Risk Factors Comparison 2024-02-09 to 2023-02-14 Form: 10-K

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Investing in our securities is speculative and involves a high degree of risk due to the nature of our business and the present stage of exploration of our mineral properties. The following risk factors, as well as risks currently unknown to us, could materially adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in forward- looking information relating to Trilogy, or our business, property or financial results, each of which could cause purchasers of securities to lose all or part of their investments. Risks Related to the **future of the** COVID Pandemic The outbreak of the coronavirus (COVID- 19) may affect our operations. The Company faces risks related to health epidemics and other outbreaks of communicable diseases, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions. The Company' s business could be adversely impacted by the effects of the coronavirus or other epidemics. In December 2019, a novel strain of the coronavirus (**"** COVID- 19 **"**) emerged in China and the virus has now spread around the world, including Canada and the U. S. The extent to which COVID- 19 impacts the Company' s business, including exploration and development activities at Ambler Metals and the market for its securities, will depend on future developments, which are uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. In particular, the continued spread of the coronavirus and travel and other restrictions established to curb the spread of the COVID- 19, has and could continue to materially and adversely impact the Company' s business including without limitation, the planned exploration programs at Ambler Metals ~~(see " Significant Developments in 2020 " above)~~ , employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, the timing to process drill and other metallurgical testing, interruption of supplies from third parties upon which the Company relies and other factors that will depend on future developments beyond the Company' s control, which may have a material and adverse effect on the its business, financial condition and results of operations. There can be no assurance that the Company' s personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs or insurance premiums as a result of these health risks. Risks Related to the Company' s Mineral Properties We may not have sufficient funds to develop our mineral projects or to complete further exploration programs. We have limited financial resources. We currently generate no mining operating revenue and must primarily finance exploration activity and the development of mineral projects by other means. Although South32 funded Ambler Metals in the amount of US $ 145 million upon formation of the joint venture **in 2020** ~~as discussed above~~ , in the future, once our share of such amount has been expended or we wish to acquire any other properties outside of Ambler Metals, our ability to continue exploration, development and production activities, if any, will depend on our ability to obtain additional external financing. Any unexpected costs, problems or delays could severely impact our ability to continue ~~explorationand~~ --- **exploration and** development activities. The failure to meet ongoing obligations on a timely basis could result in a loss or a substantial dilution of our interests in projects. The sources of external financing that we may use for these purposes include project or bank financing or public or private offerings of equity and debt. In addition, we may enter into one or more strategic alliances or joint ventures, in addition to our joint venture with South32, sell marketable securities held by the Company, decide to sell certain property interests, or utilize one or a combination of all of these alternatives. The financing alternative we choose may not be available on acceptable terms, or at all. If additional financing is not available, we may have to postpone further exploration or development of, or sell our interest in, one or more of our principal properties. Even if one of our mineral projects is determined to be economically viable to develop into a mine, such development may not be successful. If the development of one of our projects is found to be economically feasible and approved by our **board of directors (the "** Board **")** and in the case of the UKMP Projects, by our joint venture partner, South32, such development will require obtaining permits and financing, the construction and operation of mines, processing plants and related infrastructure, including road access. As a result, we are and will continue to be subject to all of the risks associated with establishing new mining operations, including: ● the timing and cost, which can be considerable, of the construction of mining and processing facilities and related infrastructure; ● the availability and cost of skilled labor and mining equipment; ● the availability and cost of appropriate smelting and refining arrangements; ● the need to obtain necessary environmental and other governmental approvals and permits and the timing of the receipt of those approvals and permits; ● the availability of funds to finance construction and development activities; ● potential opposition from non- governmental organizations, environmental groups or local groups which may delay or prevent development activities; and ● potential increases in construction and operating costs due to changes in the cost of fuel, power, materials and supplies. The costs, timing and complexities of developing our projects may be greater than anticipated because our property interests are not located in developed areas, and, as a result, our property interests are not currently served by appropriate road access, water and power supply and other support infrastructure. Cost estimates may increase significantly as more detailed engineering work is completed on a project. It is common in new mining operations to experience unexpected costs, problems and delays during construction, development and mine start- up. In addition, delays in the early stages of mineral production often occur. Accordingly, we cannot provide assurance that we will ever achieve, or that our activities will result in, profitable mining operations at the UKMP Projects or any other property that we may acquire. In addition, there can be no assurance that our mineral exploration activities will result in any discoveries of new mineralization. If further mineralization is discovered there is also no assurance that the mineralization would be economical for commercial production. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved.

