

TROYMET EXPLORATION CORP. MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (“MD&A”) for the three months ended January 31, 2017 was prepared with information available up to March 27, 2017 and should be read in conjunction with the Company’s financial statements and accompanying notes for the three months ended January 31, 2017.

The financial information presented in this MD&A and referenced above are in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Our significant accounting policies are set out in Note 4 of the audited consolidated financial statements of the Company, as at and for the year ended October 31, 2016.

Any scientific or technical information as described in National Instrument 43-101 disclosed in this Management Discussion and Analysis has been reviewed and approved by Dr. Kieran Downes, P.Geo, President and Chief Executive Officer of Troymet Exploration Corp. and a Qualified Person as defined by National Instrument 43-101, under whose direction the Company’s exploration program is being carried out.

Company Overview

Troymet Exploration Corp. (“Troymet” or the “Company”) was incorporated under the Business Corporations Act (Alberta) on June 4, 2007. A Plan of Arrangement between the Company, Signet Minerals Inc. (“Signet”), and Cash Minerals Ltd. (“Cash Minerals”) was completed on August 7, 2007 and the Company became a reporting issuer at that time (see Company Reorganization below). The Company was listed on the TSX Venture Exchange on September 20, 2007. The trading symbol is “TYE”.

The Company is involved in gold, and base metal exploration. Troymet’s corporate strategy is to acquire interests in projects that have the potential to host large, high grade gold, and base metal deposits. Currently, all of the Company’s projects are located in Manitoba, British Columbia and Utah.

As of the date of this MD&A, Troymet has not earned any production revenue, nor found any resources on any of its properties. The Company is a reporting issuer in British Columbia and Alberta.

Outlook

The Golden Eagle property has the potential to host several deposit types, including bulk tonnage intrusion-related, high-grade gold-silver vein-hosted, and volcanogenic massive sulphide (VMS) deposits. Results to date from stream sediment sampling and diamond drilling support the hypothesis of a widespread mineralizing event on the property, and a new bulk tonnage gold target has been identified on the Skarn zone.

On February 23, 2015, the Company’s wholly owned subsidiary, Troymet USA LLC. (“Troymet USA”) entered into an option agreement with Renaissance Exploration, Inc. (“RenEx”), a wholly owned subsidiary of Renaissance Gold Inc. (“Renaissance”), on the Wildcat gold project, Utah (the “Wildcat Project”). Under the terms of the Option, Troymet USA may acquire a 70% interest in the Wildcat Project by paying RenEx US\$50,000 in cash (paid), reimbursing the 2014 claim fees of

US\$8,219 (reimbursed), incurring US\$3 million on exploration and development over seven years in staged exploration, and by completing a bankable feasibility study. Minimum annual work commitments to keep the Option in good standing are US\$50,000 in Year 1 (spent), US\$250,000 (spent) in Year 2, US\$350,000 in Year 3, and US \$500,000 in Years 4 through 7. Any excess expenditure in any year will be carried forward and applied to subsequent years' expenditure requirements, and the expenditures may be accelerated by Troymet USA in its sole discretion. Troymet USA is exclusively responsible for the planning, execution and supervision of all exploration programs. Troymet USA retained RenEx as its contractor in Year 1 to take advantage of RenEx's expertise and established infrastructure.

Troymet holds an option to acquire a 100% interest in the 3,689.75 hectare Redhill property, located approximately eighty (80) kilometres west of Kamloops and ten (10) kilometres south of Ashcroft, British Columbia. Under the terms of the option, the Company may acquire a 100% interest in the Redhill property located in British Columbia by making \$500,000 in option payments (\$10,000 paid) and \$500,000 in exploration expenditures over a ten-year period. If the Company exercises the option, Homegold will retain a 2% NSR, half (1%) of which can be purchased by the Company for \$1,000,000 at any time. Troymet believes there are unrecognized and untested copper-zinc-gold targets that can be quickly and cost effectively identified and drill tested on the Redhill property.

At the McClarty Lake project, a joint venture agreement is established with Hudbay Minerals Inc. ("Hudbay") holding a 60% interest and Troymet holding a 40% interest. Under the terms of the agreement, Hudbay must contribute \$1,151,052 in joint venture expenditures before Troymet is required to fund its participating interest. Troymet believes Hudbay is the best partner to explore and develop the project, and their participation lends strong support to management's belief that McClarty Lake is a property of substantial merit with excellent discovery potential for a precious metal rich VMS deposit(s). The McClarty Lake project comprises two claims held in Joint Venture between Troymet and Hudbay, and three claims in which Troymet owns a 100% interest. During the year ended October 31, 2016, the Company recognized an impairment of \$1,565,117 on the McClarty Lake project as a result of no exploration plan for the foreseeable future by either Hudbay or Troymet.

Troymet completed the sale of its 100% interest in the Key property to New Gold Inc. ("New Gold") in December 2013 for \$2,000,000 cash. As part of the transaction, New Gold committed to spend \$1,500,000 on the Key property, with a minimum of \$500,000 of expenditures on or before December 31, 2014 and the balance of \$1,000,000 of expenditures on or before December 31, 2018. New Gold confirmed it had completed the \$1,500,000 expenditure commitment in calendar 2014. Troymet holds a 2% net smelter returns royalty ("NSR") on the property, of which 1% can be purchased by New Gold for \$2,000,000 cash.

At the Company's Annual General Meeting held on November 18, 2016, approval was obtained to complete a share consolidation on a basis of one (1) new common share for every ten (10) existing common shares. As of the date of this MD&A, the share consolidation has not been initiated or completed. If Troymet determines to proceed with an acquisition, a potential transaction or a financing at a future date, depending on market conditions, Troymet would likely complete the share consolidation concurrently with such transaction.

Currently, Troymet has not executed any agreements, letters of intent or term sheets in relation to any potential transactions nor has it determined through negotiations or otherwise, any actual terms or conditions at this time. There is no guarantee that any potential transactions will occur, and it is

possible that no transactions that Troymet is currently reviewing will occur.

Going Concern

The Company is in the process of exploring and evaluating its mineral exploration and evaluation assets. On the basis of the information to date, it has not yet determined whether these assets contain economically recoverable ore reserves. The underlying value of the mineral exploration and evaluation assets and related deferred costs is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as mineral exploration and evaluation assets and deferred exploration costs represent net costs to date, less any amounts written off, and do not necessarily represent present or future values.

The Company's ability to continue as a going concern is dependent on accessing capital markets, or entering into collaborative agreements that would provide additional financing. The outcome of these matters is materially uncertain at this time.

Realization values may be substantially different from carrying values as shown and these financial statements do not include any adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Company be unable to continue as a going concern.

Significant accounting estimates

Significant areas requiring the use of management estimates include the determination of impairment of mineral exploration and evaluation assets (including the Company's investment in McClarty Lake), the recoverability and measurement of deferred income tax assets and liabilities, the recognition and valuation of provisions for restoration and environmental liabilities and assumptions used in valuing options in share-based compensation calculations. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

Significant accounting judgments

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year include the Company's going concern assessment, and the determination of Troymet USA's functional currency.

Exploration Projects

Troymet currently has four mineral projects in its property portfolio and holds a 2% NSR on a fifth project. Dr. Kieran Downes, P.Geo., President and Chief Executive Officer is the qualified person under NI 43-101 who has reviewed the scientific and technical disclosure provided below.

Redhill Property - Copper, Gold, Zinc and Silver

Troymet holds an option to acquire a 100% in the 3,689.75 hectare Redhill property, located approximately eighty (80) kilometres west of Kamloops and ten (10) kilometres south of Ashcroft, British Columbia.

Under the terms of the option, the Company may acquire a 100% interest in the Redhill property located in British Columbia by making option payments as follows:

- \$5,000 upon signing of the agreement (paid);
- \$5,000 on the first (paid) and second anniversaries of the agreement;
- \$10,000 on the third anniversary of the agreement;
- \$40,000 on the fourth through ninth anniversaries of the agreement; and
- \$235,000 on the tenth anniversary of the agreement.

In addition to the option payments, the Company must spend \$500,000 on exploration as follows:

- \$20,000 on or before the first anniversary of the agreement (spent);
- \$50,000 on or before the second anniversary of the agreement (spent);
- \$150,000 on or before the third anniversary of the agreement (spent);
- \$30,000 on or before the fourth through eight anniversaries of the agreement (spent);
- \$30,000 on or before the ninth anniversary of the agreement; and
- \$100,000 on or before the tenth anniversary of the agreement.

If the Company exercises the option, Homegold will retain a 2% NSR, half (1%) of which can be purchased by the Company for \$1,000,000 at any time. In the event of commercial production or sale of 100% of the property, Homegold will receive a bonus payment of \$500,000 in cash or shares at the election of Homegold. Expenditures can be accelerated at the Company's election and excess expenditures in any year will be credited towards future years.

Troymet believes there are unrecognized and untested copper-zinc-gold targets that can be quickly and cost effectively identified and drill tested in the "Redhill" and "Feedlot" zones, as well as in extensions to the south. In its evaluation of the property, Troymet identified potential settings for mineralization in the stratigraphic hangingwall west of the Redhill zone. Soil geochemistry shows base metal and gold anomalies offset from the Redhill zone that have not been tested and there are also some strong EM conductors in the Feedlot zone that have not been drilled. The mineralization in the Redhill zone is a very prominent gossan developed on a VMS exhalative, stockwork feeder zone. Mineralization in the Feedlot zone appears to be a more akin to exhalative iron formation. Past drilling of electromagnetic conductors in the both zones zone returned encouraging intersections including: 7.75 metres with 2.54% copper, 2.78% zinc, 77.0 g/t silver and 0.37% gold over 7.75 metres; 2.08% copper, 7.5 g/t silver over 1.35 metres; 0.56% copper, 0.79g/t silver over 2.95 metres; and 0.59% copper, 1.6% zinc, 1.91g/t silver and 0.39g/t gold over 2.58 metres. (British Columbia ARIS (Assessment Report Indexing System) Report #28371).

The volcanic sequence of the Redhill sector is exposed in a five (5) kilometres-wide, NNW-striking, thrust slice over a distance of at least twenty (20) kilometres. The geology is interpreted to be chemically analogous and age equivalent to the Permo-Triassic age Kutcho Assemblage that hosts the Kutcho Creek Cu-Pb-Zn-Ag VMS deposit in northern British Columbia. The potentially analogous Kutcho deposit currently owned by Capstone Mining Corp. reportedly hosts measured and indicated resources (using a 1.5% copper cut-off) of 11.2 million tonnes grading 2.19% copper, 3.28% zinc, 37g/t silver and 0.39 g/t gold (Capstone Mining Corp. website). Management of Troymet is not aware of a NI 43-101 resource on the Redhill project and analogous deposits such as the Kutcho deposit should not be considered an indication that a resource is contained or will be discovered on the Redhill project.

