Calgary, Alberta

August 2, 2017

News Release: Trilogy Energy Corp. Announces Financial and Operating Results for the Three and Six Months-Ended June 30, 2017

Trilogy Energy Corp. (TSX: TET) ("Trilogy") is pleased to announce its financial and operating results for the three and six months-ended June 30, 2017.

Financial and Operating Highlights

- Reported sales volumes for the second quarter of 2017 decreased 14 percent to 21,669 Boe/d (36 percent liquids) as compared to 25,133 Boe/d (38 percent liquids) for the first quarter of 2017. The decrease was attributed to dispositions of assets at the end of May, scheduled and non-scheduled plant and pipeline outages, new well production declines and for wet surface conditions which precluded access and production from a number of sites. Year-over-year, for the six months ended June 30, reported sales volumes increased by 9 percent on new well production at Trilogy's Montney oil play and resumed production on less economic plays in conjunction with recovering commodity prices in the latter part of 2016. Liquids composition increased year-over-year by 7 percent to 37 percent of total reported sales volumes. Production for July is estimated to be approximately 25,000 Boe/d and production volumes are expected to average approximately 25,000 Boe/d for the third quarter of 2017;
- Average realized pricing, after hedges, decreased by 10 percent to $32.28/Boe ($31.08/Boe before hedges) in the second quarter of 2017 from $35.97/Boe ($33.64/Boe before hedges) in the previous quarter. Year over year, for the six months ended June 30, average realized pricing, after hedges, increased 42 percent (50 percent before hedges) over 2016;
- Funds flow from operations (1) decreased 31 percent to $24.9 million for the second quarter of 2017 as compared to $36.4 million for the previous quarter. Year over year, for the six months ended June 30, funds flow from operations increased by 240 percent in 2017 to $61.3 million from $18.0 million in 2016;
- Trilogy drilled 3.0 net wells in the second quarter for a total year-to-date of 12.0 net wells drilled. Capital expenditures, prior to acquisitions and dispositions, totaled $22.1 million for the second quarter compared to $41.6 million for the first quarter;
- Trilogy completed the sale in the second quarter of non-core oil and gas properties for proceeds of approximately $110 million. The proceeds were applied against Trilogy's Revolving Credit Facility. Net debt (1) decreased, on the disposition, to $466.9 million as at June 30, 2017 from $588.6 million as at December 31, 2016. Capacity under the Company's Revolving Credit Facility is approximately $111 million as at the end of the second quarter;
- Subsequent to the quarter, Trilogy has announced that it has entered into an agreement to merge with Paramount Resources Ltd. ("Paramount"). Under the merger, Paramount would acquire all of the common shares and non-voting shares of Trilogy not already owned by Paramount in exchange for common shares of Paramount on the basis of one Paramount share for every 3.75 Trilogy shares. The merger is to be effected by way of an arrangement under the Business Corporations Act (Alberta) and is subject to shareholder and court approvals, including minority shareholder approval by the shareholders of each of Trilogy and Paramount, and the fulfilment of other conditions that are typical for transactions of this nature. The special meetings of shareholders are expected to be held in September 2017. If all approvals are received and other closing conditions satisfied, the merger is expected to be completed that month. The senior unsecured notes of Trilogy will remain outstanding following completion of the merger as the merger will not trigger any change of control payments. Following the merger, the outstanding Trilogy options will entitle the option holders to acquire Paramount shares rather than Trilogy shares at an adjusted exercise price, based on the exchange ratio for the merger and in accordance with the options' original vesting schedules.

(1) Refer to Non-GAAP measures

Financial and Operating Highlights Table

(In thousand Canadian dollars except per share amounts and where stated otherwise)