The commercial viability of a mineral deposit is also dependent upon a number of factors which are beyond our control, including the attributes of the deposit, commodity prices, government policies and regulation and environmental protection. ~~15The~~ **14The** Upper Kobuk Mineral Projects are located in a remote area of Alaska, and access to them is limited. Exploration and any future development or production activities may be limited and delayed by infrastructure challenges, inclement weather and a shortened exploration season. We cannot provide assurances that the proposed AAP that would provide access to the Ambler ~~mining~~ **Mining** ~~district~~ **District** will be built, that it will be built in a timely manner, that the cost of accessing the proposed road will be reasonable, that it will be built in the manner contemplated, or that it will sufficiently satisfy the requirements of the Upper Kobuk Mineral Projects. The proposed AAP requires significant permitting and approvals, and the JROD issued in 2020 is currently subject to lawsuits which could delay or prevent the project. Further, changes in the U. S. federal administration may result in changes in interpretations or ~~priorties~~ **priorities** which may further delay or prevent the proposed AAP. In addition, successful development of the Upper Kobuk Mineral Projects will require the development of the necessary infrastructure. If adequate infrastructure is not available in a timely manner, there can be no assurance that: ● the development of the Upper Kobuk Mineral Projects will be commenced or completed on a timely basis, if at all; ● the resulting operations will achieve the anticipated production volume; or ● the construction costs and operating costs associated with the development of the Upper Kobuk Mineral Projects will not be higher than anticipated. As the Upper Kobuk Mineral Projects are located in a remote area, exploration, development and production activities may be limited and delayed by inclement weather and a shortened exploration season. The exploration of the UKMP Projects has also been impacted by COVID- 19. See " Risks Related to **the future of** COVID- 19 " above. We are dependent on a third party that participates in exploration and development of our Upper Kobuk Mineral Projects. In December 2019, South32 exercised its option to acquire a 50 % interest in Ambler Metals. The formation of Ambler Metals was completed in February 2020 and Ambler Metals now owns the Upper Kobuk Mineral Projects. Our success with respect to the Upper Kobuk Mineral Projects depends on the efforts and expertise of South32 with whom we have contracted; we hold a 50 % interest and the remaining 50 % interest is held by South32, who is not under our control or direction. We are dependent on them for the progress and development of the Upper Kobuk Mineral Projects. South32 may also have different priorities which could impact the timing and cost of development of the Upper Kobuk Mineral Projects. The third party may also be in default of its agreement with us, without our knowledge, which may put the mineral property and related assets at risk. The existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on our ability to achieve our business plan, profitability, or the viability of our interests held with the third party, which could have a material adverse impact on our business, future cash flows, earnings, results of operations and financial condition: (i) disagreement with our business partner on how to develop and operate the Upper Kobuk Mineral Projects efficiently; (ii) inability to exert influence over certain strategic decisions made in respect of the jointly- held Upper Kobuk Mineral Projects; (iii) inability of our business partner to meet its obligations to the joint business or third parties; and (iv) litigation with our business partner regarding joint business matters. We have no history of production and no revenue from mining operations. We have a very limited history of operations and to date have generated no revenue from mining operations. As such, we are subject to many risks common to such enterprises, including under- capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of significant revenues. There is no assurance that the Upper Kobuk Mineral Projects, or any other future projects will be commercially mineable, and we may never generate revenues from our mining operations. ~~16Changes~~ **15Changes** in the market price of copper, zinc and other metals, which in the past have fluctuated widely, will affect our ability to finance continued exploration and development of our projects and affect our operations and financial condition. Our long- term viability will depend, in large part, on the market price of copper, zinc and other metals. The market prices for these metals are volatile and are affected by numerous factors beyond our control, including: ● global or regional consumption patterns; ● the supply of, and demand for, these metals; ● speculative activities; ● the availability and costs