

British Columbia Securities Commission

QUARTERLY AND YEAR END REPORT BC FORM 51-901F (previously Form 61)

ISSUER DETAILS

FOR QUARTER ENDED

01/03/31

DATE OF REPORT

01/05/09

NAME OF ISSUER

Triant Technologies Inc.

ISSUER ADDRESS

20 Townsite Road, 2nd Floor
Nanaimo, BC, V9S 5T7

ISSUER FAX NO.

(250) 754-2388

ISSUER TELEPHONE NO.

(250) 754-4223

CONTACT NAME

Mark Stephens

CONTACT POSITION

Chief Financial Officer

CONTACT TELEPHONE NO.

(250) 754-4223

CONTACT EMAIL ADDRESS

mail@triant.com

WEB SITE ADDRESS

www.triant.com

CERTIFICATE

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE

"Paul J. O'Sullivan"

PRINT FULL NAME

Paul J. O'Sullivan

DATE SIGNED

01/05/09

DIRECTOR'S SIGNATURE

"David L. Baird"

PRINT FULL NAME

David L. Baird

DATE SIGNED

01/05/09

TRIANTECHNOLOGIES INC.

Schedule A

Financial Statements

For the three months ended March 31, 2001

See attached consolidated financial statements

Interim Consolidated Financial Statements of

TRIANTECHNOLOGIES INC.

March 31, 2001

(Expressed in Canadian Dollars)

TRIANTECHNOLOGIES INC.
Consolidated Balance Sheets
(Expressed in Canadian Dollars)

	March 31, 2001 (Unaudited)	December 31, 2000
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 20,306,003	\$ 20,743,115
Accounts receivable	1,588,458	441,832
Prepaid expenses and deposits	65,861	4,615
	21,960,322	21,189,562
Capital assets	688,089	686,984
	\$ 22,648,411	\$ 21,876,546
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 996,989	\$ 903,755
Deferred revenue	1,214,997	584,718
	2,211,986	1,488,473
SHAREHOLDERS' EQUITY		
Share capital	36,267,337	36,267,337
Deficit	(15,830,912)	(15,879,264)
	20,436,425	20,388,073
	\$ 22,648,411	\$ 21,876,546

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 Operations and Deficit
(Expressed in Canadian Dollars)

	Three months ended March 31,	
	2001	2000
	(Unaudited)	(Unaudited)
REVENUE	\$ 1,344,285	\$ 200,287
COST OF REVENUE	405,643	44,445
GROSS MARGIN	938,642	155,842
EXPENSES		
Interest on convertible debentures	-	34,418
Research and development	628,238	285,804
Selling, general and administrative	609,342	319,772
	1,237,580	639,994
LOSS FROM OPERATIONS	(298,938)	(484,152)
INTEREST AND OTHER INCOME	347,290	26,682
NET EARNINGS (LOSS) FOR THE PERIOD	48,352	(457,470)
DEFICIT, BEGINNING OF PERIOD	(15,879,264)	(13,883,326)
DEFICIT, END OF PERIOD	\$ (15,830,912)	\$ (14,340,796)
Earnings (loss) per share	\$ -	\$ (0.02)
Weighted average number of common shares outstanding	41,442,175	23,154,543

See accompanying notes to the consolidated financial statements.

TRIANT TECHNOLOGIES INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Three months ended March 31,	
	2001	2000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Net income (loss) for the period	\$ 48,352	\$ (457,470)
Items not affecting cash		
Amortization	59,242	12,300
Accretion of liability component of convertible debentures	-	17,560
	107,594	(427,610)
Changes in operating assets and liabilities (Note 3)	(484,359)	(70,031)
	(376,765)	(497,641)
FINANCING ACTIVITY		
Common shares issued for cash, net of issue costs	-	2,519,624
INVESTING ACTIVITY		
Capital assets	(60,347)	(15,056)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	(437,112)	2,006,927
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	20,743,115	2,076,876
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 20,306,003	\$ 4,083,803
CASH AND CASH EQUIVALENTS ARE COMPRISED OF:		
Cash	\$ 598,720	\$ 1,896,579
Cash equivalents	19,707,283	2,187,224
	\$ 20,306,003	\$ 4,083,803
SUPPLEMENTAL CASH FLOWS DISCLOSURE:		
Interest paid on convertible debentures	\$ -	\$ 38,750
SUPPLEMENTAL NON-CASH FLOWS DISCLOSURE:		
Common shares issued on conversion of debentures	\$ -	\$ 950,289
Common shares issued for share subscriptions	\$ -	\$ 21,250

See accompanying notes to the consolidated financial statements.