Alpha Zone

The Alpha zone, approximately 2.0 X 2.5 km, encompasses a sequence of felsic to intermediate volcanics, the historic “Redhill zone”, as well as an extensive area of untested soil anomalies (copper >> zinc>>> silver). The volcanics, associated alteration and mineralization are interpreted to represent a stringer zone in the footwall of a VMS exhalative system. A primary target is an untested, strong, off-hole Pulse electromagnetic (EM) conductor in the vicinity of hole RH-06-25 which intersected 8.97% copper, 4.96 % zinc, 1.27 g/t gold and >30.0 g/t silver over 2.04 metres, including 10.15% copper, 5.45% zinc, 1.41 g/t gold, and >30.0 g/t silver over 1.74 metres. Troymet has re-logged and confirmed this mineralized intersection. The untested off-hole Pulse EM conductor indicates extensions to this mineralization. (Avalon Ventures Ltd. News Release, October 31, 2006).

A 2006 fixed-loop transient EM (FLTEM) survey identified 11 EM conductors in an area ~600 X 1,100 metres. The mineralization in hole RH-06-25 is associated with a medium strength, 200 metre long conductor. Conductors along strike, and other nearby stronger conductors, have not been drill tested. (British Columbia ARIS (Assessment Report Indexing System) Report #28525).

In a news release on September 16, 2015, the Company announced completion of the soil sampling and reconnaissance prospecting program on the Alpha zone. The program was carried out by Equity Exploration Consultants Ltd. Troymet’s re-assay of the high grade intersection returned 8.75% copper, 4.75% zinc, 1.22 g/t gold and 61.19 g/t silver thereby confirming the original assays. The quartered core was assayed by SGS Canada Inc. using industry standard methods including an initial multi-element ICP-MS scan for major elements (SGS method ICM14B) with over limits for Cu, Pb and Zn measured by method GO_ICP90Q. Gold was assayed by fire assay with an AA finish (method FAA303). Detailed information on these analytical methods can be found on the SGS website.

In a news release on October 7, 2015, the Company announced it had retained Frontier Geosciences Inc. of Vancouver to review the results of a Transient EM (TEM) survey conducted on the Alpha Zone in 2005. This survey consisted of approximately 16 km of TEM surface coverage, as well as downhole TEM testing in three boreholes. The surface TEM coverage identified a number of conductors that vary in depth and quality along strike. It is believed that the target sulphides are associated with prospective volcanic sequences that dip steeply to the southwest (view map). Historically, three stacked prospective sequences are recognized, dipping steeply to the west. Stacked mineralized horizons are a common feature in VMS mining camps worldwide. Within a camp, deposits may occur laterally at a discrete time - stratigraphic interval or vertically stacked through hundreds of metres of volcanic stratigraphy. The distribution of TEM conductors in the Alpha zone indicates there are additional prospective sequences that have not yet been mapped/recognized. Historical drill testing is concentrated in the centre of the TEM grid; however, the stronger TEM responses occur in the southeastern and northwestern areas of the grid. These stronger TEM responses have not yet been drilled, they continue to the limits of the survey grid, and remain open. The primary purpose of Frontier’s review was to determine why the TEM survey shows only a shallow (~50 metres) EM conductor in the area of diamond drill holes 84-1, RH05-23 and RH06-25, whereas holes RH05-23 and RH06-25 intersected deeper mineralization (~145 metres) that was the target of downhole TEM testing. Frontier’s conclusion is that the shallow TEM conductor and the deeper mineralization intersected in holes RH05-23 and RH06-25 are two separate zones; “The deeper mineralization is likely not detected from the southwest loop (Loop 2) due to null coupling to the southwest dipping horizon”. Consequently, the gold-rich, high grade copper intercepts in holes RH05-23 and RH06-25 may be part of a deeper, high grade zone(s) of

VMS mineralization. Additional drilling is required to test for a significant zone of mineralization in this area.

On October 20, 2015, the Company reported positive results from the geochemical soil sampling program on the Alpha zone. The survey covered the previously un-sampled western part of the Alpha zone (~50% of the total area) and significantly overlapped a 1993 B-horizon soil sampling grid that covered mainly the eastern half of the zone. The purpose of the ~40% overlap of the two grids was to allow confirmation and verification of previous results. The two data sets are qualitatively comparable given the ages of the data sets, the different analytical procedures used and the variable amount of surface disturbance in the intervening period. The line spacing was 200 metres ("m") with sample stations at 50 m. Troymet's samples were collected from the nearest undisturbed soil closest to the sample station coordinate. Greater definition of the soil anomalies could be obtained with tighter grid sampling (100 m x 25 m) and the need for this will be assessed as the exploration program progresses. There is a strong copper response associated with the area/conductor in which holes RH05-23, RH06-25 and 84-1A intersected high-grade copper mineralization (see below regarding news release dated October 7, 2015), and with the prospective volcanic sequence to the west. Notably, there is a strong copper response associated with EM conductors PT1 and PT2, and down slope to the southwest of conductor PT1. The association of EM conductors with copper-in-soil anomalies indicates there are additional prospective sequences that have not yet been mapped/recognized. A number of other areas with elevated to anomalous copper values are recognized in the southern part of the zone. Zinc largely mimics copper although there are unexplained elevated to anomalous values in an area of ~600 m x 500 m in the southeast part of the zone. In contrast, the stronger gold values occur, consistently, line-to-line over a distance +1,000 m. The gold anomaly may be reflecting an unrecognized prospective volcanic sequence or it may be mapping a hitherto undiscovered mineralized structure. Elevated to anomalous gold values are also associated with EM conductors PT1 and PT2, and one anomaly is in the area of the conductor in which holes RH05-23, RH06-25 and 84-1A intersected high-grade copper mineralization, including 1.35 m grading 7.5 g/t gold and 2.08% copper (hole RH05-23).

On October 29, 2015, the Company announced positive results from the geochemical soil sampling program on the Alpha South zone. The Alpha South zone sampling program overlapped a 1993 B-horizon soil sampling grid (~19%) and extended the area of sampling to the north. The purpose of the ~19% overlap of the two grids was to allow confirmation and verification of previous results. The two data sets are qualitatively comparable given the ages of the data sets, the different analytical procedures used and the variable amount of surface disturbance in the intervening period. The line spacing was 100 metres ("m") with sample stations at 50 m. Troymet's samples were collected from the nearest undisturbed soil closest to the sample station coordinate. There is a strong concentration of anomalous copper values in the northwest quadrant in an area of approximately 400 m X 250 m. Two smaller clusters of anomalies are also present – one in the southeast and one in the south of the zone. Zinc largely mimics copper. A similar relationship between copper and zinc was previously noted on the Alpha zone. In contrast, gold anomalies are distributed along the west side of the zone/hill and immediately southeast of the summit of the hill. Elevated to anomalous gold values along the west side of the zone are distributed over a distance of ~900 m, maximum width of ~250 m, with the strongest clustering occurring over 400 m. The anomaly partially overlaps the copper anomaly. The gold anomaly southeast of the summit is a coherent and well developed anomaly on three lines with good lateral extent. The anomaly (~250 m x 225 m) overlaps the southern copper anomaly. The copper, zinc and gold anomalies at Alpha South lie ~1,200 m southwest of the Alpha zone anomalies. They appear to be separate and distinct trends related to separate structures or mineralized horizons. In aggregate, the anomalous gold and copper geochemical trends extend over ~3,500 m. Troymet plans a mapping program to establish the geological and structural controls on the copper-, zinc- and gold-in-soil anomalies. No deep

penetrating fixed-loop transient EM surveys have been conducted on the Alpha South zone so it is unknown at this time if there are EM conductors associated with the anomalies, as in the Alpha zone. Given the geological and structural similarities between the Alpha and Alpha South zones it seems likely the controls on mineralization will be the same. However, it is possible the gold anomalies are controlled by a currently, unrecognized mineralized structure(s). Only two percussion holes have been drilled on the Alpha South zone, based on available records. Both holes, drilled in 1981, were shallow angle holes (less than 85 m) that tested a small geochemical anomaly near an old adit. Hole S81-5 intersected mineralization in the last 6.1 m that assayed 0.48% zinc, including 0.92% zinc over 1.52 m. The hole bottomed in mineralization.

On December 1, 2015, Troymet reported it had been awarded a British Columbia Mines Act multi-year permit for its diamond drilling program on the Alpha and Beta zones of the Redhill project. The permit also authorizes Troymet to conduct induced polarization surveys over the target zones.

In a June 20, 2016 news release, Troymet reported that it has received the final results from a Volterra-3DIP survey over the Alpha zone, Redhill project. While final modelling and interpretation of the data is underway, preliminary results show a domain of high chargeability and resistivity along the west side of the grid at a depth of ~200 metres ([Section 1600N](#), [Chargeability & Resistivity](#)). This domain is flanked to the east by a domain of low chargeability. While the geology and structures of the different domains remain to be confirmed, it is clear the 3DIP data is mapping previously unrecognized and fundamental geological patterns in the Alpha zone which will guide exploration. The Redhill volcanogenic massive sulphide (“VMS”) prospect occurs in a prospective volcanic sequence that tracks the contact of the high/low chargeability domains. This contact will be a focus of future exploration. The VMS prospect is associated with a 200 metre long Fixed Loop Transient EM conductor as well as Borehole Transient EM conductors. Hole RH06-25, re-logged, quartered and re-assayed by Troymet, returned: 8.75% copper, 4.75% zinc, 1.22 g/t gold & 61.19 g/t silver over 2.04 metres. The mineralization is open along strike and to depth. The survey also identified a large chargeability anomaly (> 20 milliseconds), over an area of ~280 X 260 metres, just west of the VMS prospect, and another (16-18 milliseconds), over an area ~ 210 X 100 metres, in the southeast part of the grid. There is no record of drilling or other exploration on either of these targets.

The Volterra-3DIP survey was conducted by SJ Geophysics Ltd. of Vancouver. Nine lines (10.8 km) at a spacing of 150 metres were surveyed.

On July 25, 2016, the Company reported that a program of detailed follow-up soil sampling and prospecting of 3DIP anomalies on the Alpha zone and evaluation of the gold-, copper-and zinc-in-soil anomalies on the Alpha South zone is complete. New drill targets have been identified associated with slumped/mechanically transported sulphides and the area of volcanic stratigraphy prospective for the discovery of VMS deposits has been significantly expanded.

The 3DIP survey mapped previously unrecognized and fundamental geologic patterns in the Alpha zone where the geologic sequence dips steeply west (~75°). The 3DIP shows where sulphides are introduced into the volcanic sequence accompanied by increased silicification, which is mapped by the resistivity. Plentiful breccia boulders, several of which contain massive sulphide blocks (photo links: [angular sulphide in breccia](#); [bedded sulphide in breccia](#) have been found in a prospective volcanic sequence (~100 m wide) that is coincident with the strong, chargeability/resistivity anomaly. The horizon is located ~70 m into the hanging wall of the VMS prospect (map link: [chargeability showing prospective volcanic sequences](#)). The sulphides are dominantly of pyrite with trace to minor chalcopyrite. The boulders represent slump features and/or mechanically transported mineralization likely the result of brecciation at source, transport down-slope by

gravity-driven submarine debris flows, and deposition in depressions. What is geologically termed “transported ore” can form substantial bodies of mineralization as in the Buchans and Boundary VMS deposits in Newfoundland.