of metal substitutes; ● expectations for inflation; and ● political and economic conditions, including interest rates and currency values. We cannot predict the effect of these factors on metal prices. A decrease in the market price of copper, zinc and other metals could affect our ability to raise funds to finance the exploration and development of any of our mineral projects, which would have a material adverse effect on our financial condition and results of operations. The market price of copper, zinc and other metals may not remain at current levels. In particular, an increase in worldwide supply, and consequent downward pressure on prices, may result over the longer term from increased copper production from mines developed or expanded as a result of current metal price levels. There is no assurance that a profitable market may exist or continue to exist. Title and other rights to our properties may be subject to challenge. We cannot provide assurance that title to our properties will not be challenged. We (through our interest in Ambler Metals) indirectly own mineral claims which constitute our property holdings. We may not have, or may not be able to obtain, all necessary surface rights to develop a property. Title insurance is generally not available for mineral properties and our ability to ensure that we have obtained a secure claim to individual mining properties may be severely constrained. Our mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. We have not conducted surveys of all of the claims in which we hold direct or indirect interests. A successful claim contesting our title to a property will cause us to lose our rights to explore and, if warranted, develop that property or undertake or continue production thereon. This could result in our not being compensated for our prior expenditures relating to the property. In addition, our ability to continue to explore and develop the property may be subject to agreements with other third parties including agreements with native corporations and first nations groups, for instance, the lands at the Upper Kobuk Mineral Projects are subject to the NANA Agreement (as more particularly described under" History of Trilogy- Agreement with NANA Regional Corporation"). We will incur losses for the foreseeable future. We expect to incur losses unless and until such time as our mineral projects generate sufficient revenues to fund continuing operations. The exploration and development of our mineral properties will require the commitment of substantial financial resources that may not be available. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners and the acquisition of additional property interests, some of which are beyond our control. We cannot provide assurance that we will ever achieve profitability. ~~17High~~ **16High** metal prices in past years have encouraged increased mining exploration, development and construction activity, which has increased demand for, and cost of, exploration, development and construction services and equipment. The relative strength of metal prices in past years has encouraged increases in mining exploration, development and construction activities around the world, which has resulted in increased demand for, and cost of, exploration, development and construction services and equipment. Increased demand for and cost of services and equipment could result in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability and may cause scheduling difficulties due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development and / or construction costs. Risks Relating to the Mining Industry and Mineral ReservesMineral resource and reserve calculations are only estimates. Any figures presented for mineral resources or reserves in this Form 10- K and in our other filings with securities regulatory authorities and those which may be presented in the future are and will only be estimates. There is a degree of uncertainty attributable to the calculation of mineral reserves and mineral resources. Until mineral reserves or mineral resources are actually mined and processed, the quantity of metal and grades must be considered as estimates only and no assurances can be given that the indicated levels of metals will be produced. In making determinations about whether to advance any of our projects to development, we must rely upon estimated calculations as to the mineral resources or reserves and grades of mineralization on our properties. The estimating of mineral reserves and mineral resources is a subjective process that relies on the judgment of the persons preparing the estimates. The process relies on the quantity and quality of available data and is based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While we believe that the mineral resource estimates included in this Form 10- K for the Upper Kobuk Mineral Projects are well- established and reflect management' s best estimates, by their nature mineral resource estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. There can be no assurances that actual results will meet the estimates contained in feasibility studies or pre- feasibility studies. As well, further studies are required. Estimated mineral reserves or mineral resources may have to be recalculated based on changes in metal prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral reserve or mineral resource estimates. The extent to which mineral resources may ultimately be reclassified as mineral reserves is dependent upon the demonstration of their profitable recovery. Any material changes in mineral resource estimates and grades of mineralization will affect the economic viability of placing a property into production and a property' s return on capital. We cannot provide assurance that mineralization can be mined or processed profitably. Our mineral resource estimates have been determined and valued