

Corporate Presentation Precious Metals Conference Beaver Creek - September 2017

Advancing the Ambler Mining District in Alaska by Forming Strong Partnerships





# **Camp at Bornite**







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# **Forward Looking Statements**

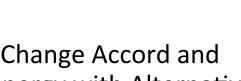
This presentation includes certain Forward-Looking Statements and Forward-Looking Information (collectively, "forward-looking statements") within the meaning of applicable securities laws, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein including, without limitation, statements relating to program objectives and future plans for the projects, are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could", or "should" occur or be achieved. These forward-looking statements are set forth principally under the slides pertaining to anticipated programs and budgets, the anticipated timing and delivery of a pre-feasibility study on the Arctic Project, statements arising from the Arctic preliminary economic assessment titled "Preliminary Economic Assessment on the Arctic Project, Ambler Mining District, Northwest Alaska" dated effective September 12, 2013 (the Arctic PEA) permitting process and timeline for the Ambler access road, future milestones, and elsewhere in this presentation, and may include statements regarding perceived merit of properties; exploration results and budgets; mineral reserves and resource estimates; work programs; capital expenditures; timelines; strategic plans; completion of transactions; market price of precious base metals; or other statements that are not statements of fact. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include the uncertainties involving the need for additional financing to explore and develop properties and availability of financing in the debt and capital markets; uncertainties involved in the interpretation of drilling results and geological tests and the estimation of resources; the need for cooperation of government agencies and native groups in the development and operation of properties; the need to obtain permits and governmental approvals; risks of mining projects such as accidents, equipment breakdowns, bad weather, non-compliance with environmental and permit requirements, unanticipated variation in geological structures, ore grades or recovery rates; unexpected cost increases; fluctuations in metal prices and currency exchange rates; and other risks and uncertainties disclosed in the Company's annual report on Form 10-K for the year ended November 30, 2016 filed with the United States Securities and Exchange Commission and with the Canadian securities regulatory authorities and in other reports and documents filed with applicable securities regulatory authorities from time to time. Forward-looking statements reflect the beliefs, opinions and projections of management on the date the statements are made and are based on various assumptions, such as that permits required for the Company's operations will be obtained on a timely basis in order to permit the Company to proceed on schedule with its planned exploration and development programs, that skilled personnel and contractors will be available as the Company's operations continue to grow, that that price of copper and other metals will be at levels that render the Company's mineral projects economic, that the Company will be able to continue raising the necessary capital to finance its operations and realize on mineral resource estimates, and that the assumptions contained in the Arctic PEA, as defined below, are accurate and complete. The Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

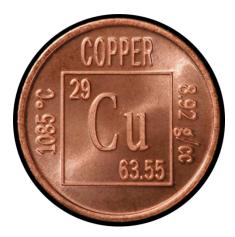
# WHY COPPER?

**Copper – a Fundamental Metal** 

- **Copper = Energy**
- We cannot produce, transmit or use energy without copper at every step
- To meet the Paris Climate Change Accord and  $\succ$ replace Fossil Fuel based energy with Alternative forms of Energy will require a lot of Copper!
- As the world moves to replace 20<sup>th</sup> century internal  $\geq$ combustion engine technology with 21<sup>st</sup> century autonomous driving electric vehicle technology well yes, that will take even more copper!
- Everything "Green" requires More Copper  $\succ$

→ Copper is The Green Metal of the Future







# WHY COPPER?



**Copper – a fundamental Supply-Demand Metal** 

- Demand looks Good......What about Supply?
- Average Mine Reserve Grade is Declining..... Maintaining production levels will require additional capital investment....Requires \$3.50 copper incentive price
- Supply Disruptions more frequent.....Storms, power supply, water use conflicts....protests and riots
- Nationalization.....Indonesia/Freeport Grasberg Greece/ Eldorado......Tanzania/Barrick...South Africa/Everyone
- Exploration expenditures are down significantly for past 5 years......Billions of dollars invested in previous 5 years had little to show for it....Why?
- Low Hanging Fruit has been Mined.....New mines will be deeper and harder to find and take longer to develop



# WHY NOW?

## Fundamental Rule of Investing

Buy Low ... Sell High



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TRIL

# **Corporate Highlights**

8 Billion Pounds of Copper, 3 Billion Pounds of Zinc and over 1 Million Ounces of Gold Equivalent Precious Metals

- High-Grade Copper with Significant Zinc and Precious Metals - 100% owned
- Two Projects: Arctic at PFS stage 5% Copper Eq. OP and Bornite Exploration – > 6 Blbs Copper
- > **District Exploration** play with significant upside
- Located in Alaska: a Safe, Rule of Law Jurisdiction
- Three Partnerships
  - Local Native Partnership with NANA and strong community relationships
  - Infrastructure Partnership with State of Alaska -AIDEA to build road infrastructure
  - Financial Partnership with South32





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# **Share Capitalization**

### Solid – Supportive Shareholder Base TSX and NYSE-MKT symbol "TMQ"

Issued and Outstanding 105.6 M	Options & Warrants <sup>1</sup> 12.8 M	Fully Diluted 119.7 M
Balance Sheet	Shareholder Base	Major Shareholders
<ul> <li>Q2 2017</li> <li>US\$14.5 M in cash Manageme &amp; Director 4%</li> <li>US\$5.6 M in marketable securities</li> <li>No debt</li> </ul>		<ul> <li>Electrum Group ~20%</li> <li>Paulson &amp; Co. ~10%</li> <li>Baupost Group ~10%</li> <li>Resource Capital Funds ~10%</li> <li>Gold First Investments ~5%</li> <li>+ Management = &gt;60%</li> </ul>

1) 6.0m stock options and 6,521,740 warrants, which are held 100% by Electrum, Paulson & Baupost and 0.3M NovaGold Arrangement Options at Nov 30/16.

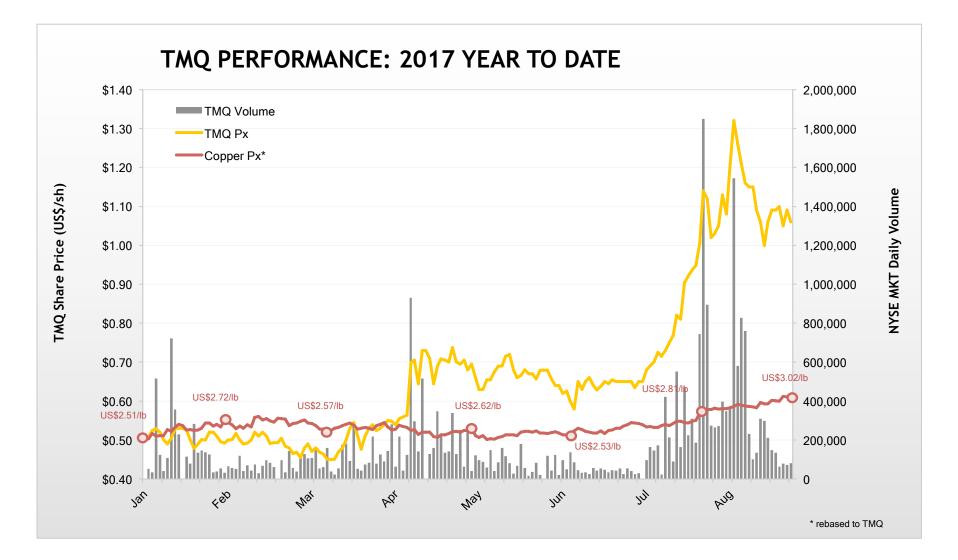
2) Fully diluted shares include 0.9M Deferred Share Units (Directors) and 0.4M Restricted Share Units (Officers) at Nov 30/16.

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# **Stock Performance (US\$ on NYSE:MKT)**





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# **Ambler Mining District - Alaska**



#### Safe Jurisdiction – mining district hosts deposits rich in *copper, zinc, lead, gold and silver*



- Politically Stable
- Rule of Law
- Recognized Mineral
   Potential
- Resource Extractive Industries are the Largest Contributors to Alaska's Economy
- Well Established
   Permitting Process
- Supportive Borough Gov't – tax base for region
- NANA Agreement
- > NANA Alaskan Regional Native Corporation with 14,000 Iñupiat shareholders
- > Land owner and Joint partner with Teck on Red Dog
- > largest Zinc mine in the world operating for nearly 30 years
- > Good jobs and Local taxes from mine supports NW Arctic Borough Government and School District