Maps of 3DIP chargeability and resistivity as well as copper, zinc and gold-in-soils can be viewed at www.troymet.com/projects/redhill/maps-and-photos.

The prospective volcanics, chargeability and resistivity anomalies continue to the west beneath the adjacent valley through which Trans-Canada Highway runs. A percussion hole (R87-7) drilled in the valley intersected copper mineralization in volcanics. It demonstrates the potential for the discovery of significant mineralization in this area:

“In the current program the best hole was R87-7 which intersected 1,236 ppm copper from 171 to 204 metres along with 1,694 ppm zinc, 5.7 ppm molybdenum and 2.4 ppm silver. The remainder of the hole was not anomalous. The higher grade intersection was associated with a relatively high pyrite content of 5% compared with 2% for most of the hole. Here the host rock consisted of interbedded rhyolites and andesites with chlorite-sericite-quartz-pyrite alteration with minor chalcopyrite mineralization. (1987 BC ARIS Report 17263).

Detailed (100 m x 25 m) soil sampling was undertaken along the ~900 m x ~250 m gold-in-soil anomaly. Anomalous sample sites were also pitted and sampled. Results will be released once received and evaluated. Prospecting identified shearing with local quartz and quartz-carbonate veining along a magnetic low in a diorite intrusive. The gold-in-soil anomalies track this structure.

The strongest gold, copper and zinc-in-soil anomalies in the Alpha South Zone were prospected and pitted. The copper and zinc anomalies appear to be associated with structures/shearing possibly associated with particular volcanic horizons. Further work is required to confirm this. The gold anomalies appear to be related to rhyolite. Sheared rhyolite in an area of anomalous gold-in-soils, on the south side of the zone, is altered to white clay. The rhyolite contains high levels of mercury (2,500 ppb) (BC ARIS report 23423). Further work is required to evaluate the significance of the gold-in-soil anomalies, and the implications of the high mercury levels in the rhyolite.

On November 15, 2016, Troymet reported results of its 2016 drill program. Hole RH16-04 intersected a new, near surface, zone of copper mineralization (“**Upper Zone**”); [Figure 1](#). The hole, drilled from a platform excavated into the side of a hill, intersected mineralization grading **0.72% copper and 6.5 g/t silver over 6.5 metres, starting at a depth of 5.1 metres**. The copper mineralization extends upwards an additional 3.8 metres to the base of the casing; however, because of poor recovery in this interval, a reportable mineralized interval cannot be calculated. Secondary copper mineralization (malachite and chrysocolla) is present in the wall of the drill platform. The downhole width of the mineralized zone is estimated to be in excess of 11.5 metres. Troymet plans to strip, map, trench and sample the mineralization prior to further drilling.

Hole RH16-04 also intersected VMS mineralization grading **0.64% copper and 1.5% zinc over 2.0 metres from 206.3-208.3 metres** downhole (“**Lower Zone**”); [Figure 2](#). This intersection is ~20 metres laterally and ~20 metres higher than the mineralization in hole RH-06-25 (8.75% copper, 4.75% zinc, 1.22 g/t gold & 61.19 g/t silver over 2.04 metres). The mineralization in hole RH-06-25 comprises VMS and stringer zone mineralization. The mineralization in hole RH16-04 consists only of VMS mineralization with durchbewegung texture. The mineralization is crudely bedded and dips ~65° to the west. The topography also drops off to the west into a prominent valley. The mineralization is open along strike and to depth, and lies deeper than was tested by previous drilling

in the VMS prospect. Additional drilling is required to explore and delimit this significant area of VMS mineralization.

The Upper and Lower zones are ~195 metres apart downhole. A 1 metre band (bed?) of massive pyrite was intersected at 161.8 metres. Centimeter-wide bands of pyrite with trace chalcopyrite occur in the overlying and underlying quartz-eye felsic tuffs along with 5-50% disseminated and irregular concentrations of pyrite. The best assay, 0.15% copper and 1.32 g/t silver over 5.0 metres, together with the geology, indicates the potential for the development of significant copper mineralization, off hole, along this horizon.

Troymet has identified a characteristic tuffaceous subaqueous ash flow unit, commonly with pyroclastic fragmental textures, that is associated with the VMS mineralization. The unit contains prominent blue quartz "eyes" (phenocrysts) in a matrix composed mainly of feldspar and quartz. Mafic minerals are minimal. The recognition of this important unit will guide future exploration.

Table 1: Drill Hole Intersections

Hole	From (m)	To (m)	Width (m)	Cu %	Zn %	Ag g/t	Au g/t
RH16-04	5.10	11.60	6.50	0.72		6.50	
	156.80	160.80	4.00	0.02	0.27		
incl.	157.80	158.80	1.00		0.79		
	160.80	165.80	5.00	0.15		1.32	
incl.	165.30	165.80	0.50		0.46		
	206.30	208.30	2.00	0.64	1.50		
RH16-03	33.80	34.80	1.00	0.29			1.20

Widths presented in Table 1 are downhole core lengths; true widths cannot be reliably estimated at this time. Core samples were analysed at ALS Global, Vancouver.

Hole RH16-03 was drilled, in part, to twin hole RH-05-23 and to test for shallow mineralization. The best intersection (0.29% copper and 1.2 g/t gold over 1.0 metre from 33.8-34.8 metres downhole) was obtained from pyrite stringer mineralization. The high-grade mineralization in hole RH-05-23 (2.08% copper and 7.5 g/t gold) was also obtained from pyrite-chalcopyrite stringers but from ~45 metres deeper. As in the case of the intersections in holes RH16-04 and RH-06-25, this indicates the better mineralization lies deeper than was previously tested by drilling on the VMS prospect. A new mineralized horizon of bedded pyrite with felsic clasts (cm) as xenoliths in the sulphide was intersected from 8.9-11.3 metres. In the overlying quartz-eye felsic tuff (6.0-8.9 metres) pyrite veins/veinlets (mm – 2 cm) constitute ~ 30% of the core. Copper (255-405 ppm) and silver (1.33-3.62 g/t) are elevated. Along strike or at depth, this mineralized horizon may host significant copper mineralization in this productive environment.

Hole RH16-05 tested a newly identified chargeability anomaly (+/- 100 metre depth), and a copper- and zinc-in-soil anomaly, on Horizon 2. The hole, drilled ~100 metres north of the VMS prospect, cut a sequence of quartz-eye felsic tuffs with variably developed pyrite (+ pyrrhotite) as stringers, disseminations and bands to ~30%. While the geology appears to be similar to that in the VMS prospect no copper, zinc or precious metal mineralization was intersected.

Hole RH16-01, drilled ~350 metres southwest of the VMS prospect to test a large >20 millisecond chargeability anomaly on Horizon 3, identified pyrite as stringers, disseminations and bands (to ~60%) in intermediate volcanics as the source of the anomaly. The best assay was 0.08% copper over 0.7 metres. This hole was probed with a Volterra borehole electromagnetic survey; no

conductors were identified. Following completion of the drill program it is now recognized that the favourable and prospective VMS geology occurs stratigraphically below this horizon.

Hole RH16-02, drilled to test a chargeability anomaly on Horizon 3, intersected pyritic felsic volcanics. Local intervals, up to 7.0 metres in width, contain increased concentrations of pyrite including bands/seams to 5 cm which are anomalous in copper (to 0.33% over 1.0 metres), and also carry elevated zinc values (to 621 ppm). This mineralization is interpreted to be distal to more significant accumulations of VMS mineralization. Breccia boulders containing massive sulphide blocks representing slump features and/or mechanically transported mineralization have been found in this locale. Their source has not been found. Further drilling is required to evaluate this area.

Downhole TEM surveys are planned prior to further drilling.

Beta Zone

The Beta zone, approximately 2.5 X 2.5 km, encompasses a sequence of felsic to intermediate volcanics, graphitic sediments, iron formation +/- locally laminated semi-massive to massive sulphides containing pyrrhotite +/- pyrite +/- minor chalcopyrite. Borehole S83-4 is reported to have intersected stringer zone mineralization grading 2.54% copper, 2.78% zinc, 77.0 g/t Ag, and 0.37 g/t Au over 7.75 metres. (British Columbia ARIS (Assessment Report Indexing System) Report #28371). There is no core extant from this hole for re-logging or confirmatory sampling. The Beta zone appears to stratigraphically overly the Alpha zone in the volcanic sequence. Numerous EM, IP/R and magnetic anomalies are present. Troymet is evaluating the geology, geochemistry and the EM, IP/R and magnetic anomalies to identify drill targets.

In a September 2, 2015 news release, Troymet announced that data compilation on the Beta Zone had identified a particularly attractive untested target at conductor #3 located 200 metres south of borehole S83-4 (2.54% copper, 2.78% zinc, 77.0 g/t Ag, and 0.37 g/t Au over 7.75 metres). (British Columbia ARIS (Assessment Report Indexing System) Report #28371). Previous drilling on the Beta Zone tested conductors generally measuring 2 to 7 mhos in strength. Conductor #3 has a conductivity thickness product of 40 mhos and an associated induced polarization (IP) response.

In its November 15, 2016 news release, Troymet reported the 2016 induced polarization ("IP") survey identified a new, large chargeability anomaly associated with the 40 mho Beta target which is located on a 550 metre long EM conductor. The Beta target, the chargeability anomaly, and the host conductor have never been drilled. The Company plans to drill test this target as part of the next drill program.

Wildcat Project - Gold and Silver

The Company's wholly owned subsidiary, Troymet USA, holds an option agreement with RenEx on the Wildcat Project. Under the terms of the option, Troymet USA may acquire a 70% interest in the Wildcat Project by paying RenEx US\$50,000 in cash (paid), reimbursing the 2014 claim fees of US\$8,219 (reimbursed), incurring US\$3 million on exploration and development over seven years in staged exploration, and by completing a bankable feasibility study. Minimum annual work commitments to keep the Option in good standing are US\$50,000 in Year 1 (spent), US\$250,000 in Year 2 (spent), US\$350,000 in Year 3, and US \$500,000 in Years 4 through 7. Any excess expenditure in any year will be carried forward and applied to subsequent years' expenditure requirements, and the expenditures may be accelerated by Troymet USA in its sole discretion. Troymet USA is exclusively responsible for the planning, execution and supervision of all

exploration programs. Troymet USA retained RenEx as its contractor in Year 1 to take advantage of RenEx's expertise and established infrastructure.

The Wildcat project lies in the Detroit Mining District, a historic gold producing region in the northern Drum Mountains of Central Utah. The project is road accessible and is located approximately 50 kilometers northwest of the community of Delta and 177 kilometers south of Salt Lake City.