based on assumed future metal prices, cut- off grades and operating costs that may prove to be inaccurate. Extended declines in market prices for copper, zinc, lead, gold and silver may render portions of our mineralization uneconomic and result in reduced reported mineral resources, which in turn could have a material adverse effect on our results of operations or financial condition. We cannot provide assurance that mineral recovery rates achieved in small scale tests will be duplicated in large scale tests under on- site conditions or in production scale. A reduction in any mineral reserves that may be estimated by us could have an adverse impact on our future cash flows, earnings, results of operations and financial condition. No assurances can be given that any mineral resource estimates for the Upper Kobuk Mineral Projects will ultimately be reclassified as mineral reserves. See " Cautionary Note to United States Investors. " ~~18Significant~~ **17Significant** uncertainty exists related to inferred mineral resources. There is a risk that inferred mineral resources referred to in this Form 10- K cannot be converted into measured or indicated mineral resources as there may be limited ability to assess geological continuity. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. See " Cautionary Note to United States Investors. " Mining is inherently risky and subject to conditions or events beyond our control. The development and operation of a mine is inherently dangerous and involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome, including: ● unusual or unexpected geological formations; ● metallurgical and other processing problems; ● metal losses; ● environmental hazards; ● power outages; ● labor disruptions; ● industrial accidents; ● periodic interruptions due to inclement or hazardous weather conditions; ● flooding, explosions, fire, rockbursts, cave- ins and landslides; ● mechanical equipment and facility performance problems; and ● the availability of materials and equipment. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, including to our employees, environmental damage, delays in mining, increased production costs, asset write downs, monetary losses and possible legal liability. We may not be able to obtain insurance to cover these risks at economically feasible premiums, or at all. The Company' s insurance premiums have increased in recent years and in other circumstances the scope of insurance coverage has been reduced. The Company also expects insurance premiums to increase due to the impacts of COVID- 19. Insurance against certain environmental risks, including potential liability for pollution and other hazards associated with mineral exploration and production, is not generally available to companies within the mining industry. We may suffer a material adverse effect on our business if we incur losses related to any significant events that are not covered by our insurance policies. We cannot provide assurance that we will successfully acquire commercially mineable mineral rights. Exploration for and development of copper properties involves significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling, constructing mining and processing facilities at a site, developing metallurgical processes and extracting metals from ore. We cannot ensure that our current exploration and development programs will result in profitable commercial mining operations. ~~19The~~ **18The** economic feasibility of development projects is based upon many factors, including the accuracy of mineral resource estimates; metallurgical recoveries; capital and operating costs; government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting and environmental protection; and metal prices, which are highly volatile. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing. Most exploration projects do not result in the discovery of commercially mineable ore deposits, and no assurance can be given that any anticipated level of recovery of ore reserves, if any, will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of mineral reserves, mineral resources, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, the metallurgy of the mineralization forming the mineral deposit, unusual or unexpected geological formations and work interruptions. If current exploration programs do not result in the discovery of commercial ore, we may need to write- off part or all of our investment in our existing exploration stage properties and may need to acquire additional properties. Material changes in mineral reserves, if any, grades, stripping ratios or recovery rates may affect the economic viability of any project. Our future growth and productivity will depend, in part, on our ability to develop commercially mineable mineral rights at our existing properties or identify and acquire other commercially mineable mineral rights, and on the costs and results of continued exploration and potential development programs. Mineral exploration is highly speculative in nature and is frequently non-productive. Substantial expenditures are required to: ● establish mineral resources and reserves through drilling and metallurgical and other testing techniques; ● determine metal content and metallurgical recovery processes to extract metal from the ore; and ● construct, renovate or expand mining and processing facilities. In addition, if we discover ore, it would take several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of production may change. As a result of these uncertainties, there can be no assurance that we will successfully acquire commercially mineable (or viable) mineral rights. Risks Relating to Government RegulationWe are subject to significant governmental regulations. Our exploration activities are subject to extensive federal, state, provincial and local laws and regulations governing various matters, including: ● environmental protection; ● the management and use of toxic substances and explosives; ● the management of natural resources; ● the exploration and development of mineral properties, including reclamation; ● exports; ● price controls; ● taxation and mining royalties; ● management of tailing and other waste generated by operations; ~~20~~ **19** ● labor standards and occupational health and safety, including mine safety; ● historic and cultural preservation; and ● transportation. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining, curtailing or closing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in significant expenditures. We may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause us to incur additional expense or capital expenditure restrictions, suspensions or closing of our activities and delays in the exploration and development of our properties. We require further permits in order to conduct current and anticipated future operations, and delays in obtaining or failure to obtain such permits, or a failure to comply with the terms of any such permits that we have obtained, would adversely affect our business. Our current and anticipated future operations, including further exploration, development and commencement of production on our mineral properties, require permits from various governmental authorities. Obtaining or renewing governmental permits is a complex and time- consuming process. The duration and success of efforts to obtain and renew permits are contingent upon many variables not within our control. Due to the preliminary stages of the Upper Kobuk Mineral Projects, it is difficult to assess what specific permitting requirements will ultimately apply. Shortage of qualified and experienced personnel in the U. S. federal and Alaskan State agencies to coordinate a federally led joint environmental impact statement process could result in delays or inefficiencies. Backlog within the permitting agencies could affect the permitting timeline or potential of the Upper Kobuk Mineral Projects, as may negative public perception of mining projects in general due to circumstances unrelated to the Company and outside of its control. Other factors that could affect the permitting timeline include (i) the number of other large- scale projects currently in a more advanced stage of development which could slow down the review process for the Upper Kobuk Mineral Projects and (ii) significant public response regarding the Upper Kobuk Mineral Projects. We cannot provide assurance that all permits that we require for our operations, including any for construction of mining facilities or conduct of mining, will be obtainable or renewable on reasonable terms, or at all. Delays or a failure to obtain such required permits, or the expiry, revocation or failure to comply with the terms of any such permits that we have obtained, would adversely affect our business. Our activities are subject to environmental laws and regulations that may increase our costs and restrict our operations. All of our exploration, potential development and production activities are subject to regulation by governmental agencies under various environmental laws. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Environmental legislation is evolving, and the general trend has been towards stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on our behalf and may cause material changes or delays in our intended activities. Several regulatory initiatives are currently ongoing within the State of Alaska that have the potential to influence the permitting process for the Upper Kobuk Mineral Projects. These include revisions to Alaska' s Water Quality Standards regarding mixing zones regulations, which are currently under Environmental Protection Agency review, and which revisions may be required in order to authorize a mixing zone for discharge in Subarctic Creek. Future changes in these ~~21laws~~ **20laws** or regulations could have a significant adverse impact on some portion of our business, requiring us to re- evaluate those activities at that time. Environmental hazards may exist on our properties that are unknown to us at the present time and that have been caused by previous owners or operators or that may have occurred naturally. We may be liable for remediating such damage. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities, causing operations to cease or to be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Land reclamation requirements for our exploration properties may be burdensome. Land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance. Reclamation may include requirements to: ● treat ground and surface water to applicable water quality standards; ● control dispersion of potentially deleterious effluents; and ● reasonably re- establish pre- disturbance landforms and vegetation. In order to carry out reclamation obligations imposed on us in connection with exploration, potential development and production activities, we must allocate financial resources that might otherwise be spent on further exploration and development programs. In addition, regulatory changes could increase our obligations to perform reclamation and mine closing activities. If we are required to carry out unanticipated reclamation work, our financial position could be adversely affected. Risks Related to the Acquisition of New ProjectsRisks inherent in acquisitions of new properties. We may actively pursue the acquisition of exploration, development and production assets consistent with our acquisition and growth strategy. From time to time, we may also acquire securities of or other interests in companies with respect to which we may enter into acquisitions or other transactions. Acquisition transactions involve inherent risks, including but not limited to: ● accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates; ● ability