TRIANTECHNOLOGIES INC.
Notes to the Consolidated Financial Statements
(Unaudited)
(Expressed in Canadian Dollars)

1. BASIS OF PRESENTATION

The accompanying unaudited financial statements do not include all information and footnote disclosures required under Canadian generally accepted accounting principles. In the opinion of management, all adjustments (consisting primarily of normal recurring adjustments) considered necessary for a fair presentation of the financial position, results of operations and cash flows as at March 31, 2001, and for all periods presented, have been included.

The unaudited balance sheet, statements of operations and deficit and statements of cash flows have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. These interim financial statements follow the same accounting policies and methods of applications as the most recent annual financial statements dated December 31, 2000. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's annual report for the fiscal year ended December 31, 2000.

2. SHARE CAPITAL

As at May 9, 2001, there were 41,552,175 common shares issued and outstanding. As at May 9, 2001, there were 2,816,750 options issued and outstanding at exercise prices ranging from \$0.55 to \$2.15 with remaining weighted-average contractual lives of 2.1 years to 4.8 years. In addition, as at May 9, 2001, there were 15,000 common share purchase warrants issued and outstanding, entitling the holder to acquire 15,000 common shares at a price of \$0.90 per share with an expiry date of May 31, 2001, and 468,750 compensation warrants entitling the holders to acquire 468,750 common shares at a price of \$1.60 per share with an expiry date of December 28, 2001.

3. CHANGES IN OPERATING ASSETS AND LIABILITIES

The effect on cash flows from changes in operating assets and liabilities for the three-month periods ended March 31, 2001 and 2000 are as follows:

	<u>2001</u>	<u>2000</u>
Accounts receivable	\$ (1,146,626)	\$ (46,887)
Prepaid expenses and deposits	(61,246)	(26,381)
Accounts payable and accrued liabilities	93,234	20,536
Deferred revenue	630,279	(17,299)
	<u>\$ (484,359)</u>	<u>\$ (70,031)</u>

TRIANTECHNOLOGIES INC.
Notes to the Consolidated Financial Statements
(Unaudited)
(Expressed in Canadian Dollars)

4. SEGMENTED AND OTHER INFORMATION

An operating segment is defined as a component that engages in business activities, whose operating results are reviewed by the chief operating decision maker, and for which discrete financial information is available. The chief operating decision-maker of the Company is the President and Chief Executive Officer, who reviews operating results to make decisions about allocating resources and who assesses performance for the entire Company.

The Company operates in one segment for developing, marketing, and supporting equipment health monitoring, advanced fault detection and sophisticated data analysis technology. Since the Company operates in one segment, all financial segment information can be found in the consolidated financial statements.

Information related to geographical areas is as follows:

	Three months ended March 31,	
	2001	2000
Revenue		
United States	\$ 165,958	\$ 61,117
Europe	335,298	112,143
Asia	843,029	27,027
	\$ 1,344,285	\$ 200,287

The Company attributes revenue among geographical areas based on the location of its customers. Long-lived assets consist of capital assets, all of which are located in Canada.

Information related to revenue and cost of revenue for products and services is as follows:

	Three months ended March 31,	
	2001	2000
Revenue		
Products	\$ 1,279,686	\$ 172,791
Services	64,599	27,496
	\$ 1,344,285	\$ 200,287
Cost of revenue		
Products	\$ 379,804	\$ 33,593
Services	25,839	10,852
	\$ 405,643	\$ 44,445

TRIAN TECHNOLOGIES INC.

Schedule B

Supplementary Information

For the three months ended March 31, 2001

B.1 Analysis of expenses

Cost of revenue		
Materials and other costs	\$	347,140
Salaries and benefits		58,503
	\$	405,643
Research and development		
Facilities and other costs	\$	152,918
Salaries and benefits		475,320
	\$	628,238
Selling, general and administrative		
Communications, tradeshow and travel	\$	166,174
Facilities and other costs		96,532
Salaries and benefits		282,804
	\$	609,342

B.2 Related party transactions \$ Nil

B.3 Summary of securities issued and options granted during the period

(a) Summary of securities issued during the period

Date of Issue	Type of Security	Type of Issue	Number Issued	Issue Price	Total Proceeds	Type of Consideration	Commission Paid
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note 2: Subsequent to the three months ended March 31, 2001, 110,000 common shares were issued pursuant to the exercise of options at an exercise price of \$0.55 per share for proceeds of \$60,500.

