- $38,794) associated with a general increase in business and investment activities. These administration costs include rent of $27,745 (2017 - $12,420), travel costs of $18,802 (2017 - $8,555) and other administrative costs of $15,148 (2017 - $17,819).

During June 2017, the Company granted 675,000 stock options, with an exercise price of $0.30 to directors, officers and a consultant of the Company. The fair value of the stock options was estimated at the grant date using the Black-Scholes option pricing model. The assumptions used in the option pricing model include a volatility rate of 100%, an expected life of five years based on the contractual term of the options, a risk-free rate of 1% with no expected dividend yield. The options vested at a rate of 50% on each of the six- and 12-month anniversaries of the grant date. Based on the Black-Scholes model and the assumptions outlined above, the estimated fair value of the stock option grants is $150,452 (per option - $0.223), which have been amortized over the corresponding one-year vesting period. As a result, stock-based compensation of $119,109 has been recorded in 2017 with a remainder of $31,343 recorded in 2018.

In December 2018, the Company granted 200,000 restricted share units ("RSUs") to its directors and officers. These RSUs vested immediately and an additional $84,000 of stock-based compensation was recorded based on the market price of $0.42 per share. The Company also granted an additional 200,000 stock options, with an exercise price of $0.42 per share. Based on the Black-Scholes model, the assumptions above and a volatility rate of 75%, the estimated fair value of these stock option grants is $51,092 (per option - $0.255), which will be amortized over the corresponding one-year vesting period including $6,388 in December 2018.

At the end of 2017, the Company recorded a valuation allowance in the amount of $292,312 against the full value of a promissory note (including accrued interest to the end of 2016) associated with a financing transaction in 2015.

Selected Financial Information

The following table sets out selected financial information and highlights for the last eight quarters:

For the quarter ended	Dec 31, 2018 $	Sept 30, 2018 $	June 30, 2018 $	Mar 31, 2018 $	Dec 31, 2017 $	Sept 30, 2017 $	June 30, 2017 $	Mar 31, 2017 $
Realized gain (loss) on investments	**380,723**	3,965,063	184,255	291,140	**193,408**	(7,506)	5,993	9,724
Unrealized gain (loss) on marketable securities	**(1,252,716)**	2,281,595	(245,004)	(1,870,094)	**1,797,323**	248,935	(461,810)	55,233
Operating expenses	**(696,330)**	(103,390)	(121,521)	(111,987)	**(176,879)**	(159,581)	(132,413)	(85,332)
Write down of note receivable	**-**	-	-	-	**(292,312)**	-	-	-
Net income (loss) before taxes	**(1,568,323)**	6,143,268	(182,270)	(1,690,941)	**1,521,540**	81,847	(588,230)	(20,375)
Income tax expense (recovery)	**85,000**	(85,000)	-	-	**-**	-	-	-
Net income (loss)	**(1,483,323)**	6,058,267	(182,270)	(1,690,941)	**1,521,540**	81,847	(588,230)	(20,375)
Net (loss) income per share	**($0.07)**	$0.26	($0.01)	($0.07)	**$0.064**	$0.004	($0.025)	($0.001)
Cash	**447,097**	1,825,328	111,446	199,334	**772,290**	1,420,459	2,523,805	5,495,935
Investments at fair value	**10,620,779**	10,238,345	5,802,182	5,874,578	**7,020,725**	4,470,186	3,218,784	826,222
Total assets	**11,107,637**	12,078,754	5,939,887	6,099,089	**7,800,433**	6,200,751	6,067,844	6,677,989
Total liabilities	**595,248**	88,430	92,830	82,300	**111,510**	77,251	82,611	123,333
Shareholders' Equity	**10,512,389**	11,905,324	5,847,057	6,016,789	**7,688,923**	6,123,500	5,985,233	6,554,656

Results of Operations for the quarters ended December 31, 2018 and 2017

The Company reported net loss in the quarter ended December 31, 2018 of $1,568,323 or $0.07 per share as compared to a net income of $1,521,540 or $0.064 per share in the quarter ended December 31, 2017. In the current quarter, the Company realized gains on its investment portfolio of $380,723 (2017 - $193,408) including net capital gains of $353,897 (2017 - $182,800) and dividends of $26,826 (2017 - $9,935). The realized gains on investments are summarized as follows:

	$
DHX Media Ltd.	492,423
Aguia Resources Limited	(400,075)
Wesdome Gold Mines Ltd.	189,510
Other (net)	72,039
	353,897

The current quarter's loss includes an unrealized loss on investments of $1.3 million or $0.05 per share (see summary in the *Unrealized gain on Marketable Securities* section below) as compared to an unrealized gain on marketable securities of $1.8 million or $0.08 per share. The unrealized loss in late 2018 resulted primarily from the reversal of the unrealized gain recorded on its investment in MTLO in the previous quarter. The large unrealized gains during the last quarter of 2017 resulted primarily from the Company's investments in ALY and XBLK, both of which took back most of this gain in the subsequent quarter.

During the current quarter, the Company incurred consulting fees of $519,755 (2017 - $100,075) consisting primarily of CEO fees of $269,167 (2017 - $4,250), CFO fees of $31,687 (2017 - $7,875), service fees paid to Numus Financial of $11,400 (2017 - $7,950), $205,000 (2017 - $80,000) paid to the Chief Investment Officer and management services fees of $11,400 (2017 - $4,950) with Numus Financial. The fees include management bonuses based on approximately 10% of realized gains, less an allowance for annual operating expenses, on the Company's investment portfolio. In the current quarter, the Company incurred directors' fees of $19,317 (2017 – 12,904) and D&O insurance of $6,575 (2017 – $6,301). The Company incurred professional fees of $13,562 (2017 - $5,750) in the fourth quarter of 2018.

