

**TRINITY VALLEY ENERGY CORP  
(FORMERLY BRITANNICA RESOURCES CORP.)  
MANAGEMENT'S DISCUSSION & ANALYSIS  
PERIOD ENDED JUNE 30, 2017**

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**GENERAL**

This Management's Discussion and Analysis of Trinity Valley Energy Corp. (the "Company", "Trinity" or "TE") is dated August 29, 2017 and provides an analysis of Trinity's financial position and results of operation for the period ended June 30, 2017. The following information should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended June 30, 2017 and related notes and with our audited consolidated financial statements for the year ended December 31, 2016, which are available on SEDAR at [www.sedar.com](http://www.sedar.com) or at the Company's website: [www.trinityvalleyenergy.com](http://www.trinityvalleyenergy.com).

Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars.

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Corporation disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

**CORPORATE PROFILE AND MISSION**

Trinity Valley Energy Corp. is an exploration stage company engaged in the acquisition, exploration and development of mineral and oil and gas properties in Canada and the United States. The Company is a reporting issuer in British Columbia, Alberta and Quebec, and its common shares trade on the TSX Venture Exchange under the symbol **TE-V**. Additional information can be found at the website [www.sedar.com](http://www.sedar.com) or at the Company's website: [www.trinityvalleyenergy.com](http://www.trinityvalleyenergy.com).

**ACTIVITY HIGHLIGHTS**

- See result details in "**RESULTS OF OPERATIONS**".
- On February 7, 2013, the Company entered into a Joint Operating and Farm in Agreement ("JOA") with Anderson County Land Company to earn a 33.33% working interest in the Days Chapel enhanced oil recovery project (the "Project") located in Anderson County, Texas, subject to a total royalty burden of up to 20%. In order to earn into the Project, the Company was to fund a US\$1,500,000 work program. As at December 31, 2013, the Company has paid the US\$1,500,000 (\$1,524,068) and earned its 33.33% interest in the Project. The Company also paid a finder's fee of 450,000 shares with a fair value of \$36,000. The Company has an option to acquire up to an additional 17.67% working interest (in 1% increments) of the Project.
- On August 19, 2013, the Company closed the first-tranche of a non-brokered private placement financing for gross proceeds of \$642,400. The Company has issued 12,848,000 units at a price of \$0.05 per unit for gross proceeds of \$642,400. Each unit consists of one common share and one common share purchase warrant. Each purchase warrant will entitle the holder to purchase one additional common share in the capital of the Company at a price of \$0.10, for a period of 24 months following the closing of the offering. The Company paid \$28,440 cash in commissions on the private placement, along with 568,800 non-transferable finder's warrants, each entitling its holder to acquire one common share at \$0.10 for a 24-month period after closing of the financing.
- On September 6, 2013, the Company closed the second-tranche of \$75,500 of the non-brokered private placement, bringing the total gross proceeds raised to \$717,900. The Company has issued an additional 1,510,000 units at a price of \$0.05 per unit for gross proceeds of \$75,500 in the second tranche. Each unit consists of one common share (the "Common Share") and one common share purchase warrant (the "Warrant"). Each Warrant will entitle the holder to purchase one additional Common Share in the capital of the Company at a price of \$0.10, for a period of 24 months following the closing of the Offering (the "Closing"). The Company has paid \$7,550 cash in

commissions on the second-tranche of the private placement, along with 151,000 non-transferable finder's warrants, each entitling its holder to acquire one common share at \$0.10 for a 24-month period after closing of the financing.