The Wildcat Project straddles the Joy Fault, which juxtaposes volcanic tuffs of the Thomas caldera (Eocene-Oligocene) against Palaeozoic limestone sequences. The mineralization has some Carlin-like features, with high-grade gold in jasperoids hosted by Cambrian sediments similar to Long Canyon in Nevada. However, the chemistry points to a strong intrusive source, and mineralization within caldera related faults suggests intrusion related structural targets similar to Cove-McCoy, Fortitude and other distal-disseminated gold deposits of central Nevada. Numerous locally high-grade, gold-bearing jasperoids with strongly anomalous pathfinder geochemistry (Ag, Hg, Sb, Te, Bi) are present. Sampling by Troymet in the area of the Joy Fault has confirmed the highly anomalous geochemistry. All samples were analyzed at the ALS Chemex Labs Ltd. in Vancouver, BC, an ISO 17025:2005 accredited facility.

In a May 19, 2015 news release, Troymet announced the start of a field program to evaluate the targets. This program comprises mapping, prospecting, soil sampling, BLEG sampling, biogeochemical sampling and claim staking, as well as ground truthing of structures and targets identified by geophysics.

In a June 23, 2015 news release, Troymet announced that nine significant structures, previously unrecognized and with displacements of up to 300 metres, had been mapped. This has led to an important structural reinterpretation of the main target areas. Jasperoids and/or pebble dikes are associated with several structures which indicate these have the potential to host structurally controlled gold-silver mineralization. As well, displacements along the structures has brought prospective stratigraphy closer to surface and, therefore, more easily explored. Three principal target areas along the Joy Fault are recognized based on the presence of, gold +/- trace element geochemical anomalies, geological structures and geophysical anomalies (magnetics and/or gravity):

- Core area - approximately 1,200 metres long
- SE area - approximately 1,000 long
- N area - approximately 300 metres long

New claims were staked to protect new discoveries and prospective structures.

In a July 27, 2015 news release, Troymet announced that property-wide geological mapping has identified 13 projected intersections of secondary faults with the Joy Fault and all are primary targets for gold and silver mineralization in veins, stockworks, breccias and bulk-tonnage deposits. Importantly, only one historic drill hole has intersected the Joy Fault proximal to one of these newly interpreted intersections/targets. This hole, drilled by Gold Fields Mining Corporation in 1991, intersected 22.72 metres grading 1.27 g/t gold (75 feet grading 0.037 ounces per ton gold). Seven of the newly recognized structural targets occur in the SE target area and some have associated pathfinder element soil anomalies. All are easily accessible from established roads. None of these structural targets has been drilled. Detailed mapping also confirmed the presence of favorable stratigraphy for gold mineralization at shallow depths. This stratigraphy, consisting of thin-bedded silty, sandy, calcareous units of the upper Big Horse Member of the Cambrian Orr Formation, appears to occur along the Joy Fault for a distance of at least 1 km in the SE target area.

The Joy Fault, in the SE target, is largely concealed by overburden and consequently soil geochemistry, geophysics, structural mapping of flanking geology, and overburden trenching are critical in identifying drill targets. The SE target tracks the Joy Fault along the contact between Cambrian carbonate rocks and volcanics of the Thomas caldera. The target area is located along a pronounced NW-trending break in Bouguer gravity. Magnetic (TMI) data shows a strong magnetic low, approximately 1800 metres long and ~500 metres wide, developed in the Cambrian carbonates along the Joy Fault. Rock chip samples of decalcified carbonate in a prospect pit near a fault intersection along the Joy Fault yielded 2.2 and 3.9 g/t gold as well as 100 and >500 ppm tellurium and 100 and 283 ppm antimony. Three jasperoid rock chip samples from the same prospect pit assayed 0.115, 1.29, 2.46 g/t gold. Pathfinder element geochemistry is also anomalous; one jasperoid sample returned 332 ppm arsenic, 5.74 ppm bismuth, 37.4 ppm mercury, 99.6 ppm antimony and >500 ppm tellurium in addition to 2.46 g/t gold. Mapping has identified an additional exposure of the Joy Fault 200 meters NW of the prospect pit. This mineralization could represent leakage above more extensive mineralization in the underlying Big Horse limestone. Decalcification of silty carbonates increases porosity and permeability of host rock and is an important characteristic of Carlin style mineralization. The presence of anomalous pathfinder element geochemistry with gold is highly significant. Historic grid soil sampling (300 X 100 foot or 90 X 30 metres) by Newmont Mining Corporation in 2012 identified a 300-meter-long (1,000-foot-long) tellurium >> mercury >>>gold anomaly paralleling the Joy Fault in the SE area. This anomaly has never been trenched or drilled. The average tellurium concentration of 0.32 ppm (five samples) compares to a background of <0.05 ppm. For corroboration, two additional soil lines were completed by Troymet. One of these lines, running along the edge of alluvium sub-parallel to the anomalous Newmont soil line, yielded similar results, with an average tellurium concentration of 0.29 ppm (eight samples). Gold and mercury concentrations in the same area are not as continuous, but range from 2 to 122 ppb gold and from 0.05 to 4.9 ppm mercury. The combination of the anomalous prospect pit and the soil anomalies point to possible mineralization at shallow depths in this area. All rock and soil samples were analyzed at the ALS Global laboratory in Reno, Nevada and/or the ALS Global laboratory in Vancouver, Canada.

In a September 2, 2015 news release, the Company announced completion of the summer field program which had been expanded because of ongoing encouraging exploration results. Additional sampling was carried out in the SE, Core and N target areas and detailed geophysical surveys were planned over specific drill targets.

In a September 22, 2015 news release, the Company announced completion of the ground geophysical surveys over specific targets preparatory to drilling has been completed. A total of 33 km in the Core and SE target areas were surveyed with differential GPS controlled magnetic and VLF electromagnetic data. The two survey grids encompass areas with elevated to anomalous gold in soils and rocks. The combination of a 50m line spacing and tight GPS control produced a high resolution data set, which has identified possible controlling structures for gold mineralization.

In a November 17, 2015, news release the Company reported the discovery of silver-rich, high-grade gold-telluride mineralization in a jasperoid boulder train on High Grade hill. The Company also reported the discovery of a very rare tellurium mineral (carlsfriesite) associated with the high-grade gold. High Grade hill represents one drill target in the Core target area of the Wildcat project. The jasperoid is developed in carbonates with thin-bedded silty, sandy, calcareous units amenable to decalcification and mineralization (Big Horse Limestone Member of the Orr Formation). Six rock chip samples of boulders taken over a 30-meter-distance range from 10 to 301 ppm Au, averaging 129 ppm Au, and one quantitative tellurium analysis yielded 0.38% Te. The jasperoid does not outcrop, but occurs as locally derived boulders adjacent to a hillside with limited rock

exposures over a 100-metre-diameter area. The hillside contains locally sourced boulders and rocks of variably textured, hydrothermally altered siliciclastic rocks, breccia, calcite/marble, and jasperoid, and the soils are strongly anomalous:

Au: 0.026 to 0.10 ppm
Bi: 0.045 to 2.23 ppm
Te: 5.85 to 72.4 ppm
Sb: 2.10 to 21.10 ppm
Pb: 15.2 to 122.5 ppm
Se: 0.40 to 1.0 ppm
Ag: 0.19 to 0.39 ppm

Tellurium occurs as iron tellurites/tellurates and as a rare calcium tellurium oxide mineral, carlfriesite. The carlfriesite occurs in radial sprays up to 5 mm in diameter and in aggregates of crystals covering fracture surfaces up to 20 cm² in area. Positive mineral identification was made with the assistance of xray diffraction (XRD) and portable x-ray fluorescence (XRF) analyses. Carlfriesite (CaTe₃O₈) is a rare mineral, not previously known to occur in the United States. Well-known tellurium-rich gold districts or regions include Goldfield, Nevada; Cripple Creek and Boulder County, Colorado; and Kalgoorlie, Australia, and the Moctezuma region of Mexico.

On November 24, 2015, the Company announced rock chip sample results from the Rattler Breccia, which is developed in a structurally complex location on the Joy Fault. Several significant faults, either mapped in the field or interpreted from geophysics, intersect at or near the breccia. As well, the detailed geophysical survey suggests the possible existence of a step-over structure up to 200 meters wide in the hangingwall of the Joy Fault. The breccia and adjacent carbonate host rocks are strongly anomalous in gold and other trace elements associated with epithermal and carbonate-hosted gold deposits. Three select rock chip samples of the breccia grade from 0.115 to 2.46 ppm gold (average 1.29 ppm), with tellurium (assayed in two samples) concentrations of 15 ppm and >500 ppm. Adjacent variably decalcified and silicified carbonate rocks range up to 3.94 ppm gold (Au), >500 ppm tellurium (Te), 37 ppm mercury (Hg), 283 ppm antimony (Sb), and 45 ppm thallium (Tl) – see table. The anomalous values of Au, Ag, As, Sb, Te, Hg and Tl in carbonate rocks is notable and indicates the potential for mineralization in feeders and as replacement deposits in carbonates. The presence of Au and Te in the mineralization indicates similarities with the mineralization on High Grade hill in the Core target area approximately 2,700 metres to the northwest. The Rattler Breccia is exposed in Cambrian limestones in the footwall of the Joy Fault adjacent to a large recessive zone along the margin of the Thomas Caldera. Rounded clasts of probable Prospect Mountain Quartzite indicate significant hydrothermal transport in the breccia (>300 metres). The immediate target area is ~ 100 metres x 50 metres but may be larger.

On December 8, 2015, Troymet reported data for the Rattler target located ~400 metres northwest of the Rattler Breccia. The Rattler comprises a 300 metre long soil anomaly parallel to the Joy Fault averaging approximately 0.3 ppm tellurium, with mercury and gold concentrations of up to 4.9 ppm and 0.122 ppm, respectively (news release dated July 27, 2015). The target contains strong pathfinder element anomalies and is interpreted to be “leakage” from mineralization in more favourable host rocks at depth (<100 metres) or from mineralization in hydrothermal breccias associated with the Joy Fault. Jasperoid is scarce at the Rattler, however, rounded clasts of probable Prospect Mountain Quartzite similar to those found in the Rattler Breccia, and indicating significant hydrothermal transport (>300 metres), have been identified. This strongly suggests that hydrothermal breccias similar to the Rattler Breccia likely occur in the area and have not yet been identified. Detailed geological and structural mapping, prospecting, hand trenching and detailed bi-directional ground magnetic and EM surveys have identified bedrock sources for the Rattler

anomaly in carbonate beds of the Light-colored member of the Cambrian Orr Formation in the footwall of the Joy Fault. Specific sources of the soil anomalies are decalcified and variably iron-oxide-mineralized limestone beds. Tellurium (Te) concentrations in ten samples range from 0.17 to 272 ppm (median 0.71 ppm) and mercury (Hg) from 0.07 to 32 ppm (median 2.8 ppm). Other anomalous elements include gold (Au) (peak value 0.135 ppm) and antimony (Sb) (up to 71 ppm) and arsenic (As) (up to 247ppm). Sulphur values are also elevated suggesting the likely presence of primary sulphides. These rocks are not silicified or obviously brecciated. Mineralization is considered to have been introduced via hydrothermal fluids preferentially flowing along sub-horizontal, permeable beds of the Light-colored member. Silty, sandy units of the Big Horse member, which stratigraphically underlies the Light-coloured member, are the most favourable host rocks for gold mineralization. Based on geological and structural mapping these units are projected to occur at shallow depths (<100 meters). The presence of Au and Te in the mineralization indicates similarities with the mineralization on High Grade hill in the Core target area approximately 2,300 metres to the northwest (news release dated November 17, 2015).