The Company is amortizing the fair value of its stock options, estimated using the Black-Scholes option pricing model, over the corresponding vesting period. As a result, stock-based compensation of $6,387 has been recorded for fourth quarter of 2018 as compared to $43,882 which was recorded for the final quarter 2017. The Company also granted 200,000 RSU's in December 2018. The RSU's vested immediately and an additional $84,000 of stock-based compensation was recorded in the final quarter of 2018 based on the market price of $0.42 per share.

In the final quarter of 2018, the Company incurred stock exchange and maintenance fees of $6,713 (2017 - $3,351), travel costs of $16,302 (2017 - $1,250) and administration costs of $24,747 (2017 - $3,989). In the final quarter of 2018, the Company reimbursed the Chief Investment Officer's 2018 travel expenses of $13,000 and office rent and administration costs of $12,000.

At the end of 2017, the Company recorded a valuation allowance in the amount of $292,312 against the full value of a promissory note (including accrued interest to the end of 2016) associated with a financing transaction in 2015.

Unrealized gain on Marketable Securities

Acquisitions of investments in marketable securities are initially recognized at fair value plus transaction costs. Subsequent to initial recognition, all investments are measured at fair value. The determination of fair value for publicly-traded securities is based on the trading price at the end of the reporting period as quoted on a recognized securities exchange. For private companies, which are not traded on a recognized securities exchange, no market value is readily available. The private company shares may be valued based on the pricing of a recent financing. Gains and losses arising from changes in the fair value of the investments are presented in the audited statements of comprehensive loss as a net change in unrealized gains or losses on investments.

The Company's investment activity and fair value of the changes in the unrealized gains and losses as at December 31, 2018 are summarized as follows:

	Shares \#	Cost of Investment $	Market Value Dec 31, 2018 $	Unrealized Gain / (Loss) Quarter ended Dec 31, 2018 $	Unrealized Gain / (Loss) Year to date Dec 31, 2018 $
DHX Media	2,000,000	3,001,047	4,480,000	632,673	1,443,177
Trican Well Services Limited	1,000,000	1,256,683	1,190,000	(66,683)	(66,683)
kneat.com, inc.	1,000,000	600,000	980,000	(190,000)[(b)]	130,000
Martello Technologies Corp.	3,300,000	845,950	891,000	(1,192,991)[(b)]	45,050
Pivot Technology Solutions	525,000	858,191	525,000	(101,937)	(255,574)
Peyto Exploration/Dev Corp.	70,000	742,979	495,600	(247,379)	(247,379)
Alamos Gold Inc.	100,000	580,708	491,000	(89,708)	(89,708)
Sona Nanotech Inc.	1,320,000	330,503	330,000	(503)	(503)
Yamana Gold Inc.	100,000	330,440	321,000	(9,440)	(9,440)
Cheasapeake Energy Corp.	60,000	351,421	171,600	(179,821)	(179,821)
Aguia Resources Limited					
Common shares	1,320,843	688,060	170,569	396,015[(c)]	(154,444)
Warrants	437,500	-	-	-	-
AnalytixInsight Inc.					
Common shares	220,000	52,448	63,800	(106,181)	(752,909)[(a)]
Warrants	-	-	-	-	(250,000)[(b)]
eXeBlock Technology Corp.					
Common shares	450,000	85,500	15,750	(20,375)	(783,500)[(b)]
Warrants	262,500	-	-	(17,063)	(233,625)[(b)]
Iron Bridge Resources Inc.	-	-	-	-	176,041
Other marketable securities		343,388	495,460	152,072	152,072
Investments sold		-	-	(211,396)	(8,973)
		10,067,318	10,620,779	(1,252,717)	(1,086,219)

(a) This includes the reclassification of $505,808 to a realized gain on the disposal of ALY shares during the period.

(b) This represents the reversal of the prior year's unrealized gain.

(c) This results from the recognition of a realized loss.

During the quarter ended December 31, 2018, the Company's investment portfolio had an unrealized loss of $1,252,717 in the current quarter with a year to date change in the unrealized loss of $1,086,219 which includes a transfer of $0.5 million to a realized gain on the sale of shares in ALY and a reversal of prior year unrealized gain of $1 million on its investment in XBLK. Torrent's current fair value of its investment portfolio is $10,620,779 against a cost of these investments of $10,067,318. The value of certain investments had significant impacts on Torrent's investment portfolio. The most significant being discussed below:

DHX Media Ltd. ("DHX") – Unrealized gain on the investment of $632,673 in the current quarter and a year to date unrealized gain of $1,443,177

DHX remains a core holding as it is believed that the company trades at a steep discount to the inherent value of its assets and highly supportive growth trends in digital media. DHX had fallen out of favor with the market due to elevated debt levels, overly optimistic guidance, slowing revenue growth and high acquisition costs that resulted in the corresponding accumulated debt. Torrent views these factors to be short term in nature and DHX has initiated the necessary strategic initiatives to stimulate organic growth, improve its balance sheet, and work on strategic partnerships to monetize its brands and library content.

Torrent aggressively added to its investment in DHX in September of 2018 when the stock sold off on the announcement that it was suspending its dividend and suffered a wave of corresponding analyst downgrades. While suspending future dividend payments is traditionally a negative signal to the market, in this case Torrent believes it is consistent with DHX's strategy to trim debt and allocate capital towards content creation, especially within its rapidly growing "WildBrain" division. DHX continues to focus on paying off its debt, as was evident with the sale of a minority interest in Peanuts to Sony for $236 million earlier in 2018. Recently, DHX has also disposed of its Toronto property for proceeds of $12 million which DHX intends to use to pay down debt. Further initiatives to reduce debt and boost cash flow should help to derisk DHX and free up capital for various growth opportunities.