(b) Options granted during the period

Date of Grant	Number Issued	Name of Optionee	Exercise Price	Expiry Date
Feb 23 / 01	50,000	Brian Piccioni Director	\$1.00	Dec 31 / 05
Feb 23 / 01	300,000	Paul O'Sullivan President & CEO	\$1.00	Dec 31 / 05
Feb 23 / 01	180,000	Mark Stephens CFO	\$1.00	Dec 31 / 05
Feb 23 / 01	90,000	Francis St-Pierre Vice President	\$1.00	Dec 31 / 05
Feb 23 / 01	622,500	Various Employees	\$1.00	Dec 31 / 05

TRIAN TECHNOLOGIES INC.

Schedule B (continued)
Supplementary Information
For the three months ended March 31, 2001

B.4 Summary of securities as at the end of the reporting period on May 9, 2001

(a) *Authorized share capital*

100,000,000 preferred shares without par value
100,000,000 common shares without par value

(b) *Issued and outstanding share capital*

(i) *Preferred shares were issued and outstanding*

	Number Issued	Recorded Value
Balance at December 31, 2000, March 31 and May 9, 2001	Nil	N/A

(ii) *Common shares were issued and outstanding*

	Number Issued	Recorded Value
Balance at December 31, 2000 and March 31, 2001	41,442,175	\$ 36,267,337
Issued for cash — Share Incentive Plan, options	110,000	\$ 60,500
Balance at May 9, 2001	41,552,175	\$ 36,327,837

(c) *Options and warrants outstanding as at May 9, 2001*

Security	Number of Shares	Exercise Price	Expiry Date
Options	30,000	\$0.55	Jun 27, 2002
	178,000	\$0.55	Feb 18, 2003
	125,000	\$0.55	Jul 06, 2003
	105,000	\$0.55	Aug 24, 2003
	726,250	\$0.82	Jun 30, 2004
	205,000	\$1.36	Dec 31, 2004
	65,000	\$1.40	Dec 31, 2004
	140,000	\$2.15	Jun 30, 2005
	<u>1,242,500</u>	\$1.00	Dec 31, 2005
	<u>2,816,750</u>		
Common share purchase warrants	15,000	\$0.90	May 31, 2001
Compensation warrants	468,750	\$1.60	Dec 28, 2001

TRIANTECHNOLOGIES INC.

Schedule B (continued)
Supplementary Information
For the three months ended March 31, 2001

B.4 Summary of securities as at the end of the reporting period on May 9, 2001 (continued)

(d) Number of shares in each class of shares subject to escrow or pooling arrangements

(i) Employee Share Ownership Plan (ESOP)

As at March 31 and May 9, 2001, a total of 60,405 common shares issued pursuant to the Company's Employee Share Ownership Plan (ESOP) during the years ended December 31, 1999 and 1998 were held in escrow, of which 18,405 shares are scheduled for release on January 29, 2002 and 42,000 shares on February 1, 2002.

(ii) Acquisition of technology

Effective on October 6, 2000, the Company completed the acquisition of certain technology in exchange for 300,000 common shares of the Company having a fair value of \$450,000. These shares are being held in escrow and will be released in four stages of 75,000 shares on each of October 6, 2001, January 6, 2002, April 6, 2002 and July 6, 2002, respectively. The Company has also agreed to pay additional compensation to the vendors of 5%, 3% and 2% of the revenue recognized from the related intellectual property in each of the first, second and third years, respectively, following the completion of this acquisition

B.5 List of Directors as at May 9, 2001

Frank Judge, Chairman of the Board

Paul O'Sullivan, President & CEO

David Baird^{(1) (2)}

Roger Kazanowski⁽¹⁾

Robert Heath^{(1) (2)}

Robert Chamberlain⁽²⁾

Brian Piccioni⁽³⁾

(1) Member of Audit Committee

(2) Member of Corporate Governance Committee

(3) Brian Piccioni was appointed to the Board of Directors on February 23, 2001

TRIAINT TECHNOLOGIES INC.

Schedule C

Management Discussion and Analysis For the three months ended March 31, 2001

CORPORATE PROFILE

Triant Technologies Inc. (CDNX:TNT; OTCBB:TNTTF) is a leader in equipment health monitoring, advanced fault detection and sophisticated data analysis technology. Triant's initial industry focus is the semiconductor industry where it provides innovative software solutions that help its customers improve their productivity and lower their manufacturing costs. In addition to its work in the semiconductor industry, Triant is pursuing significant opportunities for its technology in other industries and vertical markets.