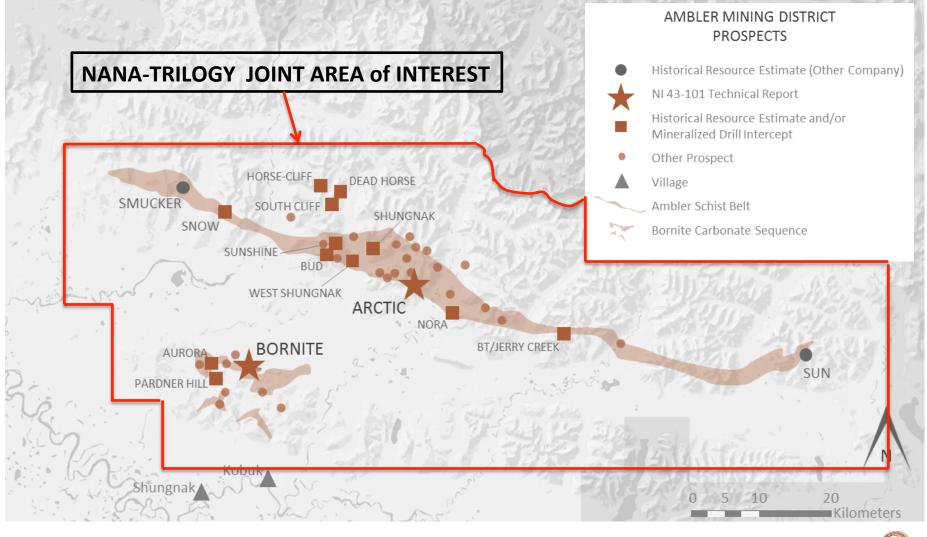




# **District Exploration Upside**

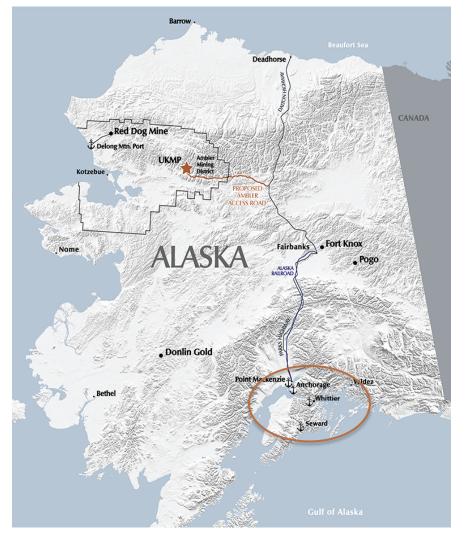


### Ambler mining district hosts deposits rich in copper, zinc, lead, gold and silver & cobalt



# **Infrastructure Partnership - AIDEA**

# Ambler Mining District Industrial Access Project (AMDIAP)



 AIDEA to permit and build AMDIAP (similar to Red Dog road and port – DMTS) \$250,000,000 Upfront Savings to Project Development

TRI

- AMDIAP is a road connecting the Ambler mining district to 4 year-round, ice-free ports: Mackenzie, Anchorage, Whittier & <u>Seward</u>
- Finance construction costs with low interest Stateback 30 year bonds Paid-back by Mines paying a user tolls
- > Rail option from Fairbanks to ports cost savings
- Notice of Intent filed in the US federal register on February 28, 2017 with BLM as Lead Federal Agency
- Trump Administration has prioritized the Permitting
   Process of Infrastructure Projects including AMDIAP
- Key Appointments made to execute Executive Office Directives: Ryan Zinke; David Bernardt; Joe Balash and Steve Wackowski
- Senator Lisa Murkowski has Oversight of Senate Energy and Resources Committee

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# **Infrastructure Partnership - AIDEA**



# **Trump Administration Supports Infrastructure and Resource Development with concrete steps**

Department of Interior Order 3355:

- Order 3355 directs "that the department's environmental impact statements "shall not be more than 150 pages or 300 pages for unusually complex projects" – Officials will need high-level approval to exceed the new page limit
- 2) "To ensure timely completion of EISs, and consistent with timelines for major infrastructure projects in EO 13807, each bureau shall have a target to complete each EIS for which it is lead agency within 1 year from issuance of a Notice of Intent (NOI) to prepare an EIS"
- "Implementation The Deputy Secretary is responsible for implementing all aspects of this Order, in coordination with the Solicitor and the Assistant Secretaries" = Joe Balash

Signed David Bernhardt Deputy Secretary of Interior

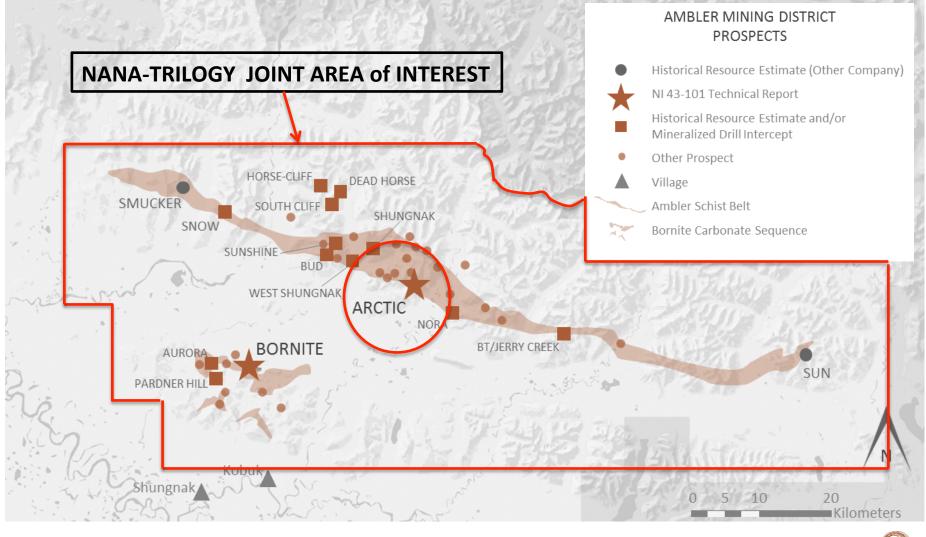
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# **District Exploration Upside**



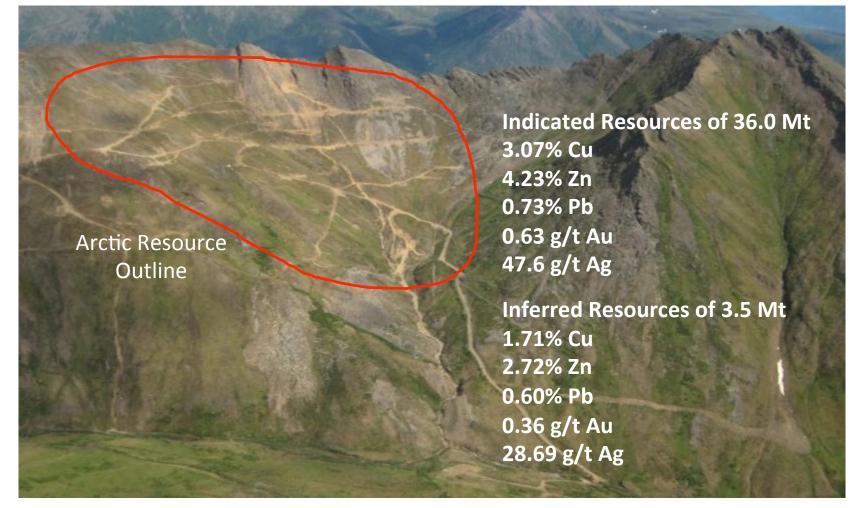
### Ambler mining district hosts deposits rich in copper, zinc, lead, gold and silver & cobalt



# **Arctic Deposit: More Than Copper**



High Grade Copper – 5% Cu Equivalent Grade



See the Company's press release dated April 25, 2017. The Arctic PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that results of the Arctic PEA will be realized.

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# **Highlights of the Arctic PEA (2013)**

## **Pre-Feasibility Study Planned for Q1 2018**

- > 12 year mine life at 10,000 tonnes per day
- > 95Kt (210Mlbs) Annual Payable Cu Eq Production
  - 125Mlbs payable Copper, 152Mlbs payable Zinc and 24Mlbs payable Lead per year
  - 29,000oz payable Gold and 2.5Moz payable Silver per year
- > Cash costs of US\$0.62/lb of payable copper net of by-product credits
  - "All-in" cash costs of \$US1.26/lb (Initial and sustaining capex, opex, TC/RCs, royalties...)
- Capital costs (Q2 2013): US\$717.7 million startup, US\$164.4 million sustaining
  - Low Capital Intensity of \$6,995/t (Industry Avg. +\$15,000/t)

### Leverage to copper price

		Copper Price (US\$/lb)				
		B		Base Case		
		\$2.00	\$2.50	\$2.90	\$3.50	\$4.00
Discount rate	Base Case 8%	232.8	618.9	927.7	1,391.0	1,777.1
IRR	%	12.3	18.5	22.8	28.7	33.1
Payback	Years	6.2	5.1	4.6	4.1	3.7

#### ▶Pre-Tax NPV<sub>8%</sub> of US\$927.7M

IRR of 22.8%; Payback of 4.6 years using base case metals prices\*

#### Post-Tax NPV<sub>8%</sub> of US\$537.2M

IRR of 17.9%; Payback of 5.0 years using base case metal prices\*

\*Base case metal prices: Copper US\$2.90/lb, Zinc US\$0.85/lb, Lead US\$0.90/lb, Silver US\$22.70/oz, and Gold US\$1,300/oz. The Arctic PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the results of the Arctic PEA will be realized.



