

British Columbia Securities Commission

**QUARTERLY REPORT
FORM 61**

FOR QUARTER ENDED
00-03-31

DATE OF REPORT
00-05-29

NAME OF ISSUER
Triant Technologies Inc.

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CONTACT PERSON
Mark Stephens

CONTACT'S POSITION
Chief Financial Officer

CONTACT TELEPHONE NO.
(250) 754-4223

DIRECTOR'S FULL NAME
Paul O'Sullivan

DIRECTOR'S SIGNATURE
"Paul O'Sullivan"

DATE SIGNED
00-05-29

DIRECTOR'S FULL NAME
David Baird

DIRECTOR'S SIGNATURE
"David Baird"

DATE SIGNED
00-05-29

TRIAN TECHNOLOGIES INC.

Schedule A

Financial Information

For the three months ended March 31, 2000

See Attached Unaudited Consolidated Financial Statements

TRIANTECHNOLOGIES INC.
Consolidated Balance Sheets

March 31

(Expressed in Canadian Dollars)

(Unaudited)

	2000	1999
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 4,083,803	\$ 377,892
Accounts receivable	162,668	79,822
Share subscriptions receivable	-	25,980
Prepaid expenses and deposits	30,043	47,939
	4,276,514	531,633
Capital assets	113,350	95,629
	\$ 4,389,864	\$ 627,262
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 363,581	\$ 456,934
Deferred revenue	12,022	49,915
Accrued restructuring charges	-	38,578
	375,603	545,427
Liability component of convertible debentures	-	477,734
	375,603	1,023,161
SHAREHOLDERS' EQUITY (CAPITAL DEFICIENCY)		
Equity component of convertible debentures	-	400,000
Share capital	18,355,057	12,470,998
Share subscriptions	-	28,750
Deficit	(14,340,796)	(13,295,647)
	4,014,261	(395,899)
	\$ 4,389,864	\$ 627,262

APPROVED BY THE BOARD OF DIRECTORS

(Signed) Paul J. O'Sullivan

Paul J. O'Sullivan, Director

(Signed) David L. Baird

David L. Baird, Director

TRIANTECHNOLOGIES INC.
Consolidated Statements of Loss and Deficit

Three Months ended March 31
(Expressed in Canadian Dollars)

(Unaudited)

	2000	1999
REVENUE		
Products	\$ 172,791	\$ 118,424
Services	27,496	6,872
	200,287	125,296
COST OF REVENUE		
Products	33,593	31,907
Services	10,852	4,284
	44,445	36,191
GROSS MARGIN	155,842	89,105
EXPENSES		
Interest on convertible debentures	34,418	36,149
Research and development	285,804	192,533
Selling, general and administrative	319,772	262,404
	639,994	491,086
LOSS FROM OPERATIONS	(484,152)	(401,981)
OTHER INCOME	26,682	2,373
NET LOSS FOR THE PERIOD	(457,470)	(399,608)
Deficit, beginning of period	(13,883,326)	(12,896,039)
Deficit, end of period	\$ (14,340,796)	\$ (13,295,647)
Loss per share	\$ (0.02)	\$ (0.02)
Weighted average number of common shares outstanding during the period	23,154,543	17,530,822
Number of common shares issued and outstanding, end of period	26,753,425	18,712,075

TRIAN TECHNOLOGIES INC.

Schedule B-1

Supplementary Information

For the three months ended March 31, 2000

ANALYSIS OF MAJOR COST AND EXPENSE CATEGORIES

Cost of revenue

Materials and other	\$	4,963
Salaries and benefits		39,482
	\$	44,445

Research and development

Amortization	\$	6,150
Materials and other		23,085
Occupancy, office and other		61,352
Salaries and benefits		195,217
	\$	285,804

Selling, general and administrative

Advertising and marketing	\$	53,164
Amortization		6,150
Occupancy, office and other		48,009
Professional fees		20,170
Salaries and benefits		136,771
Trade shows and travel		55,508
	\$	319,772

Aggregate amount of expenditures made to parties not at arm's length

During the three months ended March 31, 2000, the Company paid interest to directors of \$ 3,750 on convertible debentures with a face value of \$75,000.