- Pursuant to a resolution passed by the directors of the Company on September 27, 2013, effective October 7<sup>th</sup>, 2013 the Company has changed its name to Trinity Valley Energy Corp. from Britannica Resources Corp.
- The Company has no plans to conduct further exploration of its 100% interest in the Bluebird property and Chassignole Eagle property in Quebec and, accordingly, has fully impaired the property, resulting in an impairment of \$28,502 during the year ended December 31, 2013.
- The Company has no plans to conduct further exploration work on the Wedding Lake and Tavernier properties in the province of Quebec and, accordingly, has fully impaired the properties, resulting in an impairment of \$138,000 during the year ended December 31, 2013.
- On July 13, 2015, the Company closed a private placement with Texas General Oil & Gas, LP ("Texas Oil"). In connection with the closing of the private placement the Company issued into escrow 34,765,160 common shares of the Company for gross proceeds of \$1,590,138 (US\$1,250,000) and 100 preferred shares for gross proceeds of \$1,272,110 (US\$1,000,000). All of the common shares, preferred shares and US\$2,250,000 ("Investment Amount") were put into escrow. The Investment Amount is to be used by the Company for ongoing farm-in expenditures on the Days Chapel Project and for general working capital.
- On September 17, 2015, the escrow agent released from escrow US\$250,000 of the Investment Amount to the Company and 6,953,032 of the common shares to Texas Oil.
- On September 30, 2015, the Company completed a shares for debt transaction, the Company settled an aggregate of \$200,000 in outstanding debt to non-arms length parties, through the issuance of 4,000,000 common shares at a deemed price of \$0.05 per common share.
- On October 1, 2015, the Company was served with a notice of civil claim filed by ACLC, in the British Columbia Supreme Court. The claim relates to alleged amounts owing under the JOA between the Company and ACLC dated February 6, 2013. ACLC is seeking US\$58,506 plus interest (from July 1, 2015 at 13% per annum) and costs. The Company believes this claim has little merit, and is defending the action. No accrual has been made as at December 31, 2015.
- On October 16, 2015, the Company filed a petition against ACLC and three of its principles in the District Court of Anderson County, Texas. The Company alleges in its petition that the JOA, which incorporated a joint operating agreement between the Company and ACLC dated February 6, 2013 contained material misstatements and omissions. The Company also alleges in its petition that the principles of ACLC are jointly and severally liable with ACLC. The Company is seeking in excess of US\$1,000,000 in damages. Subsequent to year end, the Company served ACLC and the three principals discovery requests.

The Company, pursuant to the terms of the JOA, is due an assignment of a 33.33% working interest in the leases contained in the Days Chapel Project. As at December 31, 2016, the 33.33% interest in these leases had not been transferred to the Company. The Company cannot confirm that the leases ACLC has asserted it owned are owned by ACLC. As a result, pending the outcome of the matters in dispute with ACLC, the Company fully impaired the Days Chapel Project as at December 31, 2015, and recorded a loss on the statement of loss and comprehensive loss.

- On June 1, 2017, the Company signed an option agreement to acquire a 100% interest in the Mattagami River Zinc Property ("**Mattagami**"), located in Agate and Tucker Townships of the Porcupine Mining Divisions of Northeastern Ontario. The Mattagami property is comprised of 14 unpatented mining claims totaling 204 units having a combined area of approximately 3,300 hectares, located approximately 50 km northeast of the town of Kapuskasing.

Trinity can earn a 100% interest in the Property under the terms of the Option Agreement by: (a) issuing 11,500,000 common shares in the capital of Trinity and \$25,000 cash payable within 5 business days upon receiving TSX Exchange Approval and (b) issuing 1,500,000 common shares in the capital of Trinity and \$25,000

cash 12 months from the execution of the Option Agreement. The Property is subject to an underlying 2% Net Smelter Returns (NSR) royalty, of which 1.5% may be purchased by the Company for \$1-million.

The closing of the transaction is subject to a number of conditions, including due diligence, the completion of a National Instrument 43-101 technical report on the property, and obtaining all necessary regulatory approvals, including TSX Venture Exchange approval.

## RESULTS OF OPERATIONS

### Summary of exploration activities

#### Oil and gas

##### Days Chapel Project

On February 7, 2013, the Company entered into a JOA with Anderson County Land Company (“ACLC”) to earn a 33.33% working interest in the Days Chapel enhanced oil recovery project (the “Days Chapel Project”) located in Anderson County, Texas, subject to a total royalty burden of up to 20%. In order to earn into the Days Chapel Project, the Company funded a US\$1,500,000 work program.

During the year ended December 31, 2013, the Company funded a US\$1,500,000 (\$1,524,068) work program and earned its 33.33% interest in the Days Chapel Project. The Company also paid a finder’s fee of 450,000 shares with a fair value of \$36,000.

The Company has an option to acquire up to an additional 17.67% working interest (in 1% increments) of the Days Chapel Project. The price paid to acquire each additional 1% increment will be determined based on results of the independent engineering modeling.

- 1) If the independent engineering modeling recommends the inverted 7-spot vertical technology production method, then the purchase price will utilize the value of proven plus probable oil reserves at a 20% discounted present value, subject to a maximum price of US\$509,434 per each 1% undivided working interest.
- 2) If the independent engineering modeling recommends a steam-assisted gravity drainage production method, or a variation thereof, that increases the recovery factor of the original oil-in-place then it will utilize the value of proven plus probable oil reserves at a 20% discounted present value, subject to a maximum price of US\$721,697 per each 1% undivided working interest.

The purchase price can be paid by up to two thirds in common shares of the Company based on the prior 60 trading day weighted average market price with the remainder in US dollars.