**PFS Upsides** 

- Ore Sorting

- LNG

- Rail



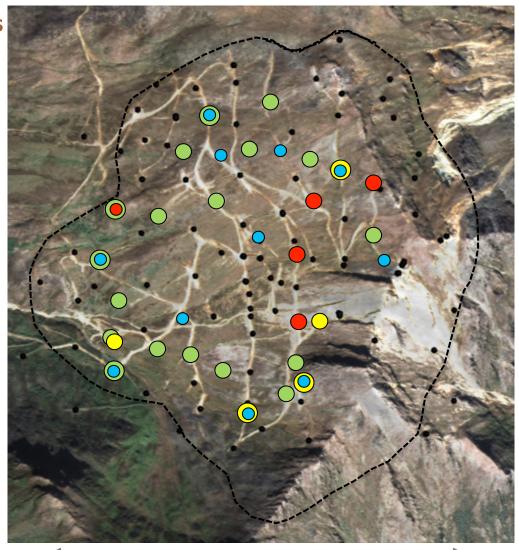
# Advancing Arctic Towards Pre-Feasibility



## 2015, 2016 and 2017 Work Programs

- > 6000m Drilling
  - ☑ Resource In-fill ●
  - 🗹 Geotech
  - 🗹 Hydro
  - Metallurgy
- Technical Studies
  - OP Trade-Off
  - ABA Waste Rock
  - Pit Slope Design
  - Hydrology
- Environmental
  - ☑ Lidar/Wetland
  - Expanded Baseline
  - Aquatics
  - Avian & Large Mammal
  - ☑ Archeology
  - Subsistence
  - Endangered Species
  - ☑ Cultural/Archeological



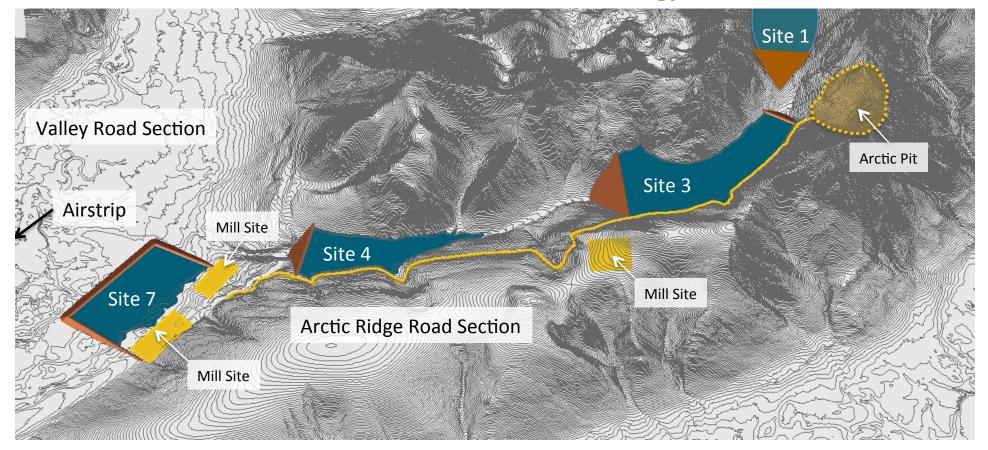




# **Arctic PFS – Site Investigations**



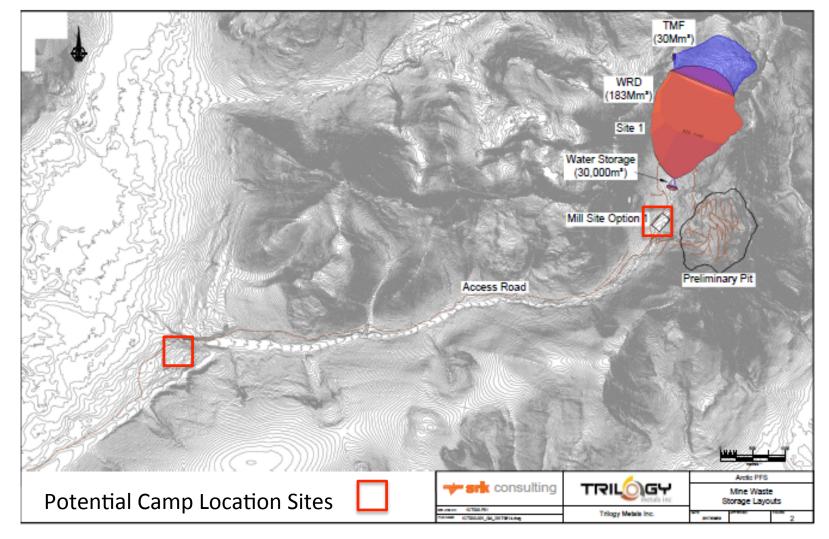
Alternative facilities locations for waste, tailings, mill, power plant and camp evaluated with Technical Team: Ausenco/AMEC/SRK/Trilogy



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# **Arctic PFS Update**

# **Preferred Locations Identified**





# **Arctic PFS Update**



# What's Left to Do?

- Next Steps
  - Final pit design
  - Operational phases
  - Waste dumps and Tailings Volumes
  - Production Schedule
  - Equipment and Personnel requirements
  - Operating and Capital Estimates

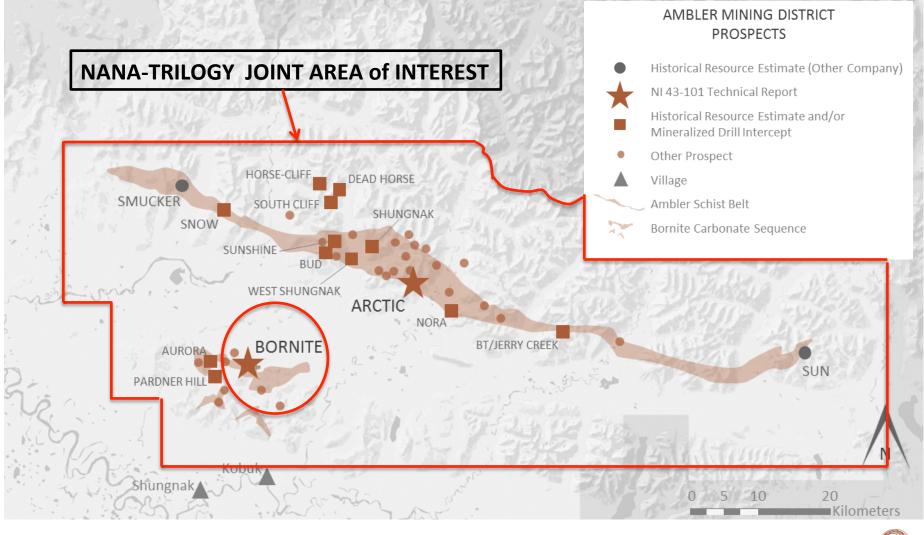




# **District Exploration Upside**



### Ambler mining district hosts deposits rich in copper, zinc, lead, gold and silver & cobalt



# Financial Partnership - South32 Limited

## Announced on April 10, 2017

- Trilogy and South32 have signed an agreement whereby South32 has been granted an option to form a 50-50 joint venture, to hold our Alaskan assets
- South32 is a global diversified metals and mining company, demerged from BHP Billiton in 2015, with high quality operations producing bauxite, alumina, aluminum, energy and metallurgical coal, manganese, nickel, silver, lead and zinc
- South32 does not currently produce copper and has no operations in North America → strategic move?
- > Option Payments US\$10 M/year for up to 3 years
  - Annual payments maybe increased upon mutual consent
  - > To be spent on exploration at Bornite



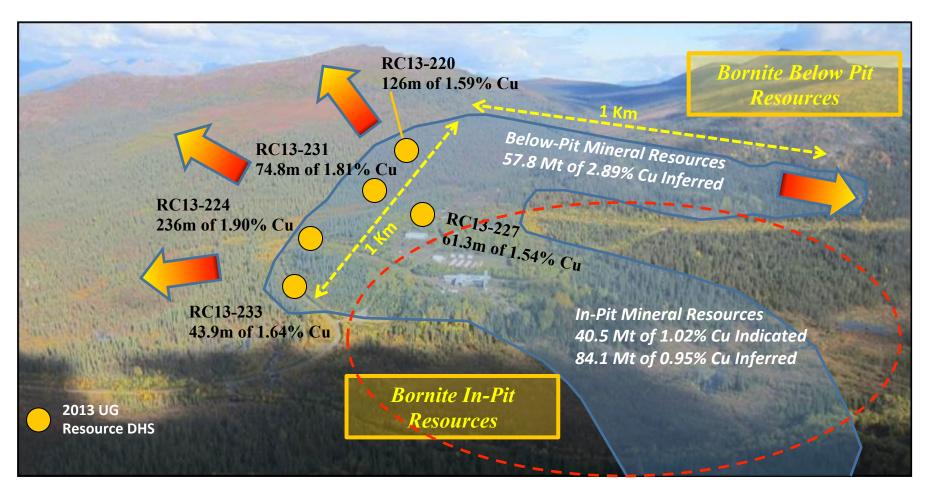
- South32 can exercise option to form the JV at anytime and pay the Subscription Price into the JV
  - South32 pays a premium of 150% to what we have spent to date of approx. US\$100 million
  - US\$150 million + Parallel Matching of Arctic Project budget each year to a maximum of US\$5 million per year