On January 6, 2016, Troymet announced that an application for a permit to conduct a 2016 drill program on the Wildcat project had been submitted to the State of Utah and the Bureau of Land Management (BLM).

On January 16, 2016, Troymet reported data for the Core target area. The Core target area encompasses a significant structural intersection on the Joy Fault where a step-over/ramp structure places Paleozoic carbonate rocks against Tertiary volcanic rocks of the Thomas caldera. Re-logging of drill-chips from the only hole collared in volcanic rocks in the area identified a possible volcano-structural depression and/or vent complex with possible tectonic and hydrothermal breccias. This structural depression and possible vent complex, likely helped generate and focus the hydrothermal system in the step-over structure near the volcanic-sedimentary contact. The prominent magnetic lows that characterize this area strongly indicate pervasive alteration and demagnetization. Troymet completed detailed bi-directional magnetic and EM surveys of this area in 2015. Processing of the magnetic data, which included advanced SI grid-based processing techniques and the use of directional filters, first and second vertical derivatives, tilt images, and high-pass filters, identified a number of concealed structures consistent with a step-over/relay ramp structure along the Joy Fault. The step-over/ramp structure occurs near the focal point of a radial set of mineralized jasperoids with gold concentrations ranging from near zero up to 301 ppm, and also at the focal point of project-scale geochemical vectors. This structural setting is the focus of a 2-km-long rock chip geochemical zoning pattern where gold progressively increases towards the Joy Fault. The pattern includes proximal bismuth, copper and silver and peripheral lead, tellurium and arsenic relative to the Joy Fault. Further confirming this pattern, principal component analysis shows that factor 2 scores, mapping a precious-metals related assemblage, progressively increase in strength as the Joy Fault is approached. This points to the metal-bearing hydrothermal system being located in the structurally complex area where magnetics strongly indicate pervasive alteration and demagnetization. A fence of two holes drilled in 1990, at the extreme north end of the step-over, intersected 7.6 metres of 0.56 g/t Au and 3.0 metres of 0.43 g/t Au in the shallow hole. The undercut hole intersected 22.9 metres of 1.27 g/t gold. As well, the High Grade hill discovery occurs in the Core Target Area (news release of November 17, 2015). Troymet plans to drill test a number of attractive targets in this area which it believes have a high discovery potential for high-grade gold and silver mineralization in veins, stockworks, breccias and bulk-tonnage deposits along the Joy Fault and structural/stratigraphic targets in Cambrian carbonate rocks.

On February 17, 2016, the Company reported a new drill target in the North Target area. The target is clearly recognizable in Principal Component Analysis (PCA) of the rock chip geochemistry and it has a strong gold and tellurium signature. Structural complexity in the North target, created by

intersecting faults, appears to have created the necessary porosity and permeability for the emplacement of mineralization, as evidenced by the rock geochemistry. The North target appears to be an extension of the Core target. Together the two zones cover a distance of ~1,000 metres. Troymet plans further work in this area once field work resumes.

On August 9, 2016, Troymet reported the results of its Phase I drill program on the Wildcat gold project, Utah, held under option from Renaissance. Ten reverse circulation (RC) holes, totaling 1,328.9 metres, were drilled to test targets in the Southeast (SE), Core, and High Grade Hill (HGH) target areas (see Table 1 below).

Highlights include positive drill results in the SE target area, where the target is shallow, oxide gold mineralization, have opened up a large, and previously undrilled/unrecognized area for Carlin-style gold mineralization. Drill results indicate parallels can be drawn with the Long Canyon gold deposit in northeast Nevada in that silty limestones carry gold mineralization beneath limestones that are nearly devoid of gold mineralization. Drilling in the Core area has resulted in the recognition of an ENE-trending, sub-vertical zone of jasperoidal gold mineralization. Drilling and road cuts on High Grade Hill exposed geologic features and mineralization styles that are not evident at the surface. These include a potentially interconnected system of mineralized cave fills and breccias, possible associated intrusive rock, and gold-enriched non-silicified cave fill beneath, peripheral to, and along strike of the high grade jasperoid.

Holes WCR16-08 (Rattler) and WCR16-09 (Rattler Breccia) were drilled to test for mineralization in favourable Big Horse member silty limestones beneath Te and Hg soil anomalies and zones of alteration/sanding/decalcification in Light-colored member limestones. The two holes, located 385 metres apart, are the first holes drilled on these targets.

Hole WCR16-08 intersected a long run of anomalous gold (22.9 metres of 0.062 g/t Au from 65.5 to 88.4 metres, plus 18.3 metres of 0.051 g/t Au from 103.6 to 121.9 metres, plus two smaller intervals of 4.5 metres of 0.075 g/t from 44.2 to 48.7 metres and 3.0 metres of 0.045 g/t from 94.5 to 97.5 metres,) in the uppermost 97.5 metres of the Big Horse member. Anomalous mercury, tellurium and antimony broadly coincide with the anomalous gold interval (54.8 metres of 1,060 ppb Hg from 68.6 to 123.4 metres and 59.4 metres of 1.50 ppm Te from 64.0 to 123.4 metres) (Table 2).

Hole WCR16-09 intersected anomalous gold near the bottom of the hole (7.0 metres of 0.040 g/t Au from 152.4 to 159.4 metres), just before intersecting gold-mineralized material in the Joy Fault, where drilling stopped due to poor recovery related to friable and clay altered rock, and loss of sample material into open fractures. Evidence of gold mineralization within the Joy Fault/immediate footwall was obtained in the form of distinctive ferruginous clay-rich siltstone chips assaying from 0.14 to 7.5 g/t Au. The length and average grade of this mineralization remains unknown. Two zones of anomalous gold were encountered in the upper part of the hole. One corresponds to a hydrothermal breccia; the second, a diffuse zone of anomalous iron oxides and some sulfides in limestone and calcareous siltstone (Table 2). The Joy Fault is a large caldera-bounding fault with multiple periods of motion. Gold mineralization is present within or adjacent to the Joy Fault indicating it has served as a mineralizing conduit. Tellurium is strongly anomalous, with 6.1 metres assaying 5.29 ppm Te that includes the zone of hydrothermal breccia, and 13.7 metres of 1.39 ppm Te at 83.8 to 97.5 metres.

These significant results confirm the presence of Carlin-style gold mineralization predominantly within un-silicified silty limestones of the Big Horse member. In contrast, the overlying Light-colored member limestones, which outcrop at the surface and do not have a clastic component, are

nearly devoid of gold mineralization. A similar relationship occurs at the recently discovered Long Canyon gold deposit in northeastern Nevada, where limestones a short distance stratigraphically above a major gold deposit are not anomalous in gold. The prospective Big Horse member silty limestones are concealed at shallow depths over an approximately 1 km² area and are cut by the Joy Fault, a mineralizing conduit. Untested drill targets include the Big Horse member, the Joy Fault and adjacent hangingwall volcanic rocks, nearby hydrothermally altered intrusive rocks, and zones of sanding with anomalous Te and Hg that have locally penetrated into the Light-colored member throughout the area.

Two holes (WCR16-01 and WCR16-10) were drilled to offset gold mineralization intersected in an historic two-hole fence (one of these historic holes intercepted 22.9 metres grading 1.27 g/t Au). Hole WCR16-01 intersected mineralization approximately 25 metres to the west, including 22.9 metres of mineralization grading 0.228 g/t gold within which was 18.3 metres grading 0.274 g/t gold (Table 2). Together, the three holes plus surface subcrop of jasperoid define an ENE-trending, sub-vertical zone of gold mineralization adjacent to a cross-fault. Mercury (548 ppb over 38.1 metres) overlaps and extends above the gold mineralization in hole WCR16-01. Tellurium, likewise, overlaps and extends above the anomalous zone (1.62 ppm over 50.3 metres including 3.49 ppm over 13.7 metres).

Hole WCR16-10 tested for extensions to the mineralization in a down faulted block southeast of hole WCR16-01. Most gold mineralization in this hole occurs in the interval from 12.2 - 29.0 metres, including 7.6 metres grading 0.083 g/t gold, a second interval of 4.6 metres grading 0.146 g/t gold, and a third containing 1.5 metres grading 0.130 g/t gold. These zones overlap and lie above a zone of jasperoids and hydrothermal breccias from 24.4 - 29.0 metres (Table 2). Tellurium and mercury are distinctly anomalous (59.4 metres of 1.51 ppm Te from 0 to 59.4 metres, 6.1 metres of 448 ppb Hg from 24.4 to 30.5 metres, and 4.6 metres of 487 ppb Hg from 44.2 to 48.8 metres). This mineralization does not lie in the same sub-vertical plane of mineralization defined by nearby holes DM-26, DM-27, WCR16-01 and jasperoid subcrops at the surface. It may be an extension of this mineralization or it may represent additional anomalous mineralization in the hanging wall of the NE-trending cross-fault near where it intersects the Joy Fault. Jasperoids and silicified chips were also obtained from near the bottom of the hole in the Joy Fault, but recovery was very poor because of friable and clay altered rock.

Additional intercepts of gold mineralization were encountered in hole WCR16-02 drilled approximately 100 metres southwest of holes WCR16-01 and WCR16-10. These intercepts include two 6.1 metre thick intervals with the first grading 0.038 g/t gold and the other 0.078 g/t gold, and a third interval 1.5 metres thick grading 0.130 g/t gold (Tables 1, 2).

Three short holes (WCR16-05, WCR16-06 AND WCR16-07) tested beneath subcrop and float of a dark-green jasperoid with gold concentrations ranging from 10 to 301 g/t Au (based on six surface rock chip samples; News Release of Nov. 17, 2015). Holes WCR16-05 and WCR16-06 intercepted what appears to be a mineralized cave/fill system vertically below and along strike of the high grade jasperoid. Sample recovery was poor to absent within and below the caves; however, WCR16-05 returned scattered chips of silicified and iron-oxide-enriched limestone assaying up to 0.132 g/t Au, while hole WCR16-06, drilled approximately 40 metres south of WCR16-05, returned chips of porphyritic igneous rock (no dikes or igneous material have been observed at the surface). The access road to holes 05, 06, and 07 exposed two zones of mineralization in bedrock; one zone consists of 2.5 metres of brecciated jasperoid grading 0.128 ppm Au and 34 ppm Te, and the other zone consists of 1.1 metres sanded cave fill with jasperoid clasts with a composite assay of 0.290 g/t Au and 31 ppm Te. The gold concentrations were higher in cave fill (0.301 ppm) than

in the jasperoid (0.168-0.288 ppm Au). Hole WCR16-07 intersected moderate iron oxides on fractures indicating the cave system is irregular or parallel to the bearing of the hole.

The drill holes and road cuts on High Grade Hill exposed geologic features and mineralization styles that are not evident at the surface. These include a potentially interconnected system of mineralized cave fills and breccias, possible associated intrusive rock, and gold-enriched non-silicified cave fill. All of these features are peripheral to a larger recessive zone that could be the surface expression of a much larger mineralized cave-collapse system. A 100-meter-long Au-Te-Ag-Sb-Pb soil anomaly is approximately centered on this recessive zone. Analysis Drill, rock and soil samples were analyzed by ALS Global, Reno, an ISO 17025 accredited laboratory.

