Trillium Acquisition Corp.

(a Capital Pool Corporation)

Management's Discussion and Analysis

For the three-month period ended March 31, 2024

Introduction

This management's discussion and analysis ("MD&A") of Trillium Acquisition Corp. (the "Company") prepared by management as at May 27, 2024 and should be read in conjunction with the Company's condensed interim financial statements as of March 31, 2024 and the audited financial statements for the year ended December 31, 2023, and the notes thereto. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS").

This MD&A may contain "forward-looking statements" which reflect expectations regarding future results of operations, performance, and achievements of the Company. The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect" and similar expressions. The statements reflect the current beliefs of the management of the Company and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties, and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

The Company undertakes no obligation to publicly update or review the forward-looking statements whether as a result of new information, future events or otherwise.

Nature of the Business and Incorporation

Trillium Acquisition Corp. ("the Company") was incorporated pursuant to the provisions of the Business Corporations Act of British Colombia on October 23, 2019. The Company intends to carry on business as a "Capital Pool Corporation" ("CPC"), as such term is defined in TSX Venture Exchange Inc. (the "Exchange") Policy 2.4 - Capital Pool Companies ("Policy 2.4").

The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition or business, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned and, in the case of a non-arm's-length transaction, of the majority of the minority shareholders.

The Company's registered head office address is 537 Warminster Dr., Oakville, Ontario, L6L 4N6.

Selected Annual Information – For the three months ended March 31, 2024 and the year ended December 31, 2023

	Note	Q1 31-Mar-24 (unaudited)	31-Dec-23 (audited)
Assets			
Current			
Cash	*6*	483,944	604,094
Accounts receivable		2,218	2,218
Prepaid expenses		-	2,970
Total current assets		486,162	609,282
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		1,341	113,000
Total current liabilities		1,341	113,000
Shareholders' equity			
Capital stock	*7*	1,024,072	1,024,072
Contributed Surplus		123,192	123,192
Deficit		(662,443)	(650,982)
Total shareholder's equity		484,821	496,282
Total liabilities and shareholder's equity		486,162	609,282

Results of Operations

Selected financial information:

The following is a summary of the Company's cumulative financial results for the three months ended March 31, 2024 and March 31, 2023.

		Q1	
		Three months ended March 31, 2024	Three months ended March 31, 2023
	Note	$	$
Interest Income		4,896	5,534
Expenses			
Insurance		4,311	4,455
Professional fees		11,918	10,778
Bank charges		128	66
Net and comprehensive loss		**(11,461)**	**(9,765)**
Weighted average shares outstanding	*7*	**7,227,400**	**7,227,400**
Basic and diluted loss per share	*7*	**(0.00)**	**(0.00)**

Liquidity and Capital Resources

As of March 31, 2024, the Company had $483,944 in cash. The Company incurred a net loss of $11,461. Such loss includes costs related to professional fees related to the Company's audit fees & filing requirements.

Management anticipates that ongoing costs relating to the identification, evaluation, due diligence, negotiation, and completion of a Qualifying Transaction will be incurred in future periods. The timing and magnitude of these costs is not predictable. These costs may be significant and could possibly result in higher general and administrative expenses. To date, the Company has procured working capital through equity financing.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions. During the period, the Company incurred no related party transactions.

Financial Instruments and Other Instruments

Management does not believe these financial instruments expose the Company to any significant interest, currency, liquidity, or credit risks. The Company's financial instruments consist of cash, and accounts payable and accrued liabilities.

Financial assets are required to be initially measured at fair value and subsequently classified at amortized costs or fair value on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are initially measured at fair value and subsequently classified as amortized cost.

Management of Capital

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of issued common shares, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

Share Capital

The following shares were outstanding as at March 31, 2024:

	Capital stock		Contributed Surplus	Deficit	Total
	units	$	$	$	$
Shareholder's equity as at December 31, 2023	**17,227,400**	**1,024,072**	**123,192**	**(650,982)**	**496,282**
Net and comprehensive loss				(11,461)	(11,461)
Shareholder's equity as at March 31, 2024	**17,227,400**	**1,024,072**	**123,192**	**(662,443)**	**484,821**

On October 23, 2019 the Company issued 10,000,000 common shares to officers, directors, and founders of the Company at a price of $0.05 per share. All 10,000,000 common shares are subject to an escrow agreement and will be released as follows: 10% on the completion of the Qualifying Transaction, 15% will be released on the dates 6 months, 12 months, 18 months 24 months, 30 months and 36 months following the initial release.