	Three Months Ended			Six Months Ended June 30		
	June 30, 2017	**March 31, 2017**	**Change %**	**2017**	**2016**	**Change %**
FINANCIAL						
Petroleum and natural gas sales	**61,280**	76,089	(19)	**137,369**	84,652	62
Funds flow						
From operations[1]	**24,941**	36,382	(31)	**61,322**	18,034	240
Per share - diluted	**0.20**	0.29	(31)	**0.48**	0.14	239
Earnings						
Income (loss) before tax	**36,030**	10,874	231	**46,903**	(74,455)	163
Per share - diluted	**0.29**	0.09	232	**0.37**	(0.59)	163
Income (loss) after tax	**24,855**	7,694	223	**32,548**	(56,657)	157
Per share - diluted	**0.20**	0.06	224	**0.26**	(0.45)	157
Capital expenditures						
Exploration, development, land, and facility	**22,116**	41,658	(47)	**63,773**	23,355	173
Acquisitions (dispositions) and other - net	**(108,977)**	(675)	16,045	**(109,652)**	(412)	26,515
Net capital expenditures	**(86,861)**	40,983	(312)	**(45,879)**	22,943	(300)
Total assets	**1,133,387**	1,230,978	(8)	**1,133,387**	1,237,887	(8)
Net debt[1]	**466,875**	583,777	(20)	**466,875**	561,585	(17)
Shareholders' equity	**398,421**	372,525	7	**398,421**	398,975	-
Total shares outstanding (thousands)						
- As at end of period [2]	**126,133**	126,106	-	**126,133**	126,064	-
OPERATING						
Production						
Natural gas (MMcf/d)	**84**	93	(10)	**88**	90	(2)
Oil (Bbl/d)	**5,221**	6,305	(17)	**5,760**	4,090	41
Condensate (Boe/d)	**1,474**	2,059	(28)	**1,765**	1,590	11
Natural gas liquids (Boe/d)	**1,043**	1,207	(14)	**1,125**	860	31
Total production (Boe/d @ 6:1)	**21,669**	25,133	(14)	**23,391**	21,543	9
Liquids Composition (percentage)	**36**	**38**	**(6)**	**37**	**30**	**22**
Average prices after financial instruments						
Natural gas ($/Mcf)	**3.04**	3.63	(16)	**3.35**	2.10	60
Crude Oil ($/Bbl)	**62.08**	62.69	(1)	**62.41**	44.07	42
Condensate ($/Boe)	**61.86**	63.25	(2)	**62.67**	49.64	26
Natural gas liquids ($/Boe)	**28.57**	32.95	(13)	**30.91**	19.42	59
Average realized price ($/Boe)	**32.28**	35.97	(10)	**34.25**	24.05	42
Drilling activity (gross)						
Gas	**4**	4	-	**8**	3	167
Oil	**-**	6	(100)	**6**	3	100
Total wells	**4**	10	(60)	**14**	6	133

(1) Funds flow from operations and net debt are non-GAAP terms. Please refer to the advisory on Non-GAAP measures below.

(2) Excluding shares held in trust for the benefit of Trilogy's officers and employees under the Company's Share Incentive Plan. Includes Common Shares and Non-voting Shares. Refer to the notes to the Annual Audited Consolidated Financial Statements for additional information.

Operations Update for the Second Quarter 2017

Trilogy's second quarter 2017 production was 21,669 Boe/d (36 percent oil and natural gas liquids), a decrease of 14 percent from first quarter 2017 production of 25,133 Boe/d (38 percent oil and natural gas liquids). The decrease in second quarter production reflects the impact of the previously announced asset sales in Grande Prairie and Kaybob (approximately 900 Boe/d), scheduled and non-scheduled plant and pipeline outages (approximately 700 Boe/d) and delays in bringing on some of the wells drilled in the first quarter as a result of a prolonged spring break up in the Kaybob area during the second quarter. New horizontal Montney oil wells drilled and completed in the first quarter 2017 offset a portion of the impact of natural production declines, asset sales and infrastructure outages and restrictions. Production for July is estimated to be approximately 25,000 Boe/d and production volumes are expected to average approximately 25,000 Boe/d for the third quarter of 2017.

Second quarter funds flow from operations were $24.9 million and capital expenditures, before dispositions, totaled $22.1 million. Year-to-date funds flow from operations totaled $61.3 million, while year-to-date capital expenditures were $63.8 million. The Company currently plans to continue with its Montney oil drilling and completion program in the second half of the year and is evaluating whether to proceed with its budgeted 4 well Duvernay pad in the Smoky area, for budgeted annual capital expenditures of approximately $130 million, or defer this project, in which case capital expenditures are expected to be approximately $100 million.

Asset Sales

In the second quarter, Trilogy completed the sale of two non-core asset sales. The sale of the Valhalla property in the Grande Prairie area closed on May 30, 2017 for $50 million (before customary adjustments) and included approximately 1,100 Boe/d of production (16 percent oil and natural gas liquids), 44,000 net acres of mineral rights, 1.8 MMBoe of Total Proved Developed Producing reserves and 5.5 MMBoe of Total Proved Plus Probable reserves.

The second asset sale closed on May 31, 2017, for total proceeds of $60 million (before customary adjustments) and included approximately 600 Boe/d of production (30 percent condensate and natural gas liquids), 9.7 net sections of primarily Duvernay mineral rights, 0.9 MMBoe of Total Proved Developed Producing reserves and Trilogy`s 11 percent working interest in a non-operated gas plant.

Montney Oil Pool

The shift from hydrocarbon-based to slickwater fracture stimulations in early 2016 reduced completion costs and allowed the Company to economically increase proppant volume and decrease stage spacing, thereby better distributing proppant along the length of the lateral wellbore. Trilogy has varied sand volumes from 10 tonnes per stage in the Company's original horizontal Montney oil wells to as much as 20 tonnes per stage in recent wells. At the same time, stage spacing was reduced from 75 meters per stage in the original wells to 50 to 65 meters in recent wells. In addition, completion pump rates have increased substantially, resulting in increased fracture complexity. All of these factors combined have contributed to higher initial well productivity as compared to the Company's first generation Montney oil wells. In the third quarter, Trilogy will be completing its next multi-well pad with up to 25 - 32 tonnes per stage and reducing stage spacing to 42 – 55 meter intervals to further evaluate the impact that sand and stage spacing has on production and ultimate recoverable reserves.