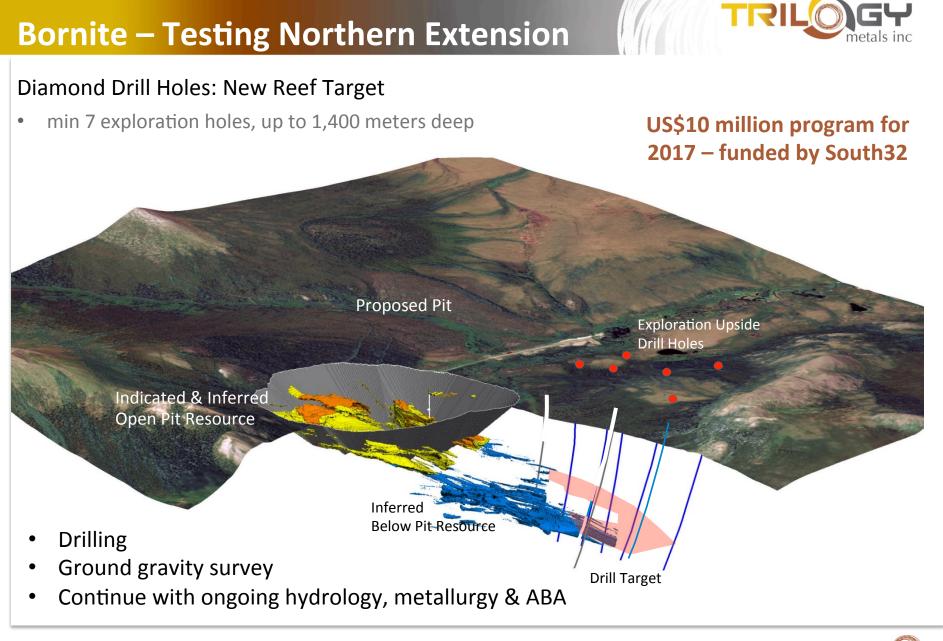


# **Bornite: Exciting Exploration Opportunity**



2013 Drilling links South Reef and Ruby zones into >1Km Wide Continuous Zone of High-Grade Mineralization Open to the North

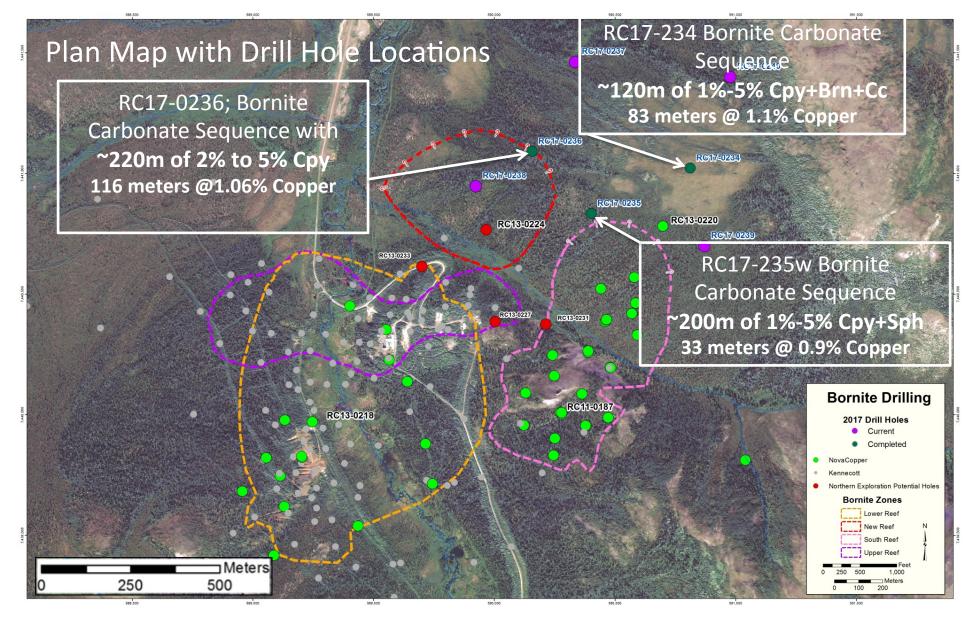




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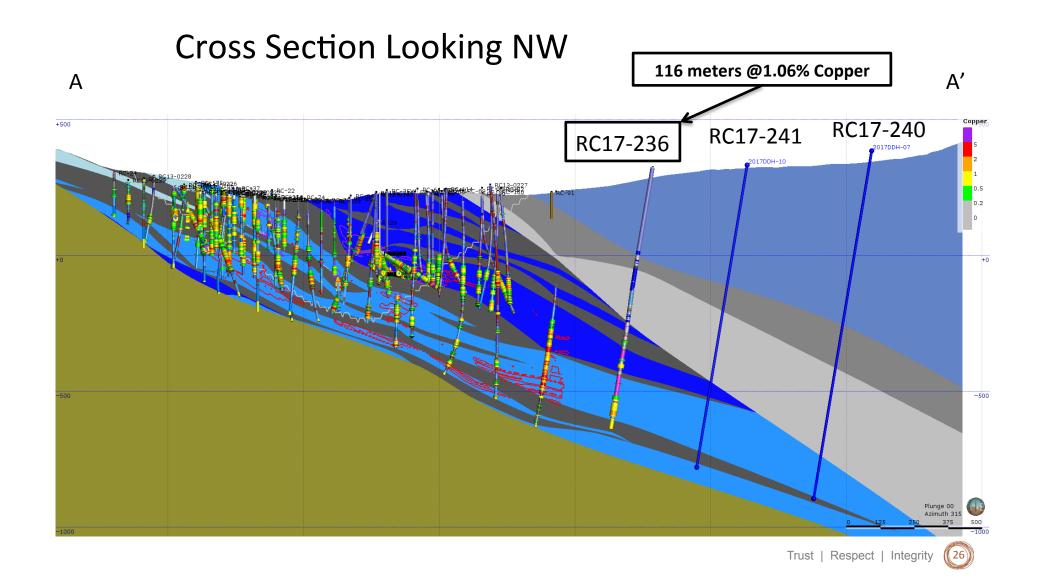


# **Bornite Exploration Drilling**



# **Bornite Exploration Drilling**

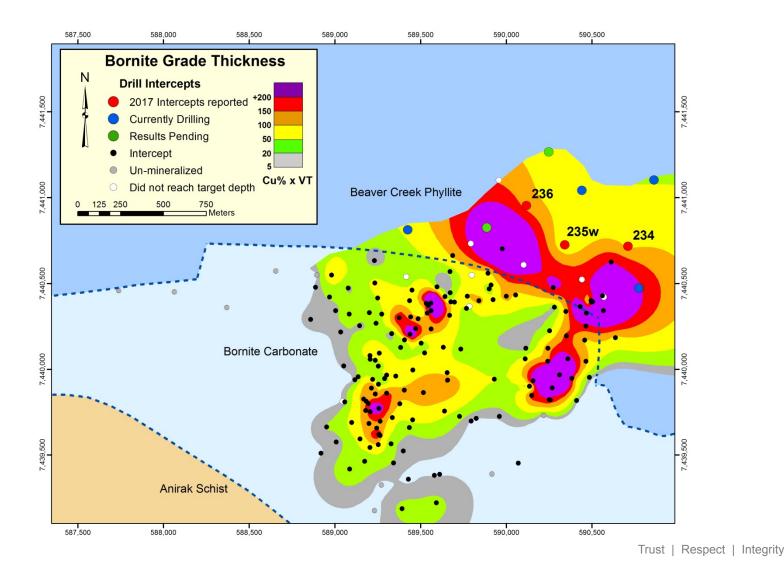






# **Bornite Exploration Drilling**

### Six Billion Pounds of Copper and Growing



# **Scarcity of Quality Assets in Safe Jurisdictions**



A	Comparison		Reservoir's Timok	65 Mt @ 3.50% CuEq
Re	Reservoir's Timok Project: 65 Mt @ 3.5% CuEq		Bornite Open Pit	125 Mt @ 0.98% Cu
Nevsun acquired Reservoir in June 2016 for US\$365 million &		Bornite Below Pit	58 Mt @ 2.89% Cu	
exercised Reservoir's ROFOR for an additional US\$263 million		Arctic Open Pit	39.5 Mt @ 4.71% CuEq	
to	acquire 100% of the Timok Pi	roject for <u>US\$628 million.</u>	Total	222.5 Mt @ 2.14% CuEq
	Junior	Mid-Tier	Majo	or Producer
7.00 -				1
6.00 -		u 11		1
Copper Equivalent				
- <sup>00.</sup>				
ы Ц 3.00 -				
e e e				
3.00 -				
0.00				
	Harper Creek Ann Mason Caspiche Los Calatos Canariaco Norte Pumpkin Hollow Yandera Granaisle Rosemont Productora Hillside North Met Kamoa Reservoira Reservoira Reservoira Romite OP Bornite UG	Arctic UKMP Santo Dowingo Bozshakoj Aktogay Atton Afton Red Chris Constancia Casino Constancia Casino Taca Taca Galeno Taca Taca Galeno Frosperity Mina Justa Buenavista/Cananea Exp Caserones Tia Maria	Schaft Greek Cobre Panama Toquepala Exp Radomira Tomic Exp Relincho Rekincho Rekincho Cerro Casale Sentinel La Granja Andina Phase II Exp Pachon Frieda Riarca	Hadura Galore Creek Los Chancas Pebble Michiguillay El Teniente Exp Los Chancas Pebble Michiguillay Conga Cong Conga Conga Cong Conga Cong Cong Cong Cong Co