The recently announced streaming deal with Apple underscores our view that the market is not realizing DHX's growth potential. Apple made a deal with DHX to produce new Peanuts content for their upcoming and well-publicized streaming service. Under the partnership, DHX will produce original short form content that will be exclusive to Apple and will incorporate Astronaut Snoopy which was a character created under a partnership between DHX and NASA. The Apple relationship should prove to be very profitable from a licensing and merchandizing standpoint and it serves to highlight the high quality and desirability of DHX's content. Equally important, Torrent believes the Apple deal is a harbinger of a pending SVOD content war with Disney, HBO, Walmart and Amazon who are all aggressively getting behind their streaming platforms. Netflix recently renewed its exclusive streaming deal involving "Friends" content for $100 million, which far surpassed the $30 million it had been paying. This contract, along with an increasingly crowded streaming field, is a clear indication that the value of high quality video content should continue to surprise on the upside.

Trican Well Services Limited ("TCW") – Unrealized loss on the investment of $66,683 in the current quarter and year to date

Torrent's position in TCW has yet to catch a bid in the market; however, the Company believes that the TCW remains oversold considering that the WTI oil price is approaching $60/bbl and the Western Canadian Oil discount is tightening significantly.

Oil collapsed in the second half of 2018, falling more than 44% in less than three months, making it one of the largest corrections on record. Apart from being a statistical anomaly, Torrent viewed the selloff as extreme given what remains a tight global supply/demand backdrop. The correction was driven by concern about Chinese tariffs impacting demand, an unexpected increase in Saudi supply made to adjust for a potential drop in Iranian output and rising interest rates in the US. Today these concerns have moderated and oil prices are now trending higher along with global equity prices, which continue to trade with a tight correlation. With oil prices approaching $60/bbl, the incentive for non-traditional oil exploration and production spend increases due to a healthy profit incentive, which helps oil services plays.

Torrent believes that TCW is well-positioned to take advantage of a short term turn in the sector as oil and gas prices stabilize at elevated levels and overly depressed sentiment moderates. TCW is trading at cyclical lows in relation to its tangible book value which is typically an opportune entry point for investors willing to be patient in the pursuit of outsized returns. Furthermore, TCW is trading a steep discount to our modest 2020 EBITDA projections and Torrent is encouraged by management's ongoing commitment to maximizing returns for its shareholders via an aggressive share buyback program.

kneat.com, Inc. ("KSI") – Unrealized loss on the investment of $190,000 in the current quarter and a year to date unrealized gain of $130,000

2018 was a transformative year for KSI as it signed seven new customers and scaled two existing clients. These new customers add to KSI's potential install base from its existing customers making the existing potential install base of over 200 manufacturing sites. This translates to an at-scale Annual Recurring Revenue opportunity of over $20 million. Torrent expects continued news flow in 2019 with two or three go-live events early in the year relating to the new and scaled customers. KSI's business expansion coincided with the share price rising 20% over the year. KSI remains a core holding of Torrent and the Company believes that it has the potential to provide exponential returns to Torrent shareholders.

Given the complexity and business-critical nature of KSI's validation lifecycle platform, the sales cycle tends to be long. The fact that numerous multinational clients have engaged KSI, some of which are well-known global enterprises, adds credibility to KSI's software platform. Both Myriad and Biogen had previously co-written case studies on KSI's platform and indicated that it provided substantial productivity gains and a higher compliance standard, among other benefits. The white paper co-written by Biogen referred to KSI's platform as a "genuine breakthrough." Given the marketable increase in the number of tier one clients engaged by KSI during the last year, Torrent believe that KSI is entering a phase of rapid growth after years of product development.

Torrent believes that KSI's enterprise value of $65 million is modest in relation to its growth profile, the quality of its emerging client book, KSI's competitive advantage, significant intellectual property and the reoccurring nature of its business model. KSI is sufficiently funded after recently completing an equity financing totaling $8.5 million. In addition, Torrent is encouraged by ongoing insider buying of KSI shares in the open market.

Martello Technologies Corporation ("MTLO") – Torrent realized a gain on investment of $3,843,125 in the current year. Torrent had an unrealized gain on the investment of $1,150,832 during the previous quarter and a reversal, in the amount of $1,192,991, of this gain in the current quarter and a year to date unrealized gain of $45,050.

MTLO commenced trading on the TSX Venture Exchange on September 12, 2018 opening at a price of $0.55 per share and traded as high at $1.67 per share during the first week of trading. This share price performance was incredibly strong as the financing concurrent with listing had a share price of the equivalent of $0.15 share. Torrent incurred a sizeable realized gain by selling close to half of its original position at an average price of $1.25 per share. Torrent trimmed its position as the stock holding became a disproportionate percentage of Torrent's overall investment portfolio.

After the original exuberance associated with going public, the stock has traded off substantially closing the year at $0.27 per share. Torrent believes that the selloff can be attributed to discouraged speculative investors who bought the stock at much higher levels in the first month of trading, along with selling associated with private equity investors who used the go public event to achieve liquidity after owning the stock privately for some time. Said differently, much of the pressure on the stock has been due to non-fundamental reasons, but rather due to speculative flows and the market attempting to find a base after overshooting in the first month of trading. Torrent believes that the paper market will soon stabilize and begin to trade in line with company fundamentals as MTLO executes its aggressive business plan.

At the operational level, Torrent believes that the outlook for MTLO is strong. The company had an eventful 2018, executing on many key milestones which included: raised $7.5 million via a non-brokered private placement of equity; closed a debt financing with RBC; completed an RTO; commenced trading on the TSXV; created an IR team; made key management and board changes; acquired Savision B.V.; expanded its sales team by 50%; and made some key business additions. MTLO's third quarter fiscal 2019 consolidated results, released after December 31, 2018, included the Savision B.V. acquisition for the first time. The financial results supported Torrent's position and highlight MTLO management's ability to meet expectations. Revenues increased 136% year over year and organic revenue growth grew at 44%. Gross margins were steady at 94% and adjusted EBITDA was down slightly at ($270K) for the quarter, pointing to what Torrent believes is potential profitability in the near term.