Initial public offering

On April 30, 2020, the Company completed its initial public offering (the "Offering") of an aggregate of 7,171,400 common shares of the Company at a price of $0.10 per share for gross proceeds of $717,140. The Company has listed on the Exchange on May 5, 2020 under the ticker TCK.P. As consideration for services rendered in connection with the Offering, the Company paid Echelon Wealth Partners (the "Agent") a $71,140 cash commission and granted an option to acquire 717,140 common shares for a period of 24 months from the date of listing at an exercise price of $0.10. These options were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 0.31%, expected volatility of 100% and an expected life of two years. The value attributed to these options was $37,435.

On January 18, 2021, 56,000 agent options were exercised at a price of $0.10.

On May 5, 2022 all remaining agent options expired.

Share option plan

On November 15, 2019, the Company has adopted a share option plan in accordance with the policies of the TSX Venture which provides that the Board of Directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares. The options are exercisable for the period of up to 10 years. In addition, the number of common shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding common shares. The Board of Directors determines the exercise price per common share and the number of share options which may be allocated to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSX Venture.

On May 3, 2022, the annual general and special meeting was held, and the shareholders voted that the option plan be amended pursuant to which the total number of common shares of the Company reserved for issuance both before and after completion of a Qualifying Transaction is

10% of the issued and outstanding common shares of the Company as of the grant, rather than at the closing date of the initial public offering.

Upon listing, the Company granted 1,200,000 options to its directors and officers, which are exercisable within five years from the date of grant at an exercise price of $0.10 per share and are immediately vested. These options were valued on the date of issue using the Black-Scholes option pricing model with the following assumptions: dividend yield 0%, risk-free interest rate of 0.40%, expected volatility of 100% and an expected life of five years. The value attributed to these options was $88,680 and was recognized in director compensation in the year ended December 31, 2020. During the year ended December 31, 2020, 189,470 stock options were forfeited. On March 31, 2021, an additional 442,120 stock options were forfeited.

	Number of stock options	Weighted average exercise price $
Balance, December 31, 2023	568,410	0.10
Issued	-	-
Forfeited	-	-
Balance, March 31, 2024	**568,410**	**0.10**

The following table represents the actual stock options issued and outstanding as at March 31, 2024

Expiry date	Weighted average exercise price	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable and outstanding)
May 5, 2025	$ 0.10	1.10 years	568,410	568,410

Escrowed shares

Subject to an Escrow Agreement pursuant to the requirements of the Exchange, the 10,000,000 common shares issued by the Company are held in escrow. Under the terms of the Escrow Agreement, these shares will be released as to 10% thereof on the completion of the Company’s qualifying transaction, as defined in the policies of the Exchange, and as to 15% thereof on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the initial release. Shares held in escrow are not included in the calculation of the weighted average number of common shares.

Risk Factors

The Company is actively trying to complete its Qualifying Transaction and currently has no source of recurring income. The Company has not commenced commercial operations, and has no significant assets other than cash, has no history of earnings and shall not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction. Until that time, the Company is not permitted to carry on any other business other than the identification and evaluation of potential Qualifying Transactions.

There can be no assurances that the Company will continue to be able to obtain adequate financing in the future or that the terms of such financing will be favorable.

To a certain degree, the Company's success depends upon key members. It is expected that these individuals will be a significant factor in the Company's growth and success. The loss of the service of members of management and certain key employees could have a material adverse effect on the Company.

Subsequent Events

On May 21, 2024 the Company entered into a definitive agreement to complete a qualifying transaction involving the purchase of several real property assets located in Calgary, AL. The Company will acquire the real property assets in consideration for: a. an aggregate cash payment in the amount of $14.5M, b. effecting a share issuance of 118,920,000 common shares in the capital of the Company (the Common Shares).

Other Information

Additional information relating to the Company is available under the Company's profile on SEDAR at www.sedar.com.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.