Chart data as at January 2014 - except for Trilogy resources data at August 2016. Source: Intierra and public filings. Note: Trilogy is not aware of the commodity pricing used to calculate the copper equivalent grade of non-Trilogy properties and substantially different commodity pricing may have been used in such calculations than was used to calculate the copper equivalent grade of the Ambler project. As a result, such copper equivalent grades may not be calculated on a consistent basis and may not be comparable. The Arctic copper-equivalent resource is calculated using the following metals price assumptions: (in USD) \$2.90/lb Cu, \$1,300/oz Au, \$22.70/oz Ag, \$0.85/lb Zn, and \$0.90/lb Pb. containing 23.8 million tonnes (Mt) of Indicated Resource grading approximately 3.26% copper, 4.45% zinc, 0.76% lead, 40.8 g/t silver and 0.55 g/t gold. See "Mineral Resources for the Arctic and Bornite Projects" including footnotes in the appendix for the quantity and grade of each metal used to establish copper equivalence

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## **Summary**



8 Billion Pounds of Copper, 3 Billion Pounds of Zinc and over 1 Million Ounces of Gold Equivalent Precious Metals

- > 100%-owned, low capex + low opex asset
- Highest grade VMS deposit in the world
- Located in mining friendly jurisdiction in northern Alaska
- > Arctic at PFS level & Bornite has excellent exploration upside
- Mostly unexplored district of which only two deposits identified on a huge land package
- > Upcoming News
  - Arctic and Bornite drill results starting late summer into the fall
  - Bornite & Arctic metallurgy update
  - > AMDIAP road permitting updates
  - Arctic PFS in Q1 2018







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> NYSE-MKT, TSX: TMQ www.trilogymetals.com



# **APPENDIX**





# **Track Record of Exploration Success**

## Working Together for More than a Decade

#### Management

**Rick Van Nieuwenhuyse, CEO** – previously CEO of NovaGold **Elaine Sanders, CFO** – previously CFO of NovaGold

#### **Donlin Gold Project**

**Thayer Lindsley Award** at 2009 PDAC for revealing the enormous geological potential

#### **Ambler Mining District**

**Colin Spence Award** at the 2016 AMEBC Mineral Exploration Roundup for Excellence in Global Mineral Exploration

### **Galore Creek Copper-Gold Project**

**Robert R. Hedley Award** at the 2008 AMEBC Cordilleran Roundup for Excellence in Social and Environmental Responsibility

#### **Directors**

**Tony Giardini** 

William Hayden

**Gregory Lang** 

Kalidas Madhavpeddi

**Gerald McConnell** 

**Janice Stairs** 

**Rick Van Nieuwenhuyse** 

**Diana Walters** 



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# **Fun Facts about Copper**

- Copper was the first metal used by primitive man around 10,000 BC
- Name comes from the Latin word for Cyprus
   Cuprum
- The Statue of Liberty is made out of 179,000 pounds of copper
- Up until 1982 USA pennies were 98% Copper, now they are zinc with copper plating....also known as devaluing your currency
- Police were nicknamed "Coppers" and then shortened to "Cops" for their copper badges
- Copper is an essential nutrient to all living organisms – foods rich in copper include: oysters, beef, lobster, nuts, chocolate, pepper, avocados and asparagus
- Copper has been used to brew beer since 2000 BC which defined the Bronze Age and is still used today



## **Consensus Forecast – 8.25.2017**





# CIBC Global Mining Group

Analyst Consensus Commodity Price Forecasts

August 25, 2017

#### Commodities

**Consensus Forecast Summary** 

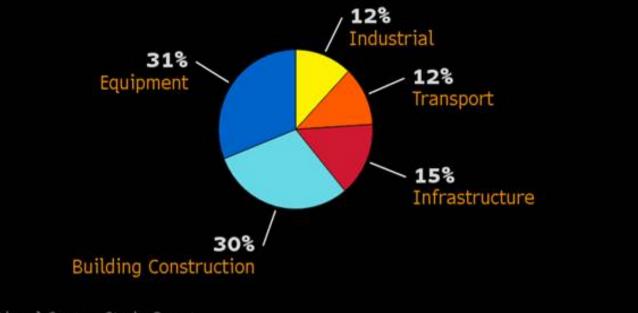
	2017	2018	2019	2020	LT
Precious Metals					
Gold (US\$/oz)	\$1,249	\$1,284	\$1,298	\$1,301	\$1,306
Palladium (US\$/oz)	\$806	\$838	\$890	\$875	\$796
Platinum (US\$/oz)	\$958	\$1,028	\$1,123	\$1,104	\$1,129
Rhodium (US\$/oz)	\$924	\$962	\$1,070	\$928	\$880
Silver (US\$/oz)	\$17.53	\$18.39	\$19.04	\$19.66	\$19.68
Base & Other Metals					
Aluminium (US\$/lb)	\$0.86	\$0.86	\$0.87	\$0.88	\$0.83
Cobalt (US\$/lb)	\$24.76	\$24.03	\$21.78	\$20.95	\$14.85
Copper (US\$/lb)	\$2.58	\$2.70	\$2.79	\$2.94	\$2.89
Iron Ore Fines (US¢/dmtu)	¢101	¢92	¢90	¢91	¢90
Iron Ore Lumps (US¢/dmtu)	¢128	¢114	¢109	¢101	¢101
Iron Ore Pellets (US¢/dmtu)	¢171	¢145	¢138	¢145	¢150
Lead (US\$/lb)	\$0.99	\$1.02	\$1.01	\$0.98	\$0.93
Lithium Carbonate (US\$/t)	\$9,518	\$9,347	\$8,792	\$7,500	\$7,667
Lithium Hydroxide (US\$/t)	\$14,619	\$12,973	\$10,753	\$10,207	\$11,000
Molybdenum (US\$/lb)	\$7.25	\$7.40	\$8.00	\$8.22	\$8.30
Nickel (US\$/lb)	\$4.52	\$5.13	\$5.69	\$6.47	\$7.27
Zinc (US\$/lb)	\$1.24	\$1.31	\$1.24	\$1.18	\$1.04
Energy					
Uranium (US\$/lb)	\$26	\$30	\$39	\$45	\$58
Crude Oil - WTI (US\$/bbl)	\$50	\$53	\$56	\$60	\$60
Thermal Coal (US\$/mt)	\$77	\$73	\$67	\$65	\$61
Metallurgical Coal (US\$/mt)	\$187	\$131	\$123	\$125	\$120
FX					
USD/CAD	1.33	1.31	1.28	1.27	1.26

# **Copper Demand**



# New Source of Demand?

Copper demand today is dominated by construction and equipment sectors



Source: International Copper Study Group NOTE: Copper usage by end-use sector in 2015

Bloomberg 🕮

# **Copper Demand and Supply: RBC**

#### Copper Sector Update | Global Supply

Copper is expected to remain oversupplied as production from new mine projects and expansions drives continued increases in supply

#### RBC Capital Markets

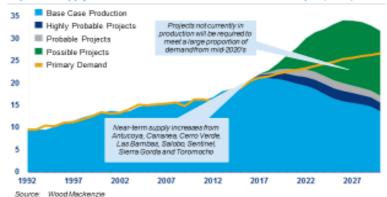
#### The sharp drop in copper prices has begun to force high cost producers to curtail production

- Notable recent curtailments and closures include:
  - Glencore (Katanga, Mopani)
  - Freeport (Sierrita, Tyrone, Miami)
  - Grupo Mexico (Hayden Concentrator, Ray Mine)

#### Production growth anticipated to remain strong

 RBC forecasts supply growth of 3.5% in 2016, 2.5% in 2017, 2.7% in 2018 and 2.1% in 2019

#### Expected Supply to Meet Global Market Demand for Mine Output (Kt Cu)



Wood Mackenzie

#### Production from new mine projects and expansions will drive continued increases in supply

- Production cuts in 2015 were necessary to prevent global stocks of refined metal rising to unsustainably high levels given the ongoing increase in mine supply from expansions and new projects
- Companies will likely reduce production forecasts for operating mines as part of cost reduction / efficiency improvement plans

#### Markets expected to remain oversupplied

Source: RBC Research and Wood Mackenzie

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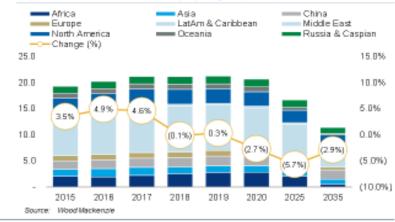
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 Increased mine supply and a drawdown of accumulated stocks of concentrate is forecast to see production of refined copper growing by 2.7% in 2016