to achieve identified and anticipated operating and financial synergies; ● unanticipated costs; ● diversion of management attention from existing business; ● potential loss of our key employees or key employees of any business acquired; ● unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; ● decline in the value of acquired properties, companies or securities; ~~22~~ **21** ● assimilating the operations of an acquired business or property in a timely and efficient manner; ● maintaining our financial and strategic focus while integrating the acquired business or property; ● implementing uniform standards, controls, procedures and policies at the acquired business, as appropriate; and ● to the extent that we make an acquisition outside of markets in which it has previously operated, conducting and managing operations in a new operating environment. Acquiring additional businesses or properties could place increased pressure on our cash flow if such acquisitions involve a cash consideration. The integration of our existing operations with any acquired business will require significant expenditures of time, attention and funds. Achievement of the benefits expected from consolidation would require us to incur significant costs in connection with, among other things, implementing financial and planning systems. We may not be able to integrate the operations of a recently acquired business or restructure our previously existing business operations without encountering difficulties and delays. In addition, this integration may require significant attention from our management team, which may detract attention from our day- to- day operations. Over the short- term, difficulties associated with integration could have a material adverse effect on our business, operating results, financial condition and the price of our Common Shares. In addition, the acquisition of mineral properties may subject us to unforeseen liabilities, including environmental liabilities, which could have a material adverse effect on us. There can be no assurance that any future acquisitions will be successfully integrated into our existing operations. Any one or more of these factors or other risks could cause us not to realize the anticipated benefits of an acquisition of properties or companies and could have a material adverse effect on our financial condition. We face industry competition in the acquisition of exploration properties and the recruitment and retention of qualified personnel. We compete with other exploration and producing companies, many of which are better capitalized, have greater financial resources, operational experience and technical capabilities or are further advanced in their development or are significantly larger and have access to greater mineral reserves, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. If we require and are unsuccessful in acquiring additional mineral properties or in recruiting and retaining qualified personnel, we will not be able to grow at the rate we desire, or at all. Risks Related to the Company' s Executive Officers and Board of DirectorsWe may experience difficulty attracting and retaining qualified management and technical personnel to grow our business. We are dependent on the services of key executives and other highly skilled and experienced personnel to advance our corporate objectives as well as the identification of new opportunities for growth and funding. Mr. Giardini and Ms. Sanders are currently our only executive officers. It will be necessary for us to recruit additional skilled and experienced executives. Our inability to do so, or the loss of any of these persons or our inability to attract and retain suitable replacements for them, or additional highly skilled employees required for our activities, would have a material adverse effect on our business and financial condition. Some of our directors and officers have conflicts of interest as a result of their involvement with other natural resource companies. Certain of our directors and officers also serve as directors or officers, in other companies involved in natural resource exploration and development or mining- related activities, including, in particular, NovaGold. To the extent that such other companies may participate in ventures in which we may participate in, or in ventures which we may seek to ~~23participate~~ **22participate** in, our directors and officers may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In all cases where our directors and officers have an interest in other companies, such other companies may also compete with us for the acquisition of mineral property investments. Any decision made by any of these directors and officers involving Trilogy will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of Trilogy and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which these directors may have a conflict of interest in accordance with the procedures set forth in the Business Corporations Act (British Columbia) and other applicable laws. In appropriate cases, the Company will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Nonetheless, as a result of these conflicts of interest, the Company may not have an opportunity to participate in certain transactions, which may have a material adverse effect on the Company' s business, financial condition, results of operation and prospects. ~~In the future, we may be subject to legal proceedings. Due to the nature of our business, we may be subject to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of our business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on our business.