Table 1. Drill Hole Specifications

Hole	Northing	Easting	Elevation	Azimuth	Dip	Length	Zone
	(m)	(m)	(m)	(°)	(°)	(m)	
WCR16-01	4385289.3	318549.2	1754.5	9	-45	207.3	Core
WCR16-02	4385228.3	318473.4	1759.1	80	-45	158.5	Core
WCR16-03	4384979.0	318833.0	1768.2	261	-46	140.2	Core
WCR16-04	4384895.0	3318810.1	1771.6	260	-50	140.2	Core
WCR16-05	4384574.3	318265.2	1797.1	84	-45	70.1	HGH
WCR16-06	4384551.4	318311.0	1791.8	221	-44	42.7	HGH
WCR16-07	4384529.3	318293.8	1790.1	44	-85	36.6	HGH
WCR16-08	4383564.8	320409.7	1783.0	215	-80	182.9	SE (Rattler)
WCR16-09	4383319.3	320706.5	1768.5	353	-50	182.9	SE (Rattler Bx)
WCR16-10	4385290.8	318554.0	1755.7	80	-45	167.6	Core

Table 2. Drill Hole Results

Hole	From	To	Interval	Au	Te	Hg
	(m)	(m)	(m)	g/t	ppm	ppb
WCR16-01	0.0	6.1	6.1	0.032		
	18.3	41.1	22.8	0.228		
incl	21.3	39.6	18.3	0.274		
	1.5	39.6	38.1			548
	0.0	50.3	50.3		1.62	
incl	27.4	41.1	13.7		3.49	
WCR16-02	0.0	6.1	6.1	0.038		
	10.7	16.8	6.1	0.078		
	56.4	57.9	1.5	0.155		
WCR16-03	67.1	71.6	4.5	0.053		
WCR16-04	NSR					
WCR16-05	NSR, Cave					
WCR16-06	NSR, Cave					
WCR16-07	NSR					
WCR16-08	44.2	48.7	4.5	0.075		
	65.5	88.4	22.9	0.062		
incl	70.1	73.1	3.0	0.109		
	94.5	97.5	3.0	0.045		
	103.6	121.9	18.3	0.051		
	68.6	123.4	54.8			1,060
	64.0	123.4	59.4		1.50	
WCR16-09	54.9	57.9	3.0	0.073		

	94.5	97.5	3.0	0.042		
	152.4	159.4	7.0	0.040		
	85.4	88.4	3.0			452
	94.5	97.5	3.0			865
	53.3	59.4	6.1		5.29	
	83.8	97.5	13.7		1.39	
	152.4	159.4	7.0		0.710	
WCR16-10	12.2	19.8	7.6	0.083		
incl	13.7	16.7	3.0	0.120		
	24.4	29.0	4.6	0.146		
	47.2	48.7	1.5	0.130		
	12.2	18.3	6.1			340
	24.4	30.5	6.1			448
	44.2	48.8	4.6			487
	0.0	59.4	59.4		1.51	
incl	36.6	48.8	12.2		2.40	

The Company is reviewing plans for follow up drilling of holes WCR16-08 and WCR16-09. Further drilling is required to establish the size and grade of this mineralization and to test for possible high-grade feeder zones. Parallels can be drawn with the Long Canyon gold deposit in northeast Nevada in that silty limestones carry Carlin-style gold mineralization beneath limestones that are nearly devoid of gold mineralization.

Golden Eagle Project – Gold and Silver

The 8,178 hectare Golden Eagle project is located just south of the Yukon-British Columbia border, 70 kilometres west-northwest of Atlin, BC. The Company controls a 100% interest in the project subject to a 1% Net Smelter Royalty (“NSR”) payable to a third party on certain claims.

Golden Eagle is situated at the southern end of the Tintina Gold Belt, which contains many intrusion-related gold deposits such as Pogo (Alaska), Fort Knox (Alaska), Dublin Gulch (Yukon) and White Gold (Yukon). The property has the potential to host several deposit types, including bulk tonnage intrusion-related deposits with associated skarn deposits, high-grade gold-silver vein-hosted deposits and volcanogenic massive sulphide (“VMS”) deposits. Thirteen separate mineralized zones have been identified to date over the property's 25-kilometre long extent.

From 2005 to 2008, exploration was primarily focused on the Middle Ridge (Tannis zone) area, where high-grade gold-silver mineralization is hosted in pyrite- and arsenopyrite-bearing quartz veins/structures within rhyolitic intrusive, granitic intrusive and to a lesser extent in flanking metavolcanics. The mineralized system has been demonstrated by drilling to continue along a strike length of nearly 150 metres and to greater than 200 metres down dip in both the rhyolitic and granitic intrusions (February 24, 2009 news release). The presence of granitic intrusive at depth indicates a composite, volatile-rich intrusive system in this locale, which to-date has only been tested by shallow drilling.

Since 2009, the Company has focused attention on the north block of the Golden Eagle project ("North Prospect"), where numerous zones of structurally controlled gold-silver-arsenic-antimony mineralization (e.g. Plateau, Skarn, West Gully, Cowboy, and West Draw zones) and gold-in-soil anomalies occur over an approximately 5 x 5 kilometre area. The mineralization is related to two major structures, the Ben Fault and the Paddy Fault, and to the underlying granite-related gold system. Both faults are possible splays of the Llewellyn fault zone, a regionally significant structure

that cuts through the project area and has a strong correlation with the majority of mineral occurrences in the region.

Reconnaissance diamond drilling in 2009 tested four previously un-drilled and widely-spaced targets located in the West Gully, LQ, and Stibnite zones (February 17, 2010 news release). Drill hole N0901 tested the West Gully zone, intersecting 0.11 g/t gold over 86.8 metres in variably sheared, silicified and chlorite-sericite altered felsic intrusive, suggesting there is a large, untested gold-bearing structure(s) in this area. Three holes drilled approximately 1,300 metres apart intersected silver-gold mineralization within broader structural zones carrying low to anomalous gold values. No felsic intrusive was intersected in these shallow holes, indicating the target gold zones lie deeper in the system.

Diamond drilling in 2011 (6 holes; 867.2 metres) primarily focused on the West Gully zone, with 5 holes testing various IP targets +/- gold-in-stream sediment anomalies. Results are presented in the Company's February 16, 2012 News Release.

The 2011 program included one hole drilled on the Skarn zone, results of which have identified a new bulk tonnage gold target. Hole N11-06 intersected 36.45 metres grading 1.27 g/t gold in felsic volcanics. The upper portion of this gold intersection was also anomalous in silver, grading 4.05 g/t silver over 15.45 metres. The mineralization is associated with strong potassic alteration, carbonate alteration and silicification developed along the Paddy Fault. The mineralized zone is open southwards along the Paddy Fault towards the Catfish zone (approximately 2.5 kilometres) and at depth. The potential for a wide zone(s) of gold mineralization was not recognized in the past. Modelling of the new historical data in 3D has identified additional drill targets.

In 2014, Troymet conducted exploration on the southern extension of Skarn zone of the 100% owned Golden Eagle project (News Release dated October 20, 2014). The program confirmed elevated to anomalous gold, silver and pathfinder geochemistry within an area of approximately 1,300 m x 900 m along the Paddy Fault system that controls the Skarn zone mineralization. Limited examination of selected geochemical anomalies was conducted in August 2015 and the results of the 2014-2015 field work is being filed for assessment.

The highest gold, bismuth and tellurium values are located in the head waters of creeks with anomalous gold-in-silts that drain eastwards. Elevated to anomalous silver, antimony and mercury values are also present. The geology comprises felsic intrusive (Cretaceous?) and Upper Triassic (Stuhini Group) mafic to intermediate volcanics. Mineralized samples exhibit bleaching, actinolite alteration, sulphidation, quartz and ankerite veining similar to the Skarn zone.

Copper, mercury (and silver) values are elevated to anomalous along the ridge that tracks the Paddy Fault south of the Skarn zone. Mineralized samples comprise quartz veins, quartz-ankerite veins, quartz-carbonate alteration, bleaching, actinolite alteration and sulphidization. The Paddy Fault marks the contact between mafic-intermediate-felsic volcanics (Stuhini Group) and sediments (Boundary Range Metamorphics).

Copper, arsenic, and mercury values are elevated to anomalous to the west, along with bismuth, antimony, silver and gold. Mineralized samples comprise quartz veins, quartz-ankerite veins, quartz-carbonate alteration, bleaching and sulphidization.

Historic drilling in 1990 and 1997 was limited to an area 265 m long and intersections ranged from 2.12 g/t Au over 9.9 m to 7.64 g/t Au over 3.5m. Only visually obvious mineralization was assayed and no drill core exists today from this drilling. In 2011, Troymet drilled one hole (N11-06) to test

the northern limit of the area of historic drilling. The hole collared in mineralization and intersected 36.45 m grading 1.27 g/t gold. The upper portion of the gold intersection is also anomalous in silver, grading 4.05 g/t silver over 15.45 m. This intersection demonstrated the potential for high-grade, sub-cropping, bulk tonnage gold mineralization that was not recognized in the past.

The current prospecting results confirm the Skarn zone mineralization extends a significant distance to the south towards the Catfish zone, where gold-silver bearing veins occur in the head waters of creeks carrying anomalous gold-in-silt values. The Catfish zone is ~2.5 km south of the Skarn zone. This is a highly prospective area with a high discovery potential.

During the year ended October 31, 2015, the Company determined that the Golden Eagle property was impaired. An impairment charge of \$1,782,794 was recognized in net loss for the year ended October 31, 2015, reflecting the exploration expenditures incurred on the property prior to 2009, when the Company moved the exploration target on the property from the Middle Ridge to the Northern Block, where exploration to date has continued.

The Company continues to evaluate the results of its previous exploration programs on the Golden Eagle Project as part of its planning for fiscal 2017. The Company is in the process of budgeting and developing its exploration programs for the 2017 fiscal year.

Further information on the Golden Eagle Project is available in a NI 43-101 technical report entitled “Technical Report, Golden Eagle Property, Atlin Mining Division, British Columbia” by J. Michael Wark, P.Geol., dated May 30, 2012 and filed on SEDAR (www.sedar.com) July 10, 2012.

McClarty Lake Project – Copper, Zinc and Gold

The 596 hectare McClarty Lake property is located 47 kilometres south-southwest of Snow Lake, Manitoba. Troymet owns 100% of three claims (344 hectares) staked in 2000. In June 2008, Troymet completed its earn in for a 60% working interest in two claims (252 hectares) under an option agreement with Hudson Bay Exploration and Development Limited (“Hudbay”), a 100% owned subsidiary of Hudbay Minerals Inc. In 2011, Hudbay completed expenditures to earn back a 20% interest and a joint venture was established with Hudbay holding a 60% interest and Troymet holding a 40% interest on the two claims (“joint venture claims”).