Despite these many accomplishments and above industry growth rates, MTLO currently trades at an EV/Revenue of 3.3X based on Torrent's 2019 revenue forecasts of $15 million. This is modest in relation to MTLO's peer group which trades at 7-10X EV/Revenue, despite having inferior growth prospects and weaker balance sheets. Torrent anticipates this discount to narrow as the current stock overhang dissipates, MTLO nears profitability and management looks to make further acquisitions based on its pipeline of targets.

Pivot Technology Solutions Inc. ("PTG") – Unrealized loss on the investment of $101,937 in the current quarter and a year to date unrealized loss of $255,574

Technology stocks in general sold off substantially in the fourth quarter of 2018 due to global economic growth concerns and a hawkish US Federal Reserve. However, Torrent believes the technology sector remains attractive. This is due to the fact that the global economy is in a positive position as it appears to be growing sufficiently to encourage corporate expenditures while note overheating. As a result, interest rates and general liquidity conditions should remain favorable.

PTG was also under pressure during the year as revenue growth disappointed and the company failed to gain traction on its key strategic objective to enhance its higher margin services business. However, the worldwide enterprise storage and software industry continues to expand at annual growth rate north of 30%. Against this backdrop, Torrent believes PTG's revenue growth should stabilize after being negatively impacted by inconsistent orders from its larger clients.

At the operating level, PTG had failed to deliver on prior guidance as it missed on revenue and profitability. This reduced market confidence in the stock as it was taken as a signal that PTG management's strategic efforts to boost its service-based revenues and profitability were running out of steam after sequential quarters of improved performance. Torrent believes that this weak performance was driven by the irregularity inherent in PTG's order flow from major customers as opposed to the emergence of a longer-term downtrend. In terms of profitability, PTG continued toward an increase in gross margins and PTG's cost cutting initiatives continue to bear fruit. For example, PTG has eliminated roughly $5 million in costs since announcing its cost cutting program less than a year ago.

Bolstering Torrent's bullish view is that PTG continues to make progress with its Smart Edge technology, which enhances the growth profile of PTG and has yet to be fully valued by the market. PTG signed a funded agreement to collaborate with a strategic partner to accelerate commercial deployments and the use of Smart Edge in multiple industries. This collaboration is also intended to provide a production ramp for trial deployments. Smart Edge represents a substantial growth area for PTG.

Peyto Exploration and Development Corporation ("PEY") – Unrealized loss on the investment of $247,379 in the current quarter and year to date

US natural gas prices rose to a four-year high of $4.99/MMBtu driven by extremely low temperatures in the United States. Traders drove the price up in order to lock in prices in anticipation of elevated heating demand that coincided with inventory levels at 15-year lows. The spike proved short lived as prices have subsequently returned to their 5-year trailing average of $2.50/MMBtu. This weighed on gas focused equities including PEY

While Torrent was caught off guard by what proved to be a false breakout in gas prices, Torrent believes the long-term fundamentals driving the sector remain supportive and natural gas focused companies are cheap after years of underperformance. Even if prices remain depressed due to oversupply issues in the short term, companies are creating shareholder value in the space by building out attractive assets in anticipation of rising demand as the use of environmentally friendly and cheap natural gas becomes widely adopted.

For example, PEY has extremely low cash breakeven rates, most recently estimated at $0.83/mcfe, making PEY competitive even with depressed natural gas prices. The company's low-cost production profile and efficient allocation of capital has enabled it to remain profitable and expand its asset base despite weak gas prices. In addition to its aggressive cost cutting strategy, PEY has a strategic objective to diversify its gas sales away from the Alberta Energy Company and sell directly to industrial and power generation customers in Alberta, which should improve realized prices.

Furthermore, PEY is positioned in Western Canada which provides growth opportunity should gas prices harden as NTGL/LNG projects advance. The likelihood of this has been assigned zero probability in the market but should news flow turn marginally positive the prospect of connecting gas production in Western Canada to domestic and export markets would drive Canadian focused oil and gas companies significantly higher.

Alamos Gold Inc.("AGI") – Unrealized loss on the investment of $89,708 in the current quarter and year to date

Gold prices have been trending higher since bottoming in 2016 at $1,060/oz and closing 2018 at $1,320oz. While not the explosive price gains that precious metal investors had become accustomed to over the past decade, the current gold price enable producers with low cost profiles to build their businesses with opportunity on future gold price strength. While Torrent does not necessarily see the gold price exploding to the upside in the near term, it believes gold should remain well bid as pressures mount in the traditional asset markets and it often pays to have exposure to gold or gold related equities.

While down slightly since initiating Torrent's position in the second half of 2018, Torrent believes that AGI is well positioned to outperform against our base case call for a modestly rising gold price. Alamos has a competitive cost profile, with both cash costs ($710-$750/oz) and all-in sustaining production costs ($920-$960/oz) well below the current spot price, thus enabling AGI to maintain profitability. Furthermore, AGI has no debt and a healthy balance sheet which has allowed it to pay a dividend while maintaining an aggressive share buyback program. Given that AGI's share price has underperformed bullion prices, along with a very modest EV/EBITA of 8.3X, Torrent believes the shares have an excellent risk/reward profile at current levels.

Cheasapeake Energy Corp. ("CHK") – Unrealized loss on the investment of $179,821 in the current quarter and year to date

Despite being early with our position, Torrent believes that CHK is a great company to play an interim turnaround in the oil and gas space as hydrocarbon prices recover and valuations normalize.

CHK produces natural gas, oil and natural gas liquids in the United States and has assets in the most desirable areas of the country. CHK has exposure to resource plays of the Eagle Ford Shale in South Texas, the Utica Shale in Ohio, the Anadarko Basin in northwestern Oklahoma and the Powder River Basin in Wyoming. Its natural gas resource plays are the Haynesville/Bossier Shales in northwestern Louisiana and East Texas and the Marcellus Shale in the northern Appalachian Basin in Pennsylvania.