To address the large market opportunity in the semiconductor industry, Triant has developed *ModelWare*[®]/RT, a complete equipment health monitoring and advanced fault detection software solution. Leading companies, including AMD, Motorola and Samsung, are using *ModelWare*/RT to improve their competitive advantage in manufacturing silicon chips.

Triant's core technology is *UPM*[™] (Universal Process Modeling), a proprietary advanced mathematical algorithm that can be used to model the behavior of any correlated system or process turning raw data into useful information. *UPM*, the heart of *ModelWare*/RT, is key to Triant's strategy of developing new products and services around its core technology for the semiconductor market as well as other vertical markets.

Triant also provides legacy products and services for other industries. More information about Triant is available via the Internet at www.triant.com.

FINANCIAL RESULTS FOR THE FIRST QUARTER

Triant reported unaudited financial results for the first quarter ended March 31, 2001 (expressed in Canadian dollars) which reflected the continued commercialization efforts for *ModelWare*/RT, further work under the \$600,000 follow-on purchase order that was announced in December 2000 to supply 12 Vehicle Health Monitors (VHMs) to the Docklands Light Rail in London, England and new initiatives to diversify into other vertical markets, including the area of human factors, for its core technology and intellectual property.

Revenue for the three months ended March 31, 2001 was \$1,344,285 compared to \$200,287 for the three months ended March 31, 2000. This 571% increase in revenue in 2001 compared to 2000 was mainly attributable to wider deployment of *ModelWare*/RT within existing customers and new deployments with new customers. During the quarter, the Company received \$1.5 million in new orders and the Company entered the second quarter with deferred revenue of \$1.2 million and backlog of \$1 million and over \$20 million in cash.

Cost of revenue for the three months ended March 31, 2001 was \$405,643 compared to \$44,445 for the three months ended March 31, 2000. Gross margin and gross margin percentage for the three months ended March 31, 2001 were \$938,642 and 70%, respectively, compared to \$155,842 and 78%, respectively, for the three months ended March 31, 2000. The increased cost of revenue and gross margin and decreased gross margin percentage in 2001 compared to 2000 was mainly attributable to increased revenue and a lower relative gross margin on *ModelWare*/RT orders with commission expenses. The Company incurred variable costs related to revenue earned from the sales, installation, and support of software licenses and related services, as well as legacy products and services.

Expenses for the three months ended March 31, 2001 were \$1,237,580 compared to \$639,994 three months ended March 31, 2000. This 93% increase in expenses in 2001 compared to 2000 was mainly attributable to increased research and development expenses and selling, general and administrative expenses, primarily for expansion in technical development, technical operations, sales and marketing, and new business development staff to provide additional resources for current and anticipated growth in business opportunities in the semiconductor and other industries. This included new initiatives to diversify into other vertical markets, including the area of human factors.

TRIAN TECHNOLOGIES INC.

Schedule C (continued)

Management Discussion and Analysis

For the three months ended March 31, 2001

FINANCIAL RESULTS FOR THE FIRST QUARTER (CONTINUED)

Interest and other income for the three months ended March 31, 2001 was \$347,290 compared to \$26,682 for the three months ended March 31, 2000. This increase in interest and other income was mainly attributable to interest earned on significantly higher cash and cash equivalents balances in 2001 compared to 2000.

Net earnings for the three months ended March 31, 2001 were \$48,352 or no loss per share, compared to a net loss of \$457,470, or a loss per share of \$0.02, for the three months ended March 31, 2000. This change to net earnings from a net loss mainly reflected a combination of increased revenue, gross margin and interest and other income with a lesser increase in research and development and selling, general and administrative expenses as the Company continued to invest in product and market development activities towards its goal of being the global leader in equipment health monitoring, advanced fault detection and sophisticated data analysis technology.

QUARTERLY BUSINESS UPDATE AND STRATEGIC OVERVIEW

Commenting on the results, Paul O'Sullivan, president and chief executive officer, stated: "We are very pleased with our strong first quarter. Our \$1.3 million in revenue and \$1.5 million in new orders are the result of our strategy to leverage our global distribution channels and strategic alliances to further penetrate our existing customer base and to win new customers. The first quarter revenue and new orders were principally driven by *ModelWare/RT*, our equipment health monitoring and advanced fault detection solution for the semiconductor industry.