A formal joint venture agreement was signed in August 2012. Under the terms of the agreement, Hudbay must contribute \$1,151,052 in joint venture expenditures before Troymet is required to fund its participating interest. Thereafter, Hudbay and Troymet will share all future exploration and development expenditures pro-rata based on their participating interests. Hudbay is the project operator.

The McClarty Lake property is favourably situated within the Flin Flon – Snow Lake greenstone belt, one of the largest Proterozoic volcanic-hosted massive sulphide (VMS) districts in the world. Twenty-seven copper-zinc-(gold) deposits within the belt have produced more than 183 million tonnes of sulphide ore.

On the McClarty joint venture claims, diamond drilling has identified two laterally continuous zones of massive sulphides within a sequence of variably silicified, sericitized and chloritized felsic volcanics and volcanoclastics. The lower massive sulphide horizon (“Discovery Zone”) discovered by Troymet in 2007, is locally gold enriched and returned 1.47% zinc and 0.31% copper over 43.05 metres, including 3.46% zinc over 15.3 metres (true width estimated at 85% of core

length). The upper pyritic horizon is also locally gold enriched and lies approximately 150 metres stratigraphically above the lower horizon. Both zones are open along strike and at depth.

The sulphide mineralization and associated alteration system at McClarty Lake is very similar to that associated with Hudbay's Chisel Lake and Lalor Lake volcanogenic massive sulphide deposits of the Snow Lake area.

Hudbay's 2011 winter program included a surface pulse electromagnetic survey (approximately 20 kilometres) over the Discovery zone and drilling of three holes (1,563 metres). HudBay hole MCC001, drilled on section with 2008 holes MC08-08, 10 and 11, intersected the mineralized zone approximately 150 metres below the intersection in hole MC08-10 at a vertical depth of approximately 300 metres. A wide zone of mineralization comprising a mix of massive, semi-massive and disseminated sulphide was intersected from 293.6 to 404.0 metres. The best intersection within this zone returned 15.63 m grading 1.03% Zn, 0.45% Cu and 0.22 g/t Au, including 3.05 m grading 3.58% Zn, 0.16% Cu and 0.25 g/t Au.

Hudbay Holes MCC002 and MCC003 were drilled on section with hole MC08-09. These holes were drilled on the north side of an interpreted fault that offsets the mineralization, to test an off-hole geophysical anomaly. Neither hole intersected significant mineralization, although a wide zone of mineralized schist (1 to 7% disseminated pyrite with rare chalcopyrite) was intersected in MCC002 from 323.85 to 493.0 metres including an intersection of massive pyrite from 418.9 to 419.9 metres. Hole MCC003 also intersected a wide zone of mineralized schist (trace to 25% disseminated pyrite > pyrrhotite) from 365.5 to 549.6 metres, with massive to semi-massive pyrite intersected from 393.1 to 393.6 metres and 545.7 to 546.9 metres.

On its 100% owned claims, Troymet's 2010-2011 programs focused on the Mac EM conductor, which lies on-trend and is approximately 1000 metres northeast of the Discovery zone. The conductor was originally identified by a VTEM helicopter-borne survey flown in 2008. A ground pulse electromagnetic ("PEM") survey in 2010 over the area indicated a strong conductive response. In 2011, Troymet tested the Mac conductor with three holes (1,156 metres) over a 300-metre strike length. Drilling intersected altered volcanics and strongly sulphidized zones that host zinc and copper mineralization within xenolithic intrusives. Troymet believes the Mac conductor has identified the northern extension of the horizon that hosts the Discovery zone. The results indicate the presence of a +2,000 metre long stratigraphic horizon that carries base metal mineralization in the two locales where tested. The Company plans to conduct an additional PEM survey to better define and extend the MAC conductor prior to further drilling.

Hudbay drilled a single hole in winter 2013 to test for the down dip and southward strike continuation of the Discovery Zone volcanic massive sulphide (VMS) mineralization discovered by Troymet in 2007. Drilling commenced on February 27, 2013 and was shut down on March 7, 2013 at 437 metres depth due to concerns of unsafe ice conditions. A borehole electromagnetic (EM) survey was completed upon shutdown.

Sulphide bearing biotite-quartz-garnet-amphibole-kyanite-cordierite-sericite gneisses and schists were intersected from 280 to 437 metres down hole. The main sulphide mineralization, consisting of predominantly pyrite (5-25%) and minor pyrrhotite, was intersected over a 52 metre interval from 346 to 398 metres down hole. A second 5 metre interval with 3-5% pyrite and minor pyrrhotite was intersected from 423 to 428 metres down hole. No significant occurrences of sphalerite (zinc sulphide) and chalcopyrite (copper sulphide) were reported by HudBay.

Interpretation and modelling of the borehole EM data revealed two off hole responses, one of which is interpreted to represent the zinc and copper bearing (Discovery Zone) mineralization intersected in Troymet's 2007-2008 drilling, the other anomaly to represent the pyrite-pyrrhotite mineralization intersected in 2011 Hudbay holes, MCC001/MCC002/MCC003. There were no significant copper, lead, zinc, gold or silver values in the samples assayed by Hudbay (see June 14, 2013 news release).

During the year ended October 31, 2016, the Company recorded an impairment of \$1,565,117 on the McClarty Lake project. The Company and Hudbay do not have immediate plans for further exploration. The Company is currently evaluating options with respect to its 100% owned claims and the joint venture claims.

Further information on the McClarty Lake project is available in a NI 43-101 technical report entitled "2008 Technical (NI 43-101) Report on the McClarty Lake Property", by Rory Kutluoglu, B.Sc. (Equity Engineering Ltd.) and qualified person, Alan H. Bailes, Ph.D., P.Geo. (Bailes Geoscience), dated June 11, 2008 and filed on SEDAR (www.sedar.com).

Key Project – Copper, Zinc and Gold

Troymet completed the sale of its 100% interest in the 8,854 hectare Key property to New Gold in December 2013. The property is located 125 kilometres southwest of Vanderhoof, British Columbia.

In connection with the transaction, New Gold committed to spend \$1,500,000 on the property, with a minimum of \$500,000 of expenditures on or before December 31, 2014 and the balance of \$1,000,000 of expenditures on or before December 31, 2018, subject to certain conditions. New Gold has confirmed it completed the full \$1,500,000 expenditure commitment in calendar 2014.

As part of the transaction, Troymet was granted a 2% NSR on the Key property, of which 1% (reducing the NSR Royalty from 2% to 1%) can be purchased by New Gold for \$2,000,000 cash.

Selected Annual Information

	Year Ended October 31, 2016	Year Ended October 31, 2015	Year Ended October 31, 2014
Operating Expenses	\$1,765,677	\$2,028,369	\$473,774
Other Income Interest	\$4,544	\$12,880	\$18,677
Net Loss Per Share - Basic and Diluted	(\$1,761,133) (\$0.01)	(\$2,015,489) (\$0.02)	(\$397,866) (\$0.00)
Capital Expenditures	\$726,757	\$402,962	\$66,294
Total Assets	\$2,497,902	\$4,177,326	\$6,172,475
Total Liabilities	\$32,211	\$27,616	\$20,577

Results of Operations

Three Months Ended January 31, 2017

In the three months ended January 31, 2017, Troymet realized a net loss of \$34,729 (2016 - \$53,702) for the period, including finance income of \$193 (2016 - \$1,313). The Company also realized an exchange difference on translating foreign operations of \$24,492 (2016 - \$nil) included in comprehensive loss.

The expenses for the quarter included general and administration expenses of \$4,212 (2016 - \$7,273), management fees of \$6,000 (2016 - \$6,000), professional fees of \$6,193 (2016 - \$2,868), public company costs of \$11,797 (2016 - \$26,314), share based compensation of \$nil (2016 - \$5,929) and travel and related costs of \$6,720 (2016 - \$6,631).

General and administration of \$4,212 (2016 - \$7,273) decreased due to a reduction in expenditures for 2017.

Management fees and travel and related costs were consistent year to year.

Professional fees increased from \$2,868 in 2016 to \$6,193 in 2017 due to timing of expenditures.

Public company costs decreased from \$26,314 in 2016 to \$11,797 in 2017, mostly as a result of a reduction in promotional activity and investor relations consulting in 2017.

Share based compensation of \$5,929 in 2016 was due to the 600,000 options granted in 2016 to officers and directors. No options were granted in 2017.

Liquidity and Capital Resources

The Company's practice is to proceed with staged exploration where each stage is dependent on successful results of the preceding stage. Troymet relies on proceeds of equity financings to fund its exploration commitments and discharge its liabilities as they come due.

At January 31, 2017, the Company had a working capital balance of \$220,705 (October 31, 2016 - \$287,017). Working capital increased significantly for the year ended October 31, 2014, primarily due to the sale of the Key Project on December 10, 2013. During the years ended October 31, 2015 and 2016, and the three months ended January 31, 2017, the working capital was reduced due to the operating expenditures of the Company and expenditures made primarily on the Wildcat Project and the Redhill Property.

Troymet will be required to raise additional financing in order to continue its exploration programs and cover its operating expenditures for 2017. However, there is no assurance that funding will be available on terms acceptable to the Company or at all. If such funds cannot be secured, the Company may be forced to curtail additional exploration and/or property acquisition efforts.

Capital Expenditures

As shown in the Statement of Financial Position dated January 31, 2017, the Company's long term assets consist of reclamation advances of \$33,717 (2016 - \$34,580), mineral exploration and evaluation assets totaling \$2,152,047 (October 31, 2016 - \$2,144,093) and the McClarty Lake investment of \$1 (October 31, 2016 - \$1) or a total of \$2,185,765 versus \$2,178,674 at October 31, 2016. The Company spent \$44,465 (2016 - \$76,643) on its mineral exploration and evaluation assets during the three months ended January 31, 2017.

	Golden			
	Eagle	Wildcat	Redhill	Total
Balance, October 31, 2015	\$ 1,015,216	\$ 324,091	\$ 75,106	\$ 1,414,413
Acquisition Costs	-	16,205	5,000	21,205
Deferred Exploration Costs				
Drilling	-	163,514	124,968	288,482
Geochemistry / Assays	1,051	51,151	17,658	69,860
Geological	-	141,401	101,729	243,130
Geophysical	-	5,839	68,254	74,093
Transportation and Other	-	26,674	4,116	30,790
Total Deferred Exploration Costs	1,051	388,579	316,725	706,355
Mineral Exploration Tax Credit	(4,264)	-	(19,859)	(24,123)
Cumulative Translation Adjustment	-	26,243	-	26,243
Balance, October 31, 2016	1,012,003	755,118	376,972	2,144,093
Deferred Exploration Costs				
Drilling costs	-	-	13,240	13,240
Geochemistry / Assays	-	-	743	743
Geological	-	1,600	16,000	17,600
Total Deferred Exploration Costs	-	1,600	29,983	31,583
Cumulative Translation Adjustment	-	(23,629)	-	(23,629)
Balance, January 31, 2017	\$ 1,012,003	\$ 733,089	\$ 406,955	\$ 2,152,047

Share Information

At the date of this MD&A, the fully diluted number of common shares was 126,856,225 shares including 121,856,225 common shares issued and outstanding and 5,000,000 stock options.