Trilogy has allocated approximately $60 million to further develop its Montney oil pool in 2017. The majority of the capital will be allocated to drill 15 wells and complete 18 wells in the pool, incorporating the efficiencies from the Company's 2016 Montney drilling and completion program. Year-to-date, Trilogy has drilled 6 Montney oil wells into the pool, all in the first quarter. Drilling operations in the pool resumed in early July and will continue through most of the second half of the year. Current budget plans are to drill 9 additional horizontal wells through the second half of 2017; however, given continued success with the new completion program, Trilogy will have the option to drill up to 4 additional wells later in the fourth quarter. Trilogy also intends to allocate capital to a water disposal project, a gas reinjection project and to the construction of pad sites and pipelines intended for future development of the pool.

Presley Montney Gas Development

Trilogy's 2017 budget provided approximately $30 million to develop 6 (6.0 net) wells in the Presley Montney liquids-rich gas pool. In Presley, Trilogy has also reduced stage spacing from 100 meters to 75 meters and are testing 50 meter stage spacing. Proppant loading has also increased up to 30 tonnes per stage in the pool, resulting in a significant increase in total proppant per well. Trilogy drilled 3 (3.0 net) extended length horizontal wells (each approximately 2 miles in lateral length) into the pool in the first quarter and a 3-well pad (1 mile laterals) in the second quarter. One of the extended reach lateral wells was fracture stimulated in April and was on production in early May. The remaining 2 wells were expected to be completed in mid-May and on production in mid-June; however, a prolonged spring break-up prevented the wells from being completed until early July with production brought on in mid-July. The 3-well pad was completed in mid-July. Tie-in operations are currently underway and are expected to be complete in early August, contributing to third quarter production growth. Trilogy plans to continue preparing drilling locations and evaluating infrastructure alternatives for the Montney gas pool, in preparation for additional field development when commodity prices increase.

Duvernay Update

During the second quarter drilling, Trilogy did not participate in any new Duvernay drilling or completion operations. However, the industry's continued improvements in drilling and completion technologies which better stimulate the Duvernay shale reservoir are expected to result in higher productivity wells with higher ultimate recoverable reserves. Trilogy will continue to monitor the progress and will adapt to the evolving drilling and completion improvements when it starts its Duvernay development program. Trilogy has allocated approximately $35 million towards Duvernay projects in the second half of 2017. The decision as to whether or not to execute this portion of the 2017 capital budget will be made later in the year. Annual 2017 production guidance will not be impacted by this decision.

Subsequent Event

Subsequent to the end of the second quarter, Trilogy announced that it has entered into a Plan of Arrangement to merge with Paramount Resources Ltd. ("Paramount"). Under the merger, Paramount would acquire all of the common shares and non-voting shares of Trilogy not already owned by Paramount in exchange for common shares of Paramount on the basis of one Paramount share for each 3.75 Trilogy shares. The merger is to be effected by way of a an arrangement under the Business Corporations Act (Alberta) and is subject to shareholder and court approvals, including minority shareholder approval by the shareholders of both Trilogy and Paramount, and the fulfillment of other conditions that are typical of transactions of this nature. The special meetings of shareholders are expected to be held in September 2017. If all approvals are received and other closing conditions satisfied, the merger is expected to be completed that month.

Outlook

Trilogy maintains its plan to execute a 2017 capital spending budget that is within anticipated 2017 funds flow from operations based on Trilogy's 2017 actual and forecast production and pricing for the remainder of the year. The level of capital spending in the second half of the year will depend on commodity prices and will primarily impact the Duvernay projects later in 2017. The Grande Prairie and Kaybob non-core asset sales are not expected to have a significant impact on annual production or funds flow from operations.

Given the foregoing, Trilogy is reaffirming its 2017 annual guidance as follows:

- Average production: 24,000 Boe/d (~35% oil and NGLs)

- Average operating costs: $8.50/Boe
- Capital expenditures: $100 - $130 Million

Additional Information

Trilogy's financial and operating results for the second quarter of 2017, including Management's Discussion and Analysis and the Company's Unaudited Interim Consolidated Financial Statements and related Notes as at and for the quarter-ended June 30, 2017 can be obtained at http://media3.marketwire.com/docs/Q2_2017_REPORT.pdf . These reports will also be made available through Trilogy's website at www.trilogyenergy.com and SEDAR at www.sedar.com.

About Trilogy

Trilogy is a petroleum and natural gas-focused Canadian energy corporation that actively develops, produces and sells natural gas, crude oil and natural gas liquids. Trilogy's geographically concentrated assets are primarily, high working interest properties