"The semiconductor industry has, for the last 30 years, grown at an average annual rate of around 15% per year. It has achieved this remarkable growth through continually reducing the costs of manufacturing chips by an average of 25-30% per year. To continue to reduce these costs, the semiconductor industry must now focus on ways to improve the overall effectiveness of the capital equipment used to manufacture chips. We believe a tremendous market opportunity has developed in the area of advanced process control (APC) to address the industry's needs to improve equipment effectiveness.

"Our customers deploy *ModelWare/RT* to lower their manufacturing costs and increase the throughput of their manufacturing equipment thereby increasing equipment effectiveness. *ModelWare/RT* helps our customers reduce scrap, lower the use of non-product wafers and increase equipment uptime."

Mr. O'Sullivan stated: "Our goal is to be a market leader in equipment health monitoring, advanced fault detection and sophisticated data analysis technology. We plan to achieve this goal through a business model centered on our core technology and intellectual property, using a combination of product sales, original equipment manufacture (OEM) licensing, value-added consulting, and web-based delivery of data analysis and reporting services. While our focus remains on forging a successful business in the semiconductor industry, the Company has launched new initiatives to diversify into other vertical markets.

"Although it is difficult to forecast revenues on a quarterly basis as the APC market is still emerging, we have a positive outlook for 2001. We will continue to build our semiconductor business and will use our financial strength to accelerate the development of new and improved products as well as to establish a center-of-excellence in the U.S. to increase customer pull for our products. We will also continue to develop the market for our technology in other vertical markets and industries where we believe large opportunities exist and plan to introduce new products in these markets later this year. "

TRIANTECHNOLOGIES INC.

Schedule C (continued)

Management Discussion and Analysis

For the three months ended March 31, 2001

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2001, cash and cash equivalents were \$20,306,003 compared to \$20,743,115 at December 31, 2000; working capital was \$19,748,336 compared to \$19,701,089 at December 31, 2000; assets were \$22,648,411 compared to \$21,876,546 at December 31, 2000; and shareholders' equity was \$20,436,425 compared to \$20,388,073 at December 31, 2000.

During the three months ended March 31, 2001, the Company had a net decrease in cash and cash equivalents of \$437,112 compared to a net increase in cash and cash equivalents of \$2,006,927 for the three months ended March 31, 2000. The net decrease in cash and cash equivalents for the three months ended March 31, 2001 was a result of cash used in operating activities of \$376,765 and cash used in investing activity of \$60,347. The net increase in cash and cash equivalents for the three months ended March 31, 2000 was a result of cash from financing activities of \$2,519,624 exceeding cash used in operations of \$497,641 and cash used in investing activity of \$15,056.

During the three months ended March 31, 2001, the Company had no financing activities. During the three months ended March 31, 2000, the distribution of securities had been a source of net cash for the Company from financing activities of \$2,519,624. During the comparative period in 2000, the Company completed a distribution of common shares and common share purchase warrants pursuant to its Employee Share Purchase Plan (ESOP) for proceeds of \$21,250 and a distribution of common shares pursuant to the conversion of debentures with a total face value of \$775,000. These distributions, together with changes in share subscriptions balances under the ESOP, share purchase warrant exercises and stock option exercises, resulted in financing activities of \$2,519,624.

The Company believes that its existing cash resources are sufficient to fund expected capital requirements and operating losses through 2001. While management anticipates continued growth in revenue from its products and services, there is no assurance that the Company will earn sufficient revenue to maintain future operations and fund the growth of the Company. Consequently, the Company expects to raise additional funds through financings in the future in order to take advantage of any growth opportunities, which may require a more rapid expansion, or acquisitions of complementary businesses or technologies, the formation of new alliances, the development of new products, and other responses to competitive pressures. There can be no assurance that additional financing will be available, if at all, on terms favourable to the Company. If such funds are unavailable or are not available on acceptable terms, the Company may be unable to maintain its future operations, take advantage of opportunities, develop new products, or otherwise respond to competitive pressures.

The Company intends to use its existing cash resources to fund new business development programs, including sales and marketing of existing products; to fund research and development of existing and new technologies; and for general corporate purposes, including possible future acquisitions and investments.

While the Company's focus remains on forging a successful business in the semiconductor industry, new initiatives have been launched to diversify into other vertical markets. The Company's goal is to be the global leader in equipment health monitoring, advanced fault detection and sophisticated data analysis technology. The Company plans to achieve this goal through a business model centered on its core technology and intellectual property, using a combination of product sales, original equipment manufacture (OEM) licensing, value-added consulting, and web-based delivery of data analysis and reporting services.

This management discussion and analysis 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.