TRIAINT TECHNOLOGIES INC.

Schedule B-2

Supplementary Information

For the first fiscal quarter ended March 31, 2000

(a) Securities issued during the period

Date of Issue	Number Issued	Type of Security	Type of Issue	Issue Price	Total Proceeds	Type of Consideration Paid	Commission
Note 1	2,840,000	Common shares	Note 1	Note 1	\$1,707,750	Cash	n/a
Note 2	926,000	Common shares	Note 2	Note 2	\$561,950	Cash	n/a
Note 3	310,000	Common shares	Note 3	Note 3	Note 3	Note 3	n/a
Note 4	85,000	Common shares	Note 4	Note 4	\$21,250	Cash	n/a
Note 4	85,000	Share purchase warrants	Note 4	Note 4	Note 4	Note 4	n/a
Note 5	562,100	Common shares	Note 5	Note 5	\$248,045	Cash	n/a

- Note 1: Exercise of share purchase warrants issued under private placements of prior years:
2,840,000 common shares were issued during the quarter pursuant to the exercise of warrants at exercise prices ranging from \$0.40 to \$1.45 per share for total proceeds of \$1,707,750.
- Note 2: Exercise of options issued under the Company's Share Incentive Plan:
926,000 common shares were issued during the quarter pursuant to the exercise of options at exercise prices ranging from \$0.55 to \$0.82 per share for total proceeds of \$561,950.
- Note 3: Conversion of convertible debentures:
All holders of the Company's convertible debentures, with a total face value of \$775,000, converted these debentures into a total of 310,000 common shares based on a conversion price of \$2.50 per share. These debentures were originally issued on August 12, 1997, at an interest rate of 10%, with a maturity date of August 12, 2002.
- Note 4: Issue of common shares and share purchase warrants under the Company's Employee Share Ownership Plan:
Pursuant to the company's Employee Share Ownership Plan, the company completed a private placement on February 5, 1999 of 600,000 units at a price of \$0.25 per unit, each unit consisting of one common share and one common share purchase warrant, exercisable at a price of \$0.40 per share until March 31, 2000 and at a price of \$0.60 per share until March 31, 2001. Of the 600,000 units subscribed for, 515,000 units were fully paid for and issued during the year ended December 31, 1999 for proceeds of \$128,750. The balance of 85,000 units subscribed for were paid for by payroll deduction ending January 31, 2000 and issued when fully paid for on January 31, 2000.
- Note 5: Exercise of share purchase warrants issued under the Company's Employee Share Ownership Plan:
562,100 common shares were issued during the quarter pursuant to the exercise of warrants issued under the Company's Employee Share Ownership Plan at exercise prices ranging from \$0.40 to \$1.45 per share for total proceeds of \$248,045.

(b) Options granted during the period

Date of Grant	Number	Name of Optionee	Exercise Price	Expiry Date
Jan 21, 2000	5,000	Lorraine Martinuik	\$0.82	Jun 30, 2004
Jan 21, 2000	150,000	Francis St. Pierre	\$0.82	Jun 30, 2004
Feb 29, 2000	5,000	Dave Angus	\$1.36	Dec 31, 2004
Feb 29, 2000	300,000	Peter Hauser	\$1.36	Dec 31, 2004
Feb 29, 2000	50,000	Robert Heath	\$1.36	Dec 31, 2004
Feb 29, 2000	25,000	Jack Mott	\$1.36	Dec 31, 2004
Feb 29, 2000	5,000	Kevin Takaki	\$1.36	Dec 31, 2004

TRIANTECHNOLOGIES INC.