Despite a premier suite of assets, CHK shares have been in a multi-year bear market driven by rising debt levels, asset impairments and concerns in the credit market about its ability to service its debt obligations. Torrent believes that the shares have already addressed these legacy concerns. Specifically, Torrent is encouraged by increased insider buying; improved cash flows; better commodity price realization; improved credit spreads and debt ratings; an expanded Eagle Ford footprint; a reduced debt profile and cost cutting strategy. With a one year forward P/E ratio of 4.6X, compared to the industry peer average of approximately 12.2X, Torrent believes the downside risk in CHK is limited in relation to its upside potential.

Aguia Resources Limited ("AGRL") – Unrealized gain on the investment of $396,015 which results from the recognition of a realized loss $412,629. The remaining unrealized loss amounts to $154,444 at the end of the year.

AGRL has suffered from a lack of interest in the small market capitalization agriculture space, particularly in the fertilizer sector. Grain prices were depressed throughout 2018, which negatively impact global fertilizer demand, and in turn, phosphate prices. Although global phosrock prices were flat for the year, they are still 28% below the prevailing prices when Torrent made its original investment in AGRL in the second quarter of 2016. These falling prices have had an adverse impact on the economic prospects of AGRL's Tres Estradas phosphate project in Brazil.

Outside of broad market weakness, AGRL management has not been able to achieve traction with AGRL's share price. Although AGRL has achieved some sizeable milestones, including completion of an attractive economic study on Tres Estradas, along with de-risking the project by bringing it closer toward the ultimate construction decision. Furthermore, AGRL acquired the 34,000-hectare Rio Grande do Sul copper property in Brazil and completed early stage exploration and drilling that did register some positive results. Even with these milestones, the stock has gotten no interest and has underperformed the small cap mining sector by a large margin.

Torrent has sold a portion of its position in AGRL as it has been a disappointment for our investors and our original thesis has not materialized. Analyst coverage did not come to fruition, the dual share structure on the TSXV and the ASX added no value, strategic investors did not materialize, off-take agreements with majors in the area did not happen and the economics of Tres Estradas failed to generate interest. Torrent is therefore exiting its position at a loss and is looking for more catalyst rich investments.

AnalytixInsight Inc. ("ALY") – Unrealized loss on the investment in shares of $106,181 in the current quarter and a year to date unrealized loss of $752,909 (includes a reclassification of $505,808 to a realized gain) and a year to date unrealized loss on the warrants of $250,000, which represents the reversal of an unrealized gain recorded in the prior year.

The ALY share price fell 40% over the course of 2018, underperforming compared to the S&P/TSX Small Cap Index which fell 24%. Since Torrent's original investment was made in February 2017, ALY has risen approximately 50%, compared to the S&P/TSX Small Cap Index which dropped by 22%.

The underperformance of ALY during 2018 can be attributed to ALY announcing a blockchain initiative in late 2017 which aligned the stock to other blockchain names. As the blockchain trade sold off quickly at the beginning of the 2018, ALY's stock fell in concert even though blockchain was a very minor component of its overall business. ALY's core fintech business continues to enjoy solid revenue growth, profitability, a strong balance sheet and a foundation of top-tier clients and partners.

Torrent is a firm believer in the ALY story as it continues to create a tremendous amount of value in the fintech space and sees huge potential in its MarketWall and Capital Cube platforms. Torrent believes that ALY is underappreciated by the market and will ultimately trade higher as this value, but with limited news flow and no clear catalysts over the next six months, Torrent has exited most of its position.

eXeblock Technology Corp. ("XBLK") – Unrealized loss on the investment in shares of $20,375 in the current quarter and a year to date unrealized loss of $783,500 and an unrealized loss on the warrants of $17,063 in the current quarter and a year to date unrealized loss of $233,625, the vast majority of which represents the reversal of unrealized gains recorded in the prior year.

Torrent has reduced its position in XBLK, however, Torrent is maintaining an anchor position should interest return to the blockchain sector. XBLK has announced that is moving from a focus on decentralized blockchain to private blockchain that management believes offers more potential upside given recent changes in this emerging industry.

Iron Bridge Resources Inc. ("IBR") – A year to date unrealized gain of $176,040 which represents the reversal of an unrealized loss. Upon disposition the Company realized a loss of $12,732.

In May of 2018, Velvet Energy Ltd. ("Velvet") commenced an unsolicited offer to acquire the common shares of IBR at a price of $0.75 per share. Velvet is a privately held, full-cycle exploration and production company with a significant land package surrounding IBR's Elmworth property in Alberta's Montney Formation.

In September 2018, Velvet amended its offer to provide for an increase in the consideration payable to $0.845 per share, or a 13% increase. The amended offer received the support of the IBR's board of directors and key strategic shareholders, such as Bison Interests LLC. To assist with evaluating the offer on behalf of IBR shareholders, IBR received an opinion from Cormark Securities Inc. who deemed the offer as fair from a financial perspective. Torrent disposed of its shares of IBR to Velvet in conjunction with Velvet's offer to acquire all the issued and outstanding common shares of IBR for $0.845 per share. The Amalgamation was subsequently approved by approximately 99.88% of the votes cast by IBR shareholders.

While the enhanced offer remained undervalued based on precedent per acre transactions in the Montney, Torrent believes it the maximum value for its IBR holding given current market conditions. Canadian oil and gas companies have been chronic underperformers and the recent historic slide in crude oil suggests that this underperformance will continue. Cormark's fairness opinion, along with approval from the board and key strategic shareholders, provides further confidence to our view that transaction served to maximize value for IBR shareholders.