The Company, pursuant to the terms of the JOA, is due an assignment of a 33.33% working interest in the leases contained in the Days Chapel Project. As at December 31, 2015, the 33.33% interest in these leases had not been transferred to the Company. The Company cannot confirm that the leases ACLC has asserted it owned are owned by ACLC. As a result, pending the outcome of the matters in dispute per Note 11, the Company fully impaired the Days Chapel Project as at December 31, 2015, and recorded a loss on the statement of loss and comprehensive loss.

*Geological information presented herein was summarized by Eugene Gauthier Eng., a qualified person under National Instrument 43-101. Mr Gauthier is a director of the Company.*

#### Selected Interim Information

The following chart shows the financial results derived from the Company’s financial statements for each of the three most recently completed three month periods ended June 30.

	June 30, 2017	June 30, 2016	June 30, 2015
Net comprehensive loss for the period	<b>(\$88,141)</b>	<b>(\$31,513)</b>	<b>(\$23,541)</b>
Loss per share	<b>(\$0.00)</b>	<b>(\$0.00)</b>	<b>(\$0.00)</b>
Total assets	<b>\$2,640,256</b>	<b>\$2,684,666</b>	<b>\$1,635,703</b>

## Analysis of operations

### Net Comprehensive Income (loss)

#### *Comparison between periods ended June 30, 2017 and 2016*

Net loss for the period was \$88,141 as compared to \$31,514 in the comparative period. The increase in net loss is primarily due to foreign exchange loss recorded on the cash held in escrow during the period ended June 30, 2017.

#### *Comparison between periods ended June 30, 2016 and 2015*

Net loss for the period was \$31,514 as compared to \$23,541 in the comparative period. The increase in net loss is primarily due to foreign exchange loss recorded on the cash held in escrow during the period ended June 30, 2016.

#### *Comparison between periods ended June 30, 2015 and 2014*

Net loss for the period was \$23,541 as compared to \$60,095 in the comparative period. The decrease in net loss is primarily due to lower management fees being incurred during the period ended June 30, 2015.

### Total assets

#### *Comparison between June 30, 2017 and December 31, 2016*

- Decrease in cash to \$42,006 for the period ended June 30, 2016 as compared to \$78,782 as at the year ended December 31, 2016. The decrease is primarily the result of expenses incurred for operations during the first six months and the payment of outstanding accruals at year end.
- Exploration and evaluation assets had no change from December 31, 2016.

#### *Comparison between June 30, 2016 and December 31, 2015*

- Decrease in cash to \$97,354 for the period ended June 30, 2016 as compared to \$207,566 as at the year ended December 31, 2015. The decrease is primarily the result of expenses incurred for operations during the first quarter and the payment of outstanding accruals at year end.
- Exploration and evaluation assets had no change from December 31, 2015.

## SUMMARY OF QUARTERLY RESULTS

Year Ended	Quarter	Net Comprehensive Income (Loss) (in 000's)	Net Income (Loss) per Share (basic and fully diluted)
2012	Q1	(\$480)	(\$0.02)
2012	Q2	(\$78)	(\$0.00)
2012	Q3	(\$87)	(\$0.00)
2012	Q4	(\$1,229)	(\$0.06)
2013	Q1	(\$137)	(\$0.01)
2013	Q2	(\$128)	(\$0.01)
2013	Q3	(\$124)	(\$0.00)
2013	Q4	(\$104)	(\$0.00)
2014	Q1	(\$103)	(\$0.00)
2014	Q2	(\$60)	(\$0.00)
2014	Q3	(\$6)	(\$0.00)
2014	Q3	(\$46)	(\$0.00)
2015	Q1	(\$4)	(\$0.00)
2015	Q2	(\$24)	(\$0.00)

2015	Q3	\$43	0.00
2015	Q4	(\$1,522)	0.02
2016	Q1	(\$207)	(\$0.00)
2016	Q2	(\$32)	(\$0.00)
2016	Q3	\$26	(\$0.00)
2016	Q4	\$35	(\$0.00)
2017	Q1	(\$29)	(\$0.00)
2017	Q2	(\$88)	(\$0.00)