Schedule B-3

Supplementary Information

For the first fiscal quarter ended March 31, 2000

(a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued	Amount
Preferred	N.P.V.	100,000,000	Nil	n/a
Common	N.P.V.	100,000,000	26,753,425	\$18,355,057

(b) Options and Warrants Outstanding:

Security	Number of Shares	Exercise Price	Expiry Date
Options	115,000	\$0.55	May 03, 2001
	35,000	\$0.55	Jun 27, 2002
	203,000	\$0.55	Feb 18, 2003
	50,000	\$0.55	Apr 28, 2003
	320,000	\$0.55	Jul 06, 2003
	140,000	\$0.55	Aug 24, 2003
	807,500	\$0.82	Jun 30, 2004
	<u>385,000</u>	\$1.36	Dec 31, 2004
	<u>2,055,500</u>		
Common share purchase warrants	130,000	\$0.50	Apr 30, 2000
		or \$0.75	or Apr 30, 2001
	95,000	\$0.60	May 31, 2000
		or \$0.90	or May 31, 2001
	2,738,250	\$0.80	Jun 15, 2000
		or \$1.20	or Jun 15, 2001
	1,687,500	\$0.65	Sep 30, 2000
	<u>949,305</u>	\$1.45	Jan 31, 2001
	<u>5,600,055</u>		

TRIAN TECHNOLOGIES INC.

Schedule B-3 (Continued)
Supplementary Information
For the first fiscal quarter ended March 31, 2000

(c) Number of shares in escrow or subject to a pooling agreement:

Escrow – Employee Share Ownership Plan

At March 31, 2000, a total of 132,555 common shares issued pursuant to the Employee Share Ownership Plan during the periods ended March 31, 2000, December 31, 1999 and December 31, 1998 were held in escrow.

(d) List of Directors:

Michael George, *Chairman of the Board*⁽²⁾

Paul O'Sullivan, *President & CEO*

David Baird⁽¹⁾

Jim Fletcher⁽²⁾

Robert Heath⁽³⁾

Frank Judge⁽²⁾

Roger Kazanowski⁽¹⁾

Jim Macek⁽¹⁾⁽⁴⁾

⁽¹⁾ Member of Audit Committee

⁽²⁾ Member of Corporate Governance Committee

⁽³⁾ During the quarter ended March 31, 2000, Robert Heath was appointed as a Director.

⁽⁴⁾ Subsequent to the quarter ended March 31, 2000, Jim Macek resigned as a Director.

TRIAINT TECHNOLOGIES INC.

Schedule C

Management Discussion

For the three months ended March 31, 2000

Triant Technologies Inc. (CDNX:TNT; OTCBB:TNTTF) reported unaudited financial results for the three months ended March 31, 2000 (expressed in Canadian dollars), which reflect the continued market development efforts for the Company's flagship product, *ModelWare/RT*, an equipment health monitoring and advanced fault detection solution for the semiconductor industry.

Triant's *ModelWare/RT* is designed to improve the overall equipment effectiveness of wafer fabrication equipment used in the manufacture of silicon chips. At the heart of *ModelWare/RT* is Triant's unique and proprietary modeling technology, UPM (Universal Process Modeling), which is an advanced mathematical algorithm that can be used to model the behaviour of any correlated system or process. UPM overcomes many of the problems associated with conventional modeling techniques which makes it especially useful in such applications as equipment health monitoring and advanced fault detection. UPM provides Triant with the product differentiation and competitive advantage needed to win in the marketplace. Any new technology takes time to get accepted, which explains why the adoption of new technology starts off slowly and increases exponentially over time. *ModelWare/RT* is new technology for the semiconductor industry and Triant is working hard to accelerate its adoption by this industry.

Revenue for the three months ended March 31, 2000 was \$200,287, which is 60% higher than revenue of \$125,296 for the comparative three months ended March 31, 1999. The increase in revenue is attributable to the improved sales of the Company's *ModelWare/RT* product and related services. The net loss for the three months ended March 31, 2000 was \$457,470, or \$0.02 per share, compared to a net loss of \$399,608, or \$0.02 per share, for the comparative three months ended March 31, 1999. The slight increase in net loss was due to increased research and development and selling expenditures to take advantage of the expanding opportunities for *ModelWare/RT*.