Liquidity and Capital Resources

Year ended	**Dec 31, 2018 $**	**Dec 31, 2017 $**	**Dec 31, 2016 $**
Cash	**447,097**	772,290	6,353,915
Investments at fair value	**10,620,779**	7,020,725	-
Total assets	**11,107,637**	7,800,433	6,677,101
Total liabilities	**595,248**	111,510	102,070
Shareholders' Equity	**10,512,389**	7,688,923	6,575,031

The Company has working capital as at December 31, 2018 of $10,512,389 (December 31, 2017 – $7,688,923) and a cash balance of $447,097 (December 31, 2017 – $772,290). The Company funds its operations through equity financings, the sale of equity security investments, financing fees earned on invested liquid resources and interest income earned on cash balances and amounts receivable.

Effective in the first quarter of 2017, the Company commenced the implementation of its business plan as an Investment Issuer. During the year to the end of December 2017, the Company invested $5.4 million in shares of ten different publicly-traded companies with investments ranging from $40,000 to $1.5 million. During the year ended December 31, 2018, the Company acquired investments of $10.9 million including its investment in MTLO of $1.3 million, DHX of $3.4 million and TCW of $1.3 million. The Company received proceeds from the sale of investments of $11 million including $4.3 million on the sale of MTLO, $1.5 million on the sale of IBR, $1.3 million on the sale of DHX, and $1 million on the sale of ALY.

As at December 31, 2018, the Company has loan receivable in the amount of $292,312. While the loan receivable remains outstanding and continues to accrue interest, the Company recorded a valuation allowance against the full value of the loan at the end of 2017 and ceased to accrue any interest at the beginning of 2017.

The Company has sufficient capital resources to meet its working capital obligations. The Company may need to secure additional capital and may raise additional funds should its Board deem it advisable in order to execute its strategic plan including the implementation of its investment strategy. While Management and the Board have been successful in obtaining funding in the past, there can be no assurance that it will be able to do so in the future. The timing and ability of the Company to raise additional funds will also depend on the liquidity of the financial markets.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value. As at December 31, 2018, and April 26, 2019, the Company has 23,848,333 common shares issued and outstanding. As at December 31, 2018, and April 26, 2019, the Company also has 958,333 stock options outstanding.

Transactions with Related Parties

The Company entered into the following transactions with related parties:

- During the year ended December 31, 2018, the Company paid Director fees of $59,354 (2017 - $48,955) to Directors or companies controlled by Directors.
- During the year ended December 31, 2018, the Company paid fees to its CFO, Rob Randall in the amount of $69,712 (2017 - $49,988).
- During the year ended December 31, 2018, the Company paid fees to its Chief Investment Officer, Scott Gardner in the amount of $295,000 (2017 - $160,000).
- During the year ended December 31, 2018, the Company paid administration fees, rent and other fees of $62,595 (2017- $35,220) to Numus Financial, a company owned by two Directors.

The above noted transactions are in the normal course of business and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Critical accounting estimates used in the preparation of the financial statements that have the most significant effect on the amounts recognized in the financial statements include the Company's estimate of the value of the Company's share-based compensation and the valuation of investments in privately held companies.

The Company uses a Black-Scholes model to determine the fair value of options and warrants. The main factor affecting the estimates of stock-based compensation is the stock price volatility used. The Company uses historical price data and comparable entities in the estimate of future volatilities. Additional factors affecting share-based compensation include estimates of when stock options might be exercised and the stock price volatility. The timing of the exercise of options is out of the Company's control and will depend upon a variety of factors, including the market value of the Company's shares and the financial objectives of the share-based instrument holders.

The method used by the Company to estimate the value of its equity investments in private companies is complex as there is no active trading market and any transfer is often subject to approval of the Company Directors. The valuation considers factors such as limited available market information, recent financings, future disclosed and/or planned listing activities, Management's assumptions of expected cash flows related to the investments.

All of the Company's significant accounting policies and estimates are included in note 2 to the December 31, 2017 audited financial statements of Torrent Capital Ltd. With the Company's TSXV approved change of business from a Mining Issuer to an Investment Issuer, the Company has also adopted the following new accounting policies associated with its new business.

Adoption of New Standards

IFRS 9, Financial Instruments ("IFRS 9")

IFRS 9 replaced IAS 39, *Financial instruments: recognition and measurement* ("IAS 39"). The standard is effective for annual periods beginning on or after January 1, 2018. IFRS 9 includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The Company has adopted this standard on January 1, 2018 and there was no impact to the financial statements on the date of adoption.

Financial assets within the scope of IFRS 9 are classified in the following measurement categories: amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVOCI"). Financial liabilities are classified in the following measurement categories: fair value through profit or loss, or amortized cost.

The following table summarizes the changes in the classification of the Company's financial instruments upon adoption of IFRS 9. The adoption of the new classification did not result in any changes in the measurement or carrying amount of the financial instruments.

Financial Assets	Classification under IAS 39	Classification under IFRS 9
Cash and cash equivalents	Loans and receivables	Amortized cost
Investments	Fair value through profit and loss	Fair value through profit and loss
Financial Liabilities	Classification under IAS 39	Classification under IFRS 9
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

Financial Assets

Within the scope of IFRS 9, financial assets are classified as financial assets at amortized costs, FVTPL or FVOCI, as appropriate. The Company classifies its financial assets as amortized cost or FVTPL.

Amortized cost

Financial assets classified as amortized cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Fair value through profit or loss

Financial assets classified as FVTPL are measured at fair value with changes in fair value recognized in net profit or loss.

Classification

The Company determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not classified as FVTPL, directly attributable transaction costs. The Company's financial assets include cash and cash equivalents, and investments.

Recognition and measurement

Purchases and sales of investments are recognized on the transaction date. Investments are initially recognized at fair value plus transaction costs.

Subsequent to initial recognition, all investments are measured at FVTPL. Gains and losses arising from changes in the fair value of the investments are presented in the statements of income and comprehensive income as the net unrealized gains or losses on investments in the period they arise.