~~ General Risk FactorsGeneral economic conditions may adversely affect our growth, future profitability and ability to finance. The unprecedented events in global financial markets in the past several years and the ~~current~~ impact of COVID- 19 have had a profound impact on the global economy. Many industries, including the copper mining industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market liquidity. A worsening or slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and ability to finance. Specifically: ● the volatility of copper, zinc, lead and other metal prices would impact our estimates of mineral resources, revenues, profits, losses and cash flow, and the feasibility of our projects; ● negative economic pressures could adversely impact demand for our future production, if any; ● construction related costs could increase and adversely affect the economics of any project; ● volatile energy, commodity and consumables prices and currency exchange rates could impact our estimated production costs; and ● the devaluation and volatility of global stock markets would impact the valuation of our equity and other securities. Future sales or issuances of equity securities could decrease the value of any existing Common Shares, dilute investors' voting power and reduce our earnings per share. We may sell additional equity securities (including through the sale of securities convertible into Common Shares) and may issue additional equity securities to finance our operations, exploration, development, acquisitions or other projects. We are authorized to issue an unlimited number of Common Shares. We cannot predict the size of future sales ~~24and~~ -- **and** issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in our earnings per share. ~~Our~~ **23Our** largest shareholder has significant influence on us and may also affect the market price and liquidity of the securities. Electrum Strategic Opportunities Fund L. P. (" Electrum ") is our single largest shareholder, controlling approximately 20 % of the outstanding voting securities. Accordingly, Electrum will have significant influence in determining the outcome of any corporate transaction or other matter submitted to the shareholders for approval, including mergers, consolidations and the sale of all or substantially all of our assets and other significant corporate actions. Unless significant participation of other shareholders takes place in such shareholder meetings, Electrum may be able to approve such matters itself. The concentration of ownership of the shares by Electrum may: (i) delay or deter a change of control of the Company; (ii) deprive shareholders of an opportunity to receive a premium for their shares as part of a sale of the Company; and (iii) affect the market price and liquidity of the shares. Without the consent of Electrum, we could be prevented from entering into transactions that are otherwise beneficial to us. The interests of Electrum may differ from or be adverse to the interests of our other shareholders. The effect of these rights and Electrum' s influence may impact the price that investors are willing to pay for securities. If Electrum sells a substantial number of shares in the public market, the market price of the shares could fall. The perception among the public that these sales will occur could also contribute to a decline in the market price of the shares. Our Common Shares are subject to various factors that have historically made share prices volatile. The market price of our Common Shares may be subject to large fluctuations, which may result in losses to investors. The market price of the Common Shares may increase or decrease in response to a number of events and factors, including: our operating performance and the performance of competitors and other similar companies; volatility in metal prices; the arrival or departure of key personnel; the number of Common Shares to be publicly traded after an offering; the public' s reaction to our press releases, material change reports, other public announcements and our filings with the various securities regulatory authorities; changes in earnings estimates or recommendations by research analysts who track the Common Shares or the shares of other companies in the resource sector; changes in general economic and / or political conditions; acquisitions, strategic alliances or joint ventures involving us or our competitors; and the factors listed under the heading " Cautionary Statement Regarding Forward- Looking Information. " The market price of the Common Shares may be affected by many other variables which are not directly related to our success and are, therefore, not within our control, including other developments that affect the market for all resource sector securities, the breadth of the public market for the Common Shares and the attractiveness of alternative investments. We do not intend to pay any cash dividends in the foreseeable future. We have not declared or paid any dividends on our Common Shares. Our current business plan requires that for the foreseeable future, any future earnings be reinvested to finance the growth and development of our business. We do not intend to pay cash dividends on the Common Shares in the foreseeable future. We will not declare or pay any dividends until such time as our cash flow exceeds our capital requirements and will depend upon, among other things, conditions then existing including earnings, financial condition, restrictions in financing arrangements, business opportunities and conditions and other factors, or our Board determines that our shareholders could make better use of the cash. ~~25We~~ **We** may be a " passive foreign investment company " in future periods, which may have adverse U. S. federal income tax consequences for U. S. shareholders. U. S. investors in the Company should be aware that we believe we were not a passive foreign investment company (" PFIC ") for the