2017-Q2	Increase to net loss from prior quarter is primarily the result of the foreign exchange loss recorded on the cash held in escrow.
2017-Q1	decrease to net loss from prior quarter is primarily the result of the foreign exchange loss recorded on the cash held in escrow.
2016-Q4	Increase to net income from prior quarter is primarily the result of the foreign exchange gain recorded on the cash held in escrow.
2016-Q3	Increase to net income from prior quarter is primarily the result of the foreign exchange gain recorded on the cash held in escrow.
2016-Q2	Decrease to net loss as compared to the prior quarter is primarily the result of the foreign exchange loss recorded on the cash held in escrow versus the previous quarter.
2016-Q1	Decrease to net loss as compared to the prior quarter is primarily the result of the recording of the impairment of the Days Chapel Project in the prior quarter.
2015-Q4	Decrease to net loss from net income in the prior quarter is primarily the result of the recording of the impairment of the Days Chapel Project in the quarter.
2015-Q3	Increase to net income from prior quarter is primarily the result of the foreign exchange gain recorded on the cash held in escrow.
2015-Q2	Increase from prior quarter is primarily the result of transfer agent and filing fees incurred on the financing that closed in July 2015 and fees for the annual general and special meeting of its shareholders held in July 2015.
2015-Q1	Decrease from prior quarter primarily the result of reduced management fees in the current quarter.
2014-Q4	Increase from prior quarter primarily the result of fiscal 2014 year end accruals for management fees and accounting fees net of a write-off of accounts payable.
2014-Q3	Decrease from prior quarter primarily the result of decreased travel and entertainment expense, professional fees and management fees in Q3
2014-Q2	Decrease from prior quarter primarily the result of decreased professional fees and management fees in Q2
2014-Q1	Consistent with prior quarter
2013-Q4	Decrease from prior quarter is primarily the result of mining taxes recovery of \$208,472, net of the recording of property impairments of \$166,503.
2013-Q3	Consistent with prior quarter
2013-Q2	Consistent with prior quarter
2013-Q1	Impairment on Deltador property recorded in Q4

## LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2017, the Company had negative working capital of \$2,762 as compared to working capital of \$22,467 at December 31, 2016. The Company plans to continue to fund its operations through equity financings, there are no guarantees that the Company can do so in the future.

The Company had no material commitments for capital expenditures as at June 30, 2017.

## OFF BALANCE SHEET ARRANGEMENTS

There are no off balance sheet arrangements.

## PROPOSED TRANSACTIONS

None

## TRANSACTIONS WITH RELATED PARTIES

As at June 30, 2017, \$1,750 (December 31, 2016 - \$1,750) was due to directors, or companies controlled by directors, of the Company which are unsecured, non-interest bearing and due on demand. The above transactions are in the normal course of operations and are recorded at the exchange amounts which are the amounts agreed upon between the parties.

## CONTROLS AND PROCEDURES

The management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements for the three months ended June 30, 2017.

The management of the Company has filed the Venture Issuer Basic Certificate with the Interim Filings on SEDAR at [www.sedar.com](http://www.sedar.com). In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. 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.

## OUTSTANDING SHARE DATA

### *Authorized share capital*

Authorized: An unlimited number of common shares without par value; and  
An unlimited number of non-voting preferred shares without par value.

### *Issued share capital*

As at June 30, 2017 and the date of this MD&A there were 73,530,320 issued common shares and 100 issued preferred shares.

On September 30, 2015, the Company issued 4,000,000 common shares with a fair value of \$120,000 to settle \$200,000 in outstanding debt to related parties and recognized a gain on settlement of debt of \$80,000.

On July 13, 2015, the Company closed a private placement with Texas Oil. In connection with the closing of the private placement the Company issued into escrow 34,765,160 common shares of the Company for gross proceeds of \$1,590,138 (US\$1,250,000) and 100 preferred shares for gross proceeds of \$1,272,110 (US\$1,000,000) (the "Preferred Equity"). All of the common shares, preferred shares and US\$2,250,000 ("Investment Amount") were put into escrow.

The Investment Amount is to be used by the Company for ongoing farm-in expenditures on the Days Chapel Project and for general working capital.

### **Escrow shares**

The escrow shares, and the Investment Amount will be released from escrow as follows:

- US\$250,000 and 20% of the common shares (6,953,032 common shares) to be released on closing of the private placement (released in September 2015);
- US\$1,000,000 and 80% of the common shares (27,812,128 common shares) to be released:
  - upon the Company's successful acquisition of a 50% working interest in the Days Chapel Project;
  - The Company, or an entity controlled by Texas Oil, is appointed the operator under the Days Chapel Project's JOA; and
  - The JOA is amended to reflect a revised non-participating operator penalty suitable to enhanced oil recovery projects.

- US\$1,000,000 and 100% of the preferred shares (100 preferred shares) to be released once the common shares and the funds received from the common shares have been released from escrow.

As at June 30, 2017, 27,812,128 common shares and 100 preferred shares are held in escrow.

As at June 30, 2017, \$2,593,200 (US\$2,000,000) of the Investment Amount is held in escrow.