Global copper mine production includes copper in concentrate and leach output

ource. Incommunities

#### Copper Mine Production Capability by Region (Mt Cu) (1)



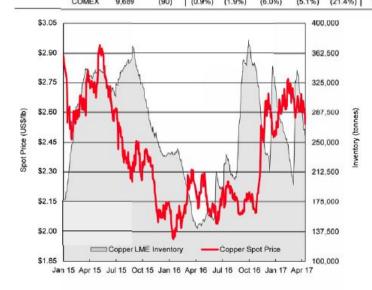
RBC Capital Markets

### **Copper Demand and Supply: Cormark**

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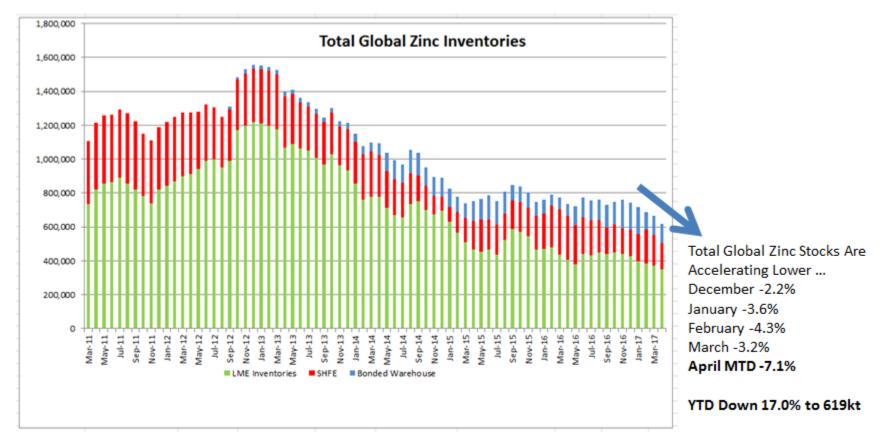
Metal	Inventory	Gurrent Volume (tonnes)	1-Doy Change (tonnes)	1-Day Change (‰)	5-Doy Change (%)	4-Week Change (%)	QTD Change (%)	YTD Change (%)	QTD Ave Volume (tonnes)	YTD Ave Volume (tonnes)	52 v High (tonnes)	Veek Low (tonnes)	Global Consumption (MMtpa)	Inventory Supply (weeks)	Ghinese Consumption (MMtpa)	Inventory Supply (weeks)
Aluminum	LME	1,759,850	(15,100)	(0.9%)	(3.2%)	(12.4%)	(6.3%)	(20.1%)	1,819,139	2,120,333	2,730,475	1,759,850	58.1	1.6	31.6	2.9
Copper	LME	257,200	(1,625)	(0.6%)	(3.1%)	(24.1%)	(9.4%)	(17.5%)	268,408	272,711	379,175	144,700		0.6		1.1
	SHME	314,810			2.4%	(3.2%)	0.0%	83.5%	314,810	265,433	331,942	97,839	23.3	0.7	11.6	1.4
	COMEX	147,456	337	0.2%	1.4%	8.7%	2.3%	65.9%	145,799	119,072	147,456	59,306		0.3		<b>Ú</b> 7
Lead	LME	168,800	(1,025)	(0.6%)	(2.4%)	(11.4%)	(8.4%)	(13.4%)	174,939	188,960	196,000	162,200	11.3	0.8	4.7	1.9
Nickel	LME	369,438	(240)	(0.1%)	(1.7%)	(4.0%)	(1.9%)	(0.7%)	373,900	378,607	428,712	360,096	1.9	10.3		22.0
	SHME	84,189	-	-	0.8%	(5.2%)	0.0%	(9.4%)	84,189	88,538	112,085	78,434		2.3	0.9	5.0
Zinc	LME	301,050	(2,200)	(0.0%)	(1.5%)	(4.2%)	(2.5%)	(15.4%)	307,244	390,919	459,075	301,050		1.0		2.8
	SHME	182,244	-	-	(0.5%)	(2.2%)	0.0%	15.8%	182,244	179,734	268,925	150,792	13.9	0.7	6.7	1.4
	COMEX	9.689	(90)	(0.9%)	(1.9%)	(6.0%)	(5.1%)	(21.4%)	9,910	11.329	28.296	9.689		0.0		0.1





### **Zinc Supply**







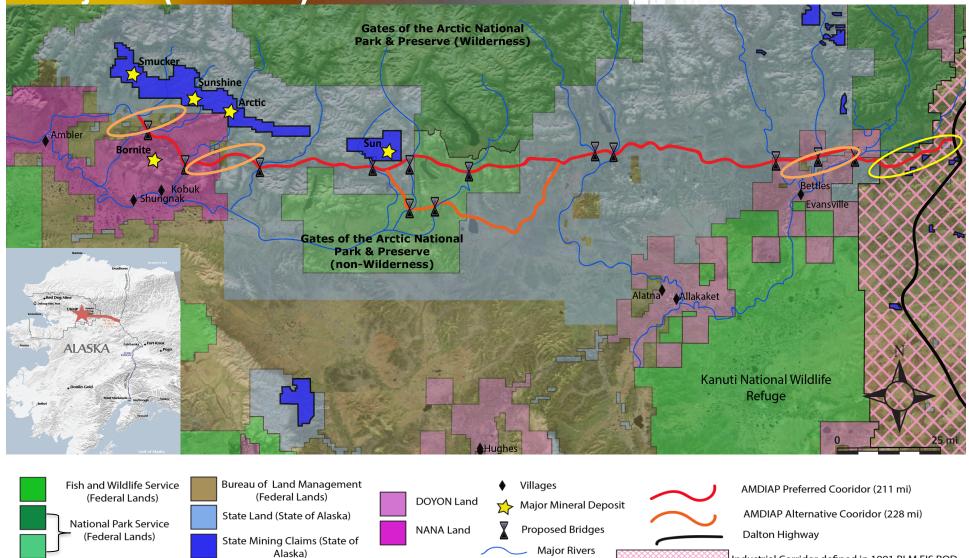
# Ambler Mining District Industrial Access Project (AMDIAP)

6 mi of AMDIAP traversing

managed by BLM

State and Native selected lands





18 mi of AMDIAP traversing

**BLM** managed land

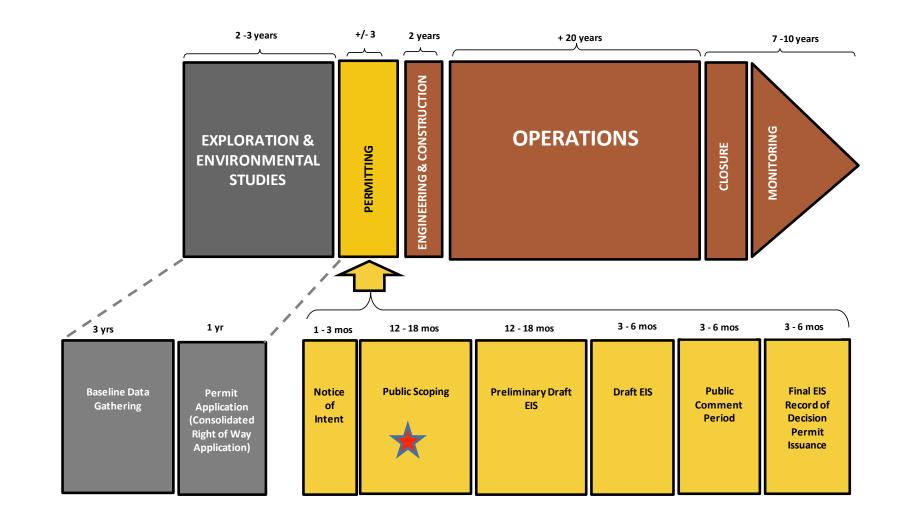
Industrial Corridor defined in 1991 BLM EIS ROD

Trust | Respect | Integrity

(39)

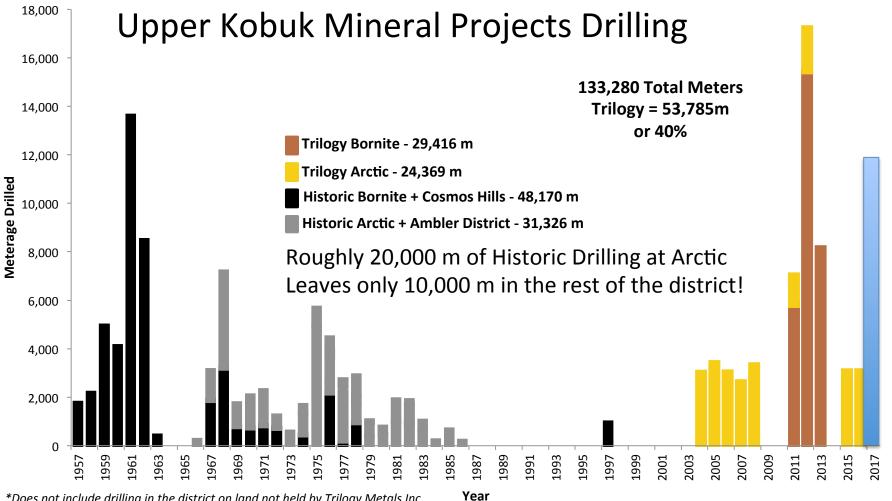


### **NEPA Permitting Process (EIS)**



### **Drilling in the Ambler Mining District** Significantly under-explored

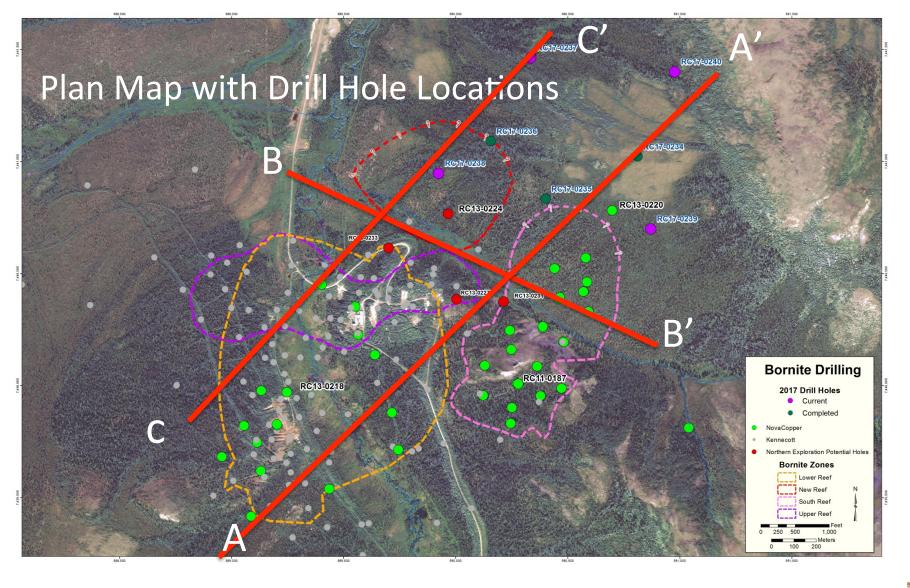




\*Does not include drilling in the district on land not held by Trilogy Metals Inc