A summary of the Company's outstanding securities is provided in the table below:

	Report Date	January 31, 2017	October 31, 2016
Common shares	121,856,225	121,856,225	121,856,225
Stock options	5,000,000	5,000,000	5,000,000
Warrants	-	-	-
Fully Diluted Shares	126,856,225	126,856,225	126,856,225

Summary of Quarterly Results

A summary of the last eight quarters from April 30, 2015 to January 31, 2017 is provided in the table below.

	QI 31-Jan-17	QIV 31-Oct-16	QIII 31-Jul-16	QII 30-Apr-16
Operations				
Finance Income	\$193	\$466	\$1,444	\$1,321
Net Profit (Loss)	(\$34,729)	(\$1,593,299)	(\$54,776)	(\$168,908)
Per Share - Basic	(\$0.00)	(\$0.01)	(\$0.00)	(\$0.00)
Balance Sheet				
Working Capital	\$220,705	\$287,017	\$525,277	\$816,997
Total Assets	\$2,424,255	\$2,497,902	\$4,055,211	\$4,020,739
Capital Expenditures	\$44,465	\$233,896	\$345,409	\$70,809

	QI 31-Jan-16	QIV 31-Oct-15	QIII 31-Jul-15	QII 30-Apr-15
Operations				
Finance Income	\$1,313	\$2,657	\$3,040	\$4,722
Net Loss	(\$53,702)	(\$1,847,733)	(\$24,686)	(\$51,623)
Per Share - Basic	(\$0.00)	(\$0.02)	(\$0.00)	(\$0.00)
Balance Sheet				
Working Capital	\$1,040,763	\$1,165,179	\$1,398,939	\$1,567,715
Total Assets	\$4,150,289	\$4,177,326	\$5,999,784	\$6,129,033
Capital Expenditures	\$76,643	\$155,661	\$39,449	\$206,783

Transactions with Related Parties

The Company has paid fees of \$30,000 (2016 - \$30,000) to companies controlled by officers for management, administrative, accounting and technical services. Stock-options with a Black-Scholes fair value of \$nil were granted to key management during the three months ended January 31, 2017 (2016- \$4,940). These amounts are included in general and administration expenses and exploration and evaluation assets as outlined below:

	January 31, 2017		January 31, 2016	
Short-term compensation:				
Management fees	\$	6,000	\$	6,000
Geological	\$	24,000	\$	24,000
Share-based payments	\$	-	\$	4,940

The payments to related parties were allocated as follows:

	January 31, 2017			January 31, 2016		
	Short-term employee benefits	Share based payments	Total	Short-term employee benefits	Share based payments	Total
Tristia Ventures Corp. (i)	\$ 24,000	\$ -	\$ 24,000	\$ 24,000	\$ 2,470	\$ 26,470
Triumvirate Consulting Corp. (ii)	\$ 6,000	\$ -	\$ 6,000	\$ 6,000	\$ 988	\$ 6,988
Other Directors	\$ -	\$ -	\$ -	\$ -	\$ 1,482	\$ 1,482

- (i) Tristia Ventures Corp. (“Tristia”) is a private company controlled by Dr. Kieran Downes, President & CEO, and a director of the Company. Short-term employee benefits paid or payable to Tristia are included within exploration and development expenditures and/or management fees for the three months ended January 31, 2017 and 2016.
- (ii) Triumvirate Consulting Corp. (“Triumvirate”) is a private company of which Mr. Joseph Meagher, Chief Financial Officer of the Company, is a director. Short-term employee benefits paid or payable to Triumvirate are included as management fees for the three months ended January 31, 2017 and 2016.

Financial Instruments

a) Overview

The Company’s activities expose it to a variety of financial risks that arise as a result of its exploration, development, and financing activities such as credit risk, liquidity risk and market risk.

The Board of Directors oversees management's establishment and execution of the Company’s risk management framework. Management has implemented and monitors compliance with risk management guidelines. The Company’s risk management guidelines are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company’s activities.

b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk at year end is as follows:

	January 31, 2017	October 31, 2016
Cash and cash equivalents	\$ 224,428	\$ 298,677
Accounts receivable	2,988	15,036
	\$ 227,416	\$ 313,713

The Company limits its exposure to credit risk on cash and short-term investments by only investing in liquid securities offered by Chartered Banks. Given the credit rating of the bank and the securities owned, management does not expect significant credit losses on cash and short-term investments.

The Company's accounts receivable consisted entirely of GST receivable at January 31, 2017 and October 31, 2016.

As at January 31, 2017 and October 31, 2016, the Company's accounts receivable were current (less than 90 days). The Company believes that all outstanding balances are collectible and therefore there is no allowance for doubtful accounts at January 31, 2017 and October 31, 2016.

c) 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's approach to managing liquidity is to ensure, as much as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements and the growth and development of its mineral exploration and evaluation assets. The Company coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 13. Management has increased its focus on liquidity risk given the impact of the current economic and financial market climate on the availability of equity financing.

The Company's financial liabilities are comprised of accounts payable and accrued liabilities. The financial liabilities at January 31, 2017 are summarized below:

	Carrying amount	Contractual cash flows	Less than one year	One to two years	Two to five years	More than five years
Non-derivative financial liabilities						
Trade and other payables	\$ 17,785	\$ -	\$ 17,785	\$ -	\$ -	\$ -
	\$ 17,785	\$ -	\$ 17,785	\$ -	\$ -	\$ -

d) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company expects the fluctuations in finance income as a result of interest rate fluctuations to be minimal.

e) Commodity Price Risk

The Company's ability to raise the capital required to fund exploration or development activities is subject to risk associated with the market price of gold and base metals and the outlook for these commodities.

f) Fair Value

Financial instruments recorded at fair value on the consolidated 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: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for assets or liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following table presents the financial instruments recorded at fair value in the consolidated statements of financial position, classified using the fair value hierarchy described above:

January 31, 2017		Level 1		Level 2		Level 3
Cash and cash equivalents	\$	224,428	\$	-	\$	-
October 31, 2016		Level 1		Level 2		Level 3
Cash and cash equivalents	\$	298,677	\$	-	\$	-

Due to the short-term maturity of the Company's existing financial assets and liabilities, the carrying value approximates the fair value.

New accounting standards issued but not yet effective

The Company is currently evaluating the impact that these new accounting standards are expected to have on its consolidated financial statements.

Amendments to IAS 7 Statement of Cash Flows

These amendments require that the following changes in liabilities arising from financing activities are disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. One way to fulfil the new disclosure requirement is to provide a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities. Finally, the amendments state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. This amendment is effective for reporting periods beginning on or after January 1, 2017.

IFRS 9 Financial Instruments

IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. Additional amendments include introduction of new hedge accounting model and a new expected-loss impairment model. This standard is effective for annual periods beginning on or after January 1, 2018.

IFRS 16 Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low

value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard was issued in January 2016 and is effective for annual periods beginning on or after January 1, 2019.

Risks and Uncertainties

Troymet competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral properties, claims, and other interests, as well as for the recruitment and retention of qualified personnel.

All of the properties in which Troymet has an interest, or the right to acquire an interest, are in the early exploration stage and are without a known body of commercial ore. Development of Troymet's mineral properties will only follow upon obtaining satisfactory exploration results. Exploration for and the development of mineral resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that Troymet's exploration and development activities will result in any discoveries of commercial bodies of ore.

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in government regulations has the potential to reduce the profitability of operations.

Aboriginal peoples have claimed aboriginal title and rights to resources and various properties in western Canada including Troymet's properties. Such claims, in relation to Troymet's lands, if successful, could have an adverse effect on Troymet or its respective operations.

Troymet will require additional financing to continue its business plan and there is no assurance that financing will be available or, if available, will be on reasonable terms. To the extent that financing is not available, Troymet may have to reduce exploration activities and work commitments may not be satisfied resulting in a loss of property ownership by Troymet.

Disclosure Controls and Procedures

Management has ensured that there are disclosure controls and procedures that provide reasonable assurance that material information relating to the Corporation is disclosed on a timely basis, particularly, information relevant to the period in which annual filings are being prepared. Management believes these disclosure controls and procedures have been effective during the three months ended January 31, 2017.

Investor Relations Activities

On August 1, 2008, the Company engaged Senergy Communications Inc. ("Senergy") to provide investor relations services for an initial term of six months. This agreement, which had an option to renew at terms mutually agreeable to each party, initially required the Company to pay Senergy \$7,500 per month for investor relations services, \$1,000 per month for a dedicated surrogate office and related administrative services, and to reimburse Senergy for all pre-approved expenses. Payments to Senergy have been re-negotiated in light of market conditions and the Company's

activity levels. As part of the cost cutting measures undertaken in 2013, the Senergy contract was reduced to \$1,500 per month from \$3,000 per month paid to Senergy the previous 12 months.

On November 22, 2010, the Company announced that it had granted 500,000 options to Senergy at an exercise price of \$0.21 per share. These options expired unexercised on November 22, 2015. Options issued to Senergy in past periods have also expired unexercised.

Effective January 1, 2016, the Company engaged Zelen Consulting Inc. ("Zelen") to provide investor relations services for an initial term of three months. The agreement was continued for an additional month, but was not renewed and expired on April 30, 2016.

Transactions not Reflected on the Statement of Financial Position

The Company did not enter into any transactions that were not reflected on the Statement of Financial Position during the three months ended January 31, 2017.

Forward-Looking Statements

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein may be forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this MD&A contains forward looking information in respect of: the corporate strategy of the Company in relation to pursuing acquisitions and the ability of the Company to add new properties to its portfolio of projects; future exploration and development plans of the Company for its projects; the size and timing of exploration programs by Troymet or its partners, including obtain permits for such future exploration; the exploration and discovery potential of its projects and the potential deposits or targets that may be contained on its projects; future drilling and the timing for future drilling on its projects; potential acquisitions by the Company of mineral projects; future expenditures on the Company's projects, including the McClarty Lake Project; the potential completion of the 10 for 1 share consolidation by the Company in conjunction with an acquisition or a potential transaction; and the ability of the Company to attract additional funds if required. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. Certain assumptions can be found in the Company's disclosure documents on SEDAR at www.sedar.com. In addition, assumptions include, but are not limited to: the actual results of exploration on projects being equivalent to or better than estimated results in technical reports or prior exploration results; assumptions in respect of commodity prices; the ability of the Company to seek out and negotiate favourable acquisitions; market acceptance of the Company's corporate strategy and acquisition strategies; the ability of the Company to obtain financing on acceptable terms; and future costs and expenses of the Company being based on historical costs and expenses, adjusted for inflation. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: the early stage development of the Company and its projects; market acceptance of mineral exploration companies and the junior exploration company model; general business, economic, competitive, political and social uncertainties; commodity prices; the

actual results of current exploration and development or operational activities; competition; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Other

Additional information relating to Troymet's business and activities can be found on SEDAR at www.sedar.com.

TROYMET EXPLORATION CORP.

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Symbol: "TYE"