Determination of fair values

The determination of fair value requires judgment and is based on market information, where available and appropriate. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements.

Publicly-traded investments (i.e. securities of issuers that are public companies):

a. Securities including shares, options and warrants which are traded in an active market, such as on a recognized securities exchange and for which no sales restrictions apply, are presented at fair value based on quoted trading prices at the end of the reporting period or the closing trade price on the last day the security traded if there were no trades at the end of the reporting period. These are included in Level 1.
b. For warrants and options which are not traded on a recognized securities exchange, no market value is readily available. When there are sufficient and reliable observable market inputs, an option pricing model is used; if no such market inputs are available, the warrants and options are valued using alternative methods representing fair value. These are included in Level 2.

Private company investments (i.e. securities of issuers that are not public companies):

a. All privately-held investments (other than options and warrants) are initially recorded at the transaction price, being the fair value at the date of acquisition. Thereafter, at each reporting period, the fair value of an investment may (depending upon the circumstances) be adjusted using one or more of the valuation indicators. These are included in Level 3. Options and warrants of private companies are valued using an option pricing model when there are sufficient and reliable observable market inputs; if no such market inputs are available, the warrants and options are valued using alternative methods representing fair value.

The determinations of fair value of the Company's privately-held investments at other than initial cost are subject to certain limitations. Financial information for private companies in which the Company has investments may not be available and, even if available, that information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these techniques may not be realized or realizable. Company-specific information is considered when determining whether the fair value of a privately-held investment should be adjusted upward or downward at the end of each reporting period. In addition to company specific information, the Company will take into account trends in general market conditions and the share performance of comparable publicly-traded companies when valuing privately-held investments.

The absence of the occurrence of any of these events, any significant change in trends in general market conditions, or any significant change in share performance of comparable publicly-traded companies indicates generally that the fair value of the investment has not materially changed. The private company shares may be valued based on the pricing of a recent significant financing.

Adjustments to the fair value of a privately-held investment will be based upon management's judgment and any value estimated may not be realized or realizable. The resulting values for non-publicly traded investments may differ from values that would be realized if a ready market existed. The amounts at which the Company's privately-held investments could be disposed of currently may differ from the carrying value assigned.

Disposition of investments
Realized gains and losses on the disposal of investments and unrealized gains and losses on securities classified as fair value through profit and loss are reflected in profit or loss on the transaction date and are calculated on a weighted average cost basis.

Impairment of financial assets
Financial assets not measured at FVTPL are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been negatively impacted. Evidence of impairment could include: significant financial difficulty of the issuer or counterparty; default or delinquency in interest or principal payments; or the likelihood that the borrower will enter bankruptcy or financial reorganization.

The carrying amount of the financial assets is reduced directly by any impairment loss for all financial assets with the exception of accounts or loans receivable, where the carrying amount is reduced through the use of an allowance account. When an account or loan receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

The carrying amounts of the Company's financial assets are reviewed at each reporting date to determine if there is any indication of impairment. As of December 31, 2018, and December 31, 2017, the fair values of financial assets approximate their amortized costs due to their short-term nature.

Financial Instruments Recorded at Fair Value
Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 - valuation based on unadjusted quoted prices in active markets for identical assets or liabilities; Level 2 - valuation techniques based on inputs other than quoted prices included in 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Investments consisted of the following at December 31, 2018:

Investments	**Cost** $	**Level 1 Quoted Market Price** $	**Level 2 Observable Market Inputs** $	**Level 3 Non-Observable Market Inputs** $	**Total Fair Value** $
Equities	10,067,318	10,286,779	-	334,000	10,620,779
Warrants	-	-	-	-	-
Total investments	10,067,318	10,286,779	-	334,000	10,620,779

Investments consisted of the following at December 31, 2017:

Investments	**Cost** $	**Level 1 Quoted Market Price** $	**Level 2 Observable Market Inputs** $	**Level 3 Non-Observable Market Inputs** $	**Total Fair Value** $
Equities	5,381,044	6,537,100	-	-	6,537,100
Warrants	-	-	483,625	-	483,625
Total investments	5,381,044	6,537,100	483,625	-	7,020,725

Financial Liabilities

Financial liabilities are classified as amortized cost.

Amortized Cost
Financial liabilities measured at amortized cost, including borrowings, are initially measured at fair value, net of transaction costs. Financial liabilities measured at amortized cost are subsequently measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or to the net carrying amount on initial recognition.

As of December 31, 2018, and December 31, 2017, the fair value of accounts payable and accrued liabilities approximates their amortized cost due to the short-term nature of the financial liabilities.

Derecognition of Financial Liabilities

The Company de-recognizes financial liabilities when the obligations are discharged, cancelled or expire.

Accounting standards issued but not yet applied

The Company does not expect to early adopt the following revised standards and amendments. Accordingly, the Company expects to adopt the standards as set forth below.

IFRS 16, Leases ("IFRS 16")
In January 2016, the IASB issued IFRS 16, Leases (IFRS 16). IFRS 16 is effective for periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 eliminates the current dual model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. The company has no significant lease commitments and the standard will not have a material impact on the financial statements.

Risk Factors

The Company's business as an Investment Issuer is subject to a number of significant risk factors, and an investment in the Corporation will involve a high degree of risk. Investors should carefully consider each of such risks and all of the information in this MD&A before investing in the Corporation. The risks consist of:

Limited Operating History as an Investment Issuer **-** The Corporation has only a short-term record of operating as an Investment Issuer. As such, with the completed Change of Business, the Corporation will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that the Corporation will not achieve its financial objectives as estimated by Management. Furthermore, past successes of Management or the Board in other ventures do not guarantee future success.