### **Preferred shares**

Upon the preferred shares being released from escrow they will have the following rights and restrictions:

- annual dividend of 15% of the Preferred Equity. No dividends shall be paid on any common shares unless dividends are paid according to the terms herein on all of the preferred shares;
- non-subordinable to the issuance of any additional shares, common shares or preferred, debt or any other issuance by the Company. The preferred shares cannot be diluted without the prior written consent of Texas Oil;
- preference in the event of liquidation or winding up of the Company (entitled to receive—in preference to the holders of common shares—the Preferred Equity plus any accrued but unpaid dividends as of the date of the winding up or liquidation);
- transferable without restriction or consent of the Company or other subsequent investors, to any third party and for any reason.

### **Stock Options**

The Company has a rolling stock option plan whereby it can issue stock options up to 10% of the issued and outstanding common shares of the Company at the grant date. The plan allows for a maximum term of ten years, and the vesting period is determined by the board of directors. Each option permits the holder to purchase one common share of the Company.

As at June 30, 2017 and December 31, 2016 and 2015, there are 800,000 options outstanding and exercisable. The options are exercisable at \$0.10 and expire on December 6, 2017

### **Share-based payment reserve**

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

## **CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

### **Standards Issued but Not Yet Effective**

The standard issued but not yet effective up to the date of issuance of the Company's financial statements that are likely to have an impact on the Company is listed below. Other than the one listed below the accounting standards or amendments to existing standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements. The Company intends to adopt these standards when they become effective.

IFRS 9 - Financial Instruments ("IFRS 9") - The standard is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Retrospective application may be required however, transition reliefs are provided (including no restatement of comparative period information). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules under IAS 39.

## **FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT**

### ***Financial risk management***

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits,

and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company’s primary exposure to credit risk is on its cash held in bank accounts. The majority of cash is deposited in bank accounts held with major banks in Canada. As most of the Company’s cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company’s normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. Historically, the Company’s sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company’s access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

***Currency risk***

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. As at June 30, 2017, the Company had net financial assets of \$2,593,200 denominated in US dollars. A 10% change in the Canadian dollar versus the US dollar would cause a change of approximately \$259,320 to net and comprehensive loss.

***Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

**Classification of financial instruments**

Financial assets included in the statement of financial position are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Loans and receivables:		
Cash	42,006	78,782
Cash held in escrow	2,593,200	2,685,400

Financial liabilities included in the statement of financial position are as follows:

	June 30, 2017	December 31, 2016
	\$	\$
Trade payables	-	11,189
Due to related parties	1,750	1,750

**Fair value**

The fair value of the Company’s financial assets and liabilities approximates their carrying amount due to their short terms of maturity. Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments classified as level 1 include cash and cash held in escrow.

## **RISK AND UNCERTAINTIES**

### *Risks inherent in the nature of mineral exploration and development*

Exploration and development involve several risks which experience, knowledge and careful evaluation may not be sufficient to overcome. Large capital expenditures are required in advance of anticipated revenues from operations. Many exploration programs do not result in the discovery of mineralization; moreover, mineralization discovered may not be of sufficient quantity or quality to be profitably mined. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labor are some of the risks involved in the conduct of exploration programs and the operation of mines. The commercial viability of exploiting any precious metal deposit is dependent on a number of factors including infrastructure and governmental regulations, in particular those respecting the environment, price, taxes, and royalties. No assurance can be given that minerals of sufficient quantity, quality, size and grade will be discovered on any of the Company's properties to justify commercial operation. Numerous external factors influence and may have significant impacts on the operations of the Company and its financing needs.

### *Financial risks*

The Company is an exploration company. The Company will periodically have to raise additional funds to continue operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

### *Claims and title risks*

Although the Company has taken steps to verify title to mining properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

### *Tax*

No assurance can be made that Canada Revenue Agency or Quebec Minister of Revenue will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expenses.

### *Dependence on key personnel*

The development of the Company's business is and will continue to be dependent on its ability to attract and retain highly qualified management and mining personnel. The Company faces competition for personnel from other employers.

### *Conflicts of interest*

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith of view to the best interests of the Company and to disclose any interest, which they may have in any project or opportunity of the Company. If a conflict arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

### *Environmental risks*

The Company is subject to various environmental incidents that can occur during exploration work. The Company maintains an environmental management system including operational plans and practices.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) or at the Company's website: [www.trinityvalleyenergy.com](http://www.trinityvalleyenergy.com).

*(signed)*  
Jeffrey Cocks, Director

*(signed)*  
Michael Dake, Director

August 29, 2017