tax years ending November 30, ~~2015, 2016, 2017,~~ 2020 and 2021 **,** but we believe we were a PFIC for the **tax** years ending November 30, 2018, 2019 ~~and~~ **,** 2022 **and 2023** and may be a PFIC in future tax years. If we are a PFIC for any year during a U. S. Holder' s (as defined below under Certain U. S. Federal Income Tax Considerations – U. S. Holders ") holding period, then such U. S. Holder generally will be required to treat any gain realized upon a disposition of Common Shares and any so-called " excess distribution " received on its Common Shares as ordinary income, and to pay an interest charge on a ~~portion~~ **24portion** of such gain or distributions, unless the shareholder makes a timely and effective " QEF Election " or a " Mark- to-Market Election " (each as defined below under " Certain U. S. Federal Income Tax Considerations – Default PFIC Rules under Section 1291 of the Code "). A U. S. Holder who makes a QEF Election generally must report on a current basis its share of our net capital gain and ordinary earnings for any year in which we are a PFIC, whether or not we distribute any amounts to our shareholders. A U. S. Holder who makes the Mark- to- Market Election generally must include as ordinary income each year the excess of the fair market value of the Common Shares over the U. S. Holder' s tax basis therein. This paragraph is qualified in its entirety by the discussion below the heading " Certain U. S. Federal Income Tax Considerations. " Each U. S. shareholder should consult its own tax advisor regarding the PFIC rules and the U. S. federal income tax consequences of the acquisition, ownership, and disposition of Common Shares. **Proposed legislation in the U. S. Congress, including changes in U. S. tax law, and the Inflation Reduction Act of 2022, may adversely impact the Company and the value of Common Shares. Changes to U. S. tax laws (which changes may have retroactive application) could adversely affect the Company or holders of Common Shares. In recent years, many changes to U. S. federal income tax laws have been proposed and made, and additional changes to U. S. federal income tax laws are likely to continue to occur in the future. The U. S. Congress is currently considering numerous items of legislation which may be enacted prospectively or with retroactive effect, which legislation could adversely impact the Company' s financial performance and the value of Common Shares. Additionally, U. S. states in which we operate or own assets may impose new or increased taxes. If enacted, most of the proposals would be effective for the current or later years. The proposed legislation remains subject to change, and its impact on the Company and purchasers of Common Shares is uncertain. In addition, the Inflation Reduction Act of 2022 includes provisions that will impact the U. S. federal income taxation of corporations. Among other items, this legislation includes provisions that will impose a minimum tax on the book income of certain large corporations and an excise tax on certain corporate stock repurchases that would be imposed on the corporation repurchasing such stock. It is unclear how this legislation will be implemented by the U. S. Department of the Treasury and we cannot predict how this legislation or any future changes in tax laws might affect the Company or purchasers of Common Shares.** Global climate change is an international concern and could impact our ability to conduct future operations. Global climate change is an international issue and receives an enormous amount of publicity. We would expect that the imposition of international treaties or U. S. or Canadian federal, state, provincial or local laws or regulations pertaining to mandatory reductions in energy consumption or emissions of greenhouse gasses could affect the feasibility of our mining projects and increase our operating costs. Adverse publicity from non- governmental organizations could have a material adverse effect on us. There is an increasing level of public concern relating to the effect of mining production on our surroundings, communities and environment. Non- governmental organizations (" NGOs "), some of which oppose resource development, are often vocal critics of the mining industry. While we seek to operate in a socially responsible manner, adverse publicity generated by such NGOs related to extractive industries, or our operations specifically, could have an adverse effect on our reputation and financial condition or our relationship with the communities in which we operate. We may fail to achieve and maintain the adequacy of our internal control over financial reporting as per the requirements of the Sarbanes- Oxley Act. We are required to document and test our internal control procedures in order to satisfy the requirements of Section 404 of SOX. It requires an annual assessment by management of the effectiveness of our internal control over financial reporting. We may in the future fail to achieve and maintain the adequacy of our internal control over financial reporting, as such standards are modified, supplemented or amended from time to time, and we may not be able to ensure that **25** ~~we can conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of SOX. Our failure to satisfy the requirements of Section 404 of SOX on an ongoing, timely basis could result in the loss of investor confidence in the reliability of our financial statements, which in turn could harm our business and negatively impact the trading price of our Common Shares. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm our operating results or cause us to fail to meet our reporting obligations. Future acquisitions of companies may provide us with challenges in implementing the required processes, procedures and controls in our acquired operations. Acquired companies may not have disclosure control and procedures or internal control over financial reporting that are as thorough or effective as those required by securities laws currently applicable to us. 26~~