Risks of Competition **-** The Corporation will face competition from other capital providers, all of which compete with it for investment opportunities. These competitors may limit the Corporation's opportunities to acquire interests in investments that are attractive to the Corporation. The Corporation may invest otherwise than in accordance with its Investment Policy and strategy in order to meet its investment objectives. If the Corporation is required to invest other than in accordance with its Investment Policy and strategy, its ability to achieve its desired rates of return on its investments may be adversely affected.

Risks of Fluctuations in the Value of the Corporation and the Common Shares **-** The net asset value of the Corporation and market value of the common shares will fluctuate with changes in the market value of the Corporation's investments. Such changes in value may occur as the result of various factors, including general economic and market conditions, the performance of corporations whose securities are part of the Corporation's investment portfolio and changes in interest rates which may affect the value of interest-bearing securities owned by the Corporation. There can be no assurance that shareholders will realize any gains from their investment in the Corporation and they may lose their entire investment.

Due Diligence **-** The due diligence process undertaken by the Corporation in connection with investments that it makes or wishes to make may not reveal all relevant facts in connection with an investment. Before making investments, the Corporation will conduct due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence investigations, the Corporation may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence investigations and making an assessment regarding an investment, the Corporation will rely on resources available, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence investigations that are carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

Risks of Investment in Illiquid Securities **-** There is a possibility that the Corporation will be unable to dispose of illiquid securities held in its portfolio. If the Corporation is unable to dispose of some or all of its investments at the appropriate time, a return on such investment may not be realized.

Loss of Investment Risk **-** An investment in the Corporation is speculative and may result in the loss of a substantial portion of an investor's investment. Only potential investors who are experienced in high risk investments and who can afford to lose a substantial portion of their investment should consider an investment in the Corporation.

No Guaranteed Return Risk **-** There is no guarantee that an investment in the Corporation will earn any positive return in the short term or long term.

Dividends **-** To date, the Corporation has not paid dividends on any of its common shares and the Corporation is not required to pay any dividends on its Common Shares in the foreseeable future. Any decision to pay dividends will be made on the basis of the Corporation's earnings, financial requirements and other conditions.

Currency Risk **-** Some of the Corporation's assets may be invested in foreign securities. Consequently, the Canadian dollar equivalent of the Corporation's net denominated assets and dividends would be adversely affected by reductions in the value of the applicable foreign currencies relative to the Canadian dollar and would be positively affected by increases in the value of the applicable foreign currencies relative to the Canadian dollar.

Commodity Risk **-** The Corporation may invest in sectors that are very sensitive to the fluctuations of commodity prices.

Foreign Investment Risks **-** Foreign investments made by the Corporation may be subject to political risks, risks associated with changes in foreign exchange rates, foreign exchange control risks and other similar risks.

Equity Market Risk **-** The price of the equity securities in which the Corporation may invest are influenced by the issuing corporation's outlook, market activity and regional, national and international economic conditions. When the economy is expanding, the outlook for many corporations is equally promising, and the value of their equity securities should rise in agreement. The opposite is also true. Typically, the greater the potential reward, the greater the potential risk. For small corporations and corporations in the emerging sectors the risk and reward ratio is usually greater. Equity-related securities, which give indirect exposure to the equity value of a corporation, such as warrants and convertible securities, can also be affected by this equity risk.

Market Disruption Risks **-** War and occupation, terrorism and related geopolitical risks may in the future lead to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events could also have an acute effect on individual corporations or related groups of corporations. These risks could also adversely affect securities markets, inflation and other factors relating to the securities that would be held from time to time. Such events could, directly or indirectly, have a material effect on the prospects of the Corporation and the value of the securities in its investment portfolio.

Private Corporation Risks **-** Investments in private corporations cannot be resold without a prospectus, an available prospectus exemption or an appropriate ruling under relevant securities legislation. Even if they can be sold, there may not be a market for such securities. This may impair the Corporation's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private corporations may offer relatively high potential returns but will also be subject to a relatively high degree of risk. The process of valuing investments in private corporations will inevitably be based on inherent uncertainties and the resulting values may differ from values that would have been used had a ready market existed for the investments.

Risk of Dilution from Possible Future Offerings **-** The Corporation may issue additional securities from time-to-time to raise funding for its business and such issuances may be dilutive to Shareholders.

Financing Risks **-** Additional funding may be required to complete future investment and growth opportunities. There is no assurance that any such funds will be available to the Company, on acceptable terms or an acceptable level. Any limitations on the Company's ability to access the capital markets for additional funds could have a material adverse effect on the Company's ability to grow its investment portfolio.

Dependence upon key Management **-** The Corporation will depend on the business and technical expertise of its Management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Corporation's operations expand, additional general management resources will be required. The Corporation may not be able to attract and retain additional qualified personnel and this would have a negative effect on the Corporation's operations. The Corporation currently maintains no "key man" life insurance polices on any members of its Management or Directors.

Management's Responsibility for Financial Information

This MD&A and the accompanying unaudited interim condensed financial statements of Torrent Capital Ltd. are the responsibility of Management and have been approved by the Board of Directors. The unaudited interim condensed financial statements have been prepared by Management in accordance with IFRS. The unaudited interim condensed financial statements include certain amounts and assumptions that are based on Management's best estimates and have been derived with careful judgment. Management has established these amounts in a reasonable manner, in order to ensure that the unaudited interim condensed financial statements are presented fairly in all material respects.

Disclosure and Internal Financial Controls

Management has established processes, which are in place to provide them sufficient knowledge to support Management representations that they have exercised reasonable diligence that:

(i) the unaudited interim condensed financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim condensed financial statements; and
(ii) the unaudited interim condensed financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim condensed financial statements.

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying Officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited interim condensed financial statements for external purposes in accordance with the issuer's GAAP.

The Company’s certifying Officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying Officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Information

Additional information relating to the Company is available on the Company’s website at www.torrentcapital.ca and the SEDAR website www.sedar.com.