# **Bornite Exploration Drilling**



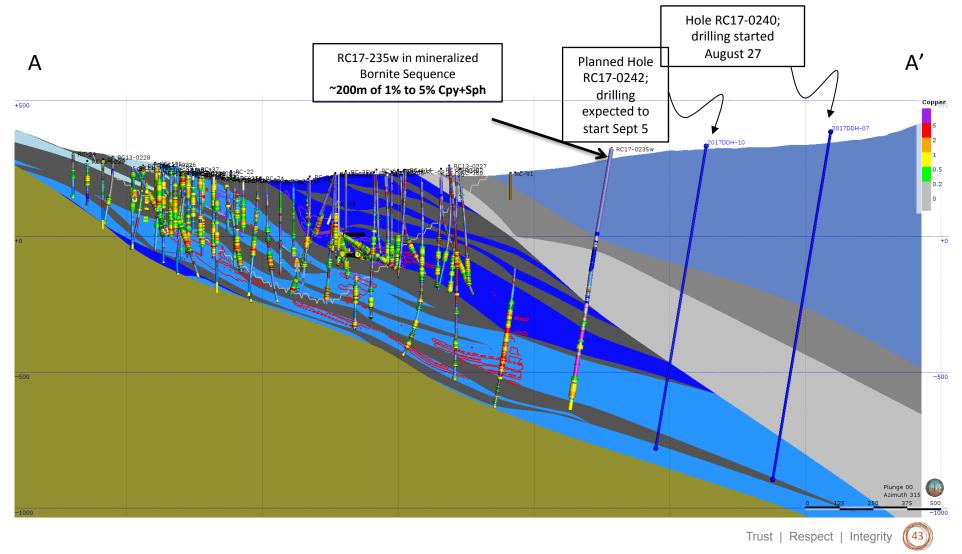


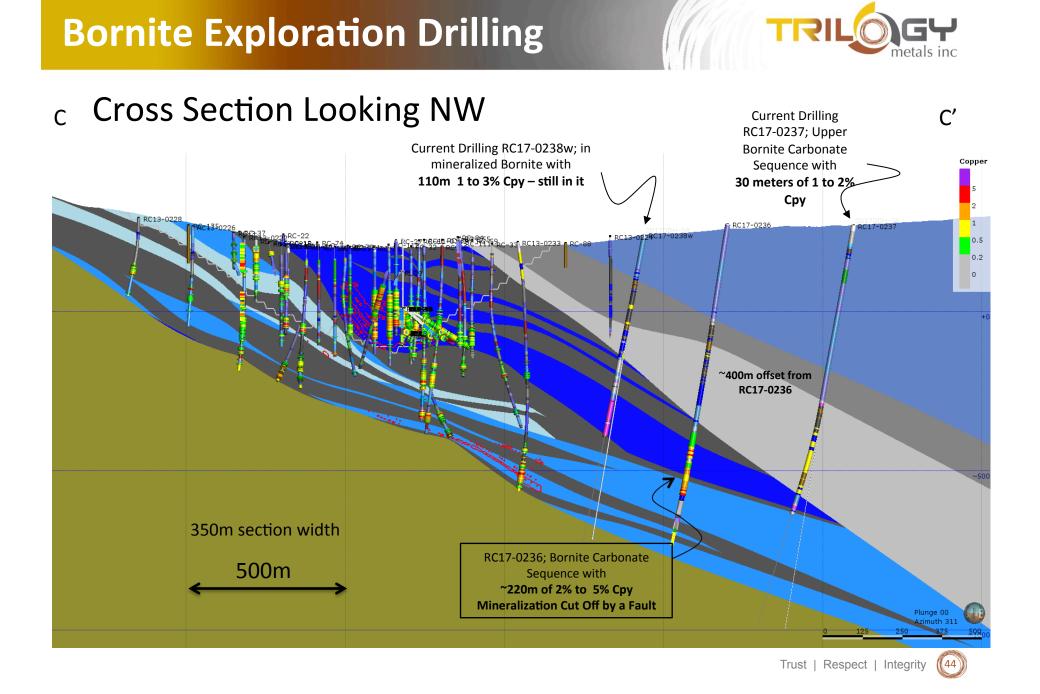
Trust | Respect | Integrity (42)

# **Bornite Exploration Drilling**



### Cross Section Looking NW

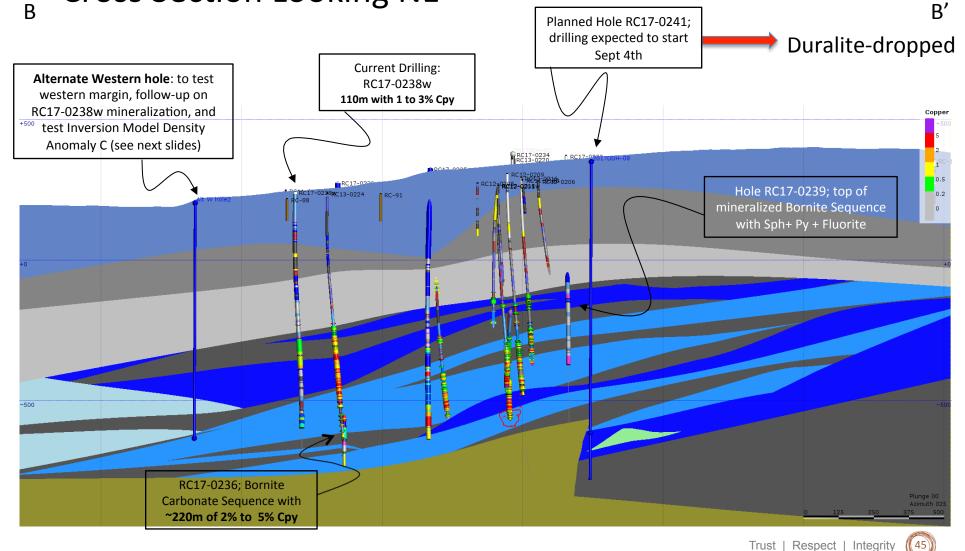




# **Bornite Exploration Drilling**



# **Cross Section Looking NE**

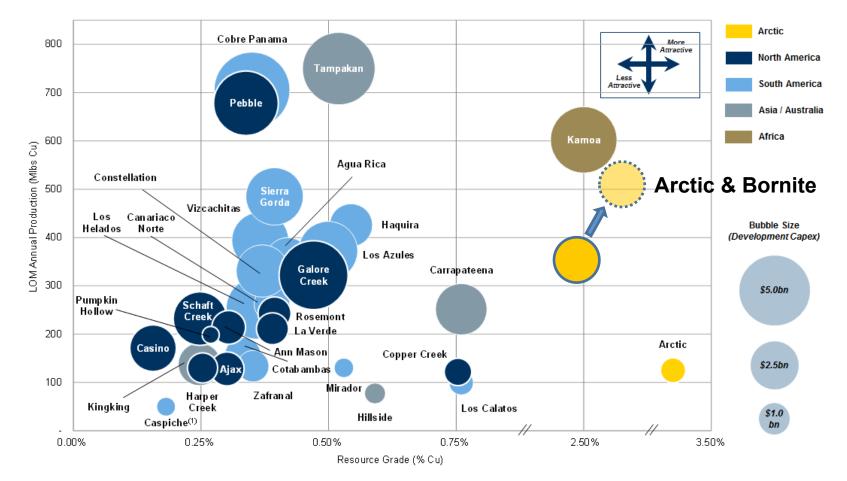




### WHY NOW?

### **High Quality Project getting Bigger and Better**

Arctic's grade and development capex benchmarks well against copper development projects



Source: SNL Metals & Mining and company disclosure

(1) Combined oxide 60,000 tpd and sulphide (underground) 27,000 tpd scenario displayed

### **Naturally Diversified**



### 8 Billion Pounds of Copper, 3 Billion Pounds of Zinc and over 1 Million Ounces of Gold Equivalent Precious Metals

#### **Mineral Resources Table – Arctic & Bornite Deposits**

	Resource Category	Tonnes Millions	Grade %	Contained Metal Mlbs
Copper				
Arctic	Indicated	36.0	3.07	2,441
	Inferred	3.5	1.71	239
Bornite In-Pit	Indicated	40.5	1.02	913
	Inferred	84.1	0.95	1,768
Bornite Below-Pit	Inferred	57.8	2.89	3,683
Zinc				
Arctic	Indicated	36.0	4.23	3,356
	Inferred	3.5	2.72	210
Lead				
Arctic	Indicated	36.0	0.73	581
	Inferred	3.5	0.60	47.0
	Resource Category	Tonnes Millions	Grade g/t	Contained Metal Moz
Gold				
Arctic	Indicated	36.0	0.63	0.73
	Inferred	3.5	0.36	0.04
Silver				
Arctic	Indicated	36.0	47.6	55.0
	Inferred	3.5	28.7	3.0

\* See Mineral Resource Notes in appendix.