At March 31, 2000, the Company's order backlog was \$1.5 million, mainly for the next phase of an order for *ModelWare/RT* which was received in 1999 and which is expected to be completed during the course of 2000. Subsequent to the end of the quarter, the order backlog increased to \$2.1 million with the receipt of a \$600,000 order from the Docklands Light Rail for 12 of the Company's Vehicle Health Monitoring systems.

Also at March 31, 2000, cash and cash equivalents were \$4,083,803 (compared to \$377,892 at March 31, 1999), working capital was \$3,900,911 (compared to working capital deficiency of \$13,794 at March 31, 1999), assets were \$4,389,864 (compared to \$627,262 at March 31, 1999), and shareholders' equity was \$4,014,261 (compared to capital deficiency of \$395,899 at March 31, 1999). During the quarter, cash and cash equivalents increased mainly through warrant and option exercises. In addition, all long-term debt was eliminated through the conversion of the Company's \$775,000 of convertible debentures into 310,000 common shares.

During the quarter, the Company strengthened its sales and marketing depth with the appointment of Robert Heath to its board of directors, the addition of Peter Hauser as vice president of new business development and strategic alliances, and the promotion of Francis St-Pierre to vice president of worldwide sales and marketing. Subsequent to the end of the quarter, Jim Macek stepped down as a director of the Company and the Company expressed its thanks to him for having served as a director of the Company since 1998.

Also during the quarter, the Canadian Venture Exchange (CDNX) raised Triant to a Tier 1 technology company, the Exchange's premier classification.

TRIANTECHNOLOGIES INC.

Schedule C

Management Discussion (Continued)

For the three months ended March 31, 2000

Paul O'Sullivan, President and Chief Executive Officer, stated: "Triant's mission is to provide innovative software solutions to help our customers improve the effectiveness of their manufacturing equipment while the vision is to be the technology leader, market leader and global supplier of equipment health monitoring, advanced fault detection and sophisticated data analysis technology.

Our strategy for growth is to leverage our partnerships. Applied Materials, a fortune 500 company and the world's largest supplier of wafer fabrication equipment and systems to the semiconductor industry, is also our exclusive value added reseller (VAR) in the semiconductor industry. In addition, we have distribution relationships with leading companies in Europe, Japan, Korea, and Taiwan. Our customers include AMD, Cypress, Honeywell, LSI Logic, Motorola, Philips, Samsung, Sharp and others and we have licensed more than 250 copies of *ModelWare/RT*.

Looking forward, we will remain focussed on exploiting the opportunities for our software in the semiconductor industry. At the same time, while maintaining our focus on the semiconductor industry, we will seed our software in other industries to demonstrate its potential value in these other industries. We believe this will enable us to realize our vision of building a company centered around our unique and proprietary core modeling technology, UPM.

We believe there is a large market potential for our technology; our technology is unique and proprietary; our strategy for growth is to leverage our partnerships; our people are highly skilled, experienced and motivated; and we are strong financially and operationally."

Triant Technologies Inc. is a leader in semiconductor equipment health monitoring and advanced fault detection (EHM&AFD) solutions. Triant's principal product, ModelWare/RT, is an innovative software solution designed specifically for semiconductor manufacturers to detect and identify process and equipment faults in real-time and off-line. ModelWare/RT provides insight into equipment conditions and uses set-point and model-based alarms to quickly alert fab personnel of processing and equipment failures and benefits our customers by increasing overall equipment effectiveness, improving equipment maintainability and uptime, and increasing equipment throughput. Triant information is available via the Internet at www.triant.com

This management discussion contains forward-looking statements that are subject to various risks and uncertainties. The Company's actual results could differ materially from those anticipated in such forward-looking statements as a result of numerous factors that may be beyond the Company's control. Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made, and the Company assumes no obligation to update forward-looking statements should circumstances in management's expectations or opinions change.

Contacts:

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