# Mineral Resources for the Arctic & Bornite Projects



Deposit	Cut-off	Tonnes (M)	Cu%	Zn%	Pb%	Ag g/t	Au g/t	Cu (Mlbs)	Cu Eq⁴ (Mlbs)	Tonnes Cu	Tonnes Cu Eq⁴
Indicated											
Arctic <sup>1</sup>	0.5% Cu	36.0	3.07	4.23	0.73	47.6	0.63	2,441	4,376	1,107,200	1,984,900
Bornite (In-Pit) <sup>2</sup>	0.5% Cu	40.5	1.02					913	913	413,000	413,000
Total Indicated									4,000	1,190,000	1,813,000
Inferred											
Arctic <sup>1</sup>	0.5% Cu	3.5	1.71	2.72	0.60	28.7	0.36	131	251	59,400	113,900
Bornite (In-Pit) <sup>2</sup>	0.5% Cu	84.1	0.95					1,768	1,768	802,000	802,000
Bornite (Below Pit) <sup>3</sup>	1.5% Cu	57.8	2.89					3,683	3,683	1,671,000	1,671,000
Total Inferred								5,690	5,850	2,581,000	2,654,000

Notes:

a) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted into Mineral Reserves.

- b) These resource estimates have been prepared in accordance with NI 43-101 and the CIM Definition Standard, unless otherwise noted.
- c) See numbered footnotes below on resource information.
- d) Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade and contained metal content.
- e) Tonnage and grade measurements are in metric units. Contained gold and silver ounces are reported as troy ounces; contained copper, zinc, and lead pounds as imperial pounds.
- f) g/t = grams per tonne
- g) All amounts are stated in U.S. dollars unless otherwise noted.

#### **Resource Footnotes**

- 1) Resources stated as contained within a pit shell developed using metals prices of \$3.00/lb for copper, \$0.90/lb lead, \$1.00/lb zinc, \$1,300/oz gold, \$18/oz silver, mining costs of \$3.00/tonne, milling and G&A costs of \$35/tonne, metallurgical recoveries of 92% for copper, 77% for lead, 88% for zinc, 63% for gold, 56% for silver and an average pit slope of 43 degrees.
- 2) Resources stated as contained within a pit shell developed using a metal price of \$3.00/lb for copper, mining costs of \$2.00/tonne, milling costs of \$11/tonne, G&A cost of \$5.00/tonne, 87% metallurgical recoveries and an average pit slope of 43 degrees.
- 3) Mineral resources at a 1.5% cut-off are considered as potentially economically viable in an underground mining scenario based on an assumed projected copper price of \$3.00/lb, underground mining costs of \$65.00 per tonne, milling costs of \$11.00 per tonne, G&A of \$5.00 per tonne, and an average metallurgical recovery of 87%.
- 4) The Arctic copper-equivalent resource is calculated using the following metal price assumptions: \$3.00/lb Cu, \$1.00/lb Zn, \$0.90/lb Pb, \$18.00 oz Ag, and \$1,300/oz Au. Calculation excludes any adjustments for metal recoveries. Net of by-product credit.



### **Cautionary Note Concerning Resource Estimates**

This summary table may use the term "resources", "measured resources", "indicated resources" and "inferred resources". United States investors are advised that, while such terms are recognized and required by Canadian sercurities laws, the United States Securities and Exchange Commission (the "SEC") does not recognize them. Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Mineral resources that are not mineral reserves do not have demonstrated economic viability. United States investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into reserves. Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. It cannot be assumed that all or any part of the inferred resources will ever be upgraded to a higher category. Therefore, United States investors are also cautioned not to assume that all or any part of the inferred resources will ever be mined legally. It cannot be assumed that all or any part of the index on be mined legally or economically. It cannot be assumed that all or any part of the index on be mined legally or economically. Therefore, United States investors are also cautioned not to assume that all or any part of the inferred resources will ever be upgraded to a higher category. Therefore, united disclosure under Canadian regulations, however, the SEC normally only permits issues to report "resources" as in place tonnage and grade without reference to unit measures. Accordingly, information concerning descriptions of mineralization and resources contained in this release may not be comparable to information made public by United States companies subject to the reporting and disclosure requirements of the SEC.

NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all resource estimates contained in this circular have been prepared in accordance with NI 43-101 and the CIM Definition of Standards.

### **Technical Report and Qualified Persons**

The documents referenced below provide supporting technical information for each of the Company's projects.

Project	Qualified Person(s)	Most Recent Disclosure & Filing Date
Arctic	Dr. Bruce M. Davis, FAusIMM, BD Resource Consulting Inc. Robert Sim, P.Geo., Sim Geological Inc.	Company's press release dated April 25, 2017
	Michael F. O'Brien, M.Sc., Pr.Sci.Nat, FGSSA, FAusIMM, FSAIMM, Tetra Tech Sabry Abdel Hafez, Ph.D., P.Eng., Tetra Tech Jianhui Huang, Ph.D., P.Eng., Tetra Tech Hassan Ghaffai, M.Sc., P.Eng., Tetra Tech Michael Chin, P.Eng., Tetra Tech Graham Wilkins, P.Eng., EBA Marvin Silva, Ph.D., PE, P.Eng., Tetra Tech Jack DiMarchi, CPG, Tetra Tech H. Wayne Stoyko, P.Eng., Tetra Tech	Preliminary Economic Assessment Report on the Arctic Project, Ambler Mining District, Northwest Alaska – Effective Date July 30, 2013; Filed September 12, 2013
Bornite	Dr. Bruce M. Davis, FAusIMM, BD Resource Consulting Inc. Robert Sim, P.Geo., Sim Geological Inc. Jeff Austin, P.Eng., International Metallurgical & Environmental Inc.	Company's press release dated April 19, 2016

# Mineral Resources for the Arctic & Bornite Projects



### **Definitions & Notes**

Mineral Resources: "measured", "indicated" and "inferred" mineral resources are estimated in accordance with the definitions of these terms adopted by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") in November, 2010 updated in May 2014 and incorporated in National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101"), by Canadian securities regulatory authorities. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves.

Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade and contained metal content. Tonnage and grade measurements are in metric units. Contained gold and silver ounces are reported as troy ounces; contained copper, zinc, and lead pounds as imperial pounds. All amounts are stated in U.S. dollars unless otherwise noted.

g/t = grams per tonne

### **Comments on Individual Projects**

### Arctic

Resources stated as contained within a pit shell developed using metal prices of \$3.00/lb for copper, \$1.00/lb for zinc, \$0.90/lb for lead, \$18.00/oz for silver, \$1,300/oz for gold, mining costs of \$3.00/tonne, milling and G&A costs of \$35/tonne, metallurgical recoveries of 92% for copper, 77% for lead, 88% for zinc, 63% for gold, 56% for silver and an average pit slope of 43 degrees.

### Bornite

In-Pit mineral resources stated as contained within a pit shell developed using metal prices of \$3.00/lb for copper, mining costs of \$2.00/tonne, milling costs of \$11/tonne, G&A cost of \$5.00/tonne, 87% metallurgical recoveries and an average pit slope of 43 degrees. Below-Pit mineral resources at a 1.5% cut-off are considered as potentially economically viable in an underground mining scenario based on an assumed projected copper price of \$3.00/lb, underground mining costs of \$65.00 per tonne, milling costs of \$11.00 per tonne, G&A of \$5.00 per tonne, and an average metallurgical recovery of 87%.



## DISCLOSURE REGARDING SCIENTIFIC AND TECHNICAL INFORMATION



Unless otherwise indicated, all reserve and resource estimates included in this presentation have been prepared in accordance with Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves ("CIM Definition Standards"). Canadian standards, including NI 43-101, differ significantly from the requirements of the United States Securities and Exchange Commission ("SEC"), and reserve and resource information in this presentation may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, the term "resource" does not equate to the term "reserves". Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. The SEC's disclosure standards normally do not permit the inclusion of information concerning "measured mineral resources". "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by U.S. standards in documents filed with the SEC. U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. Under Canadian rules, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to assume that all or any part of an "inferred mineral resource" exists or is economically or legally mineable. Disclosure of "contained ounces" in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in-place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of "reserves" are also not the same as those of the SEC, and reserves reported in compliance with NI 43-101 may not gualify as "reserves" under SEC standards. Accordingly, information concerning mineral deposits set forth herein may not be comparable to information made public by companies that report in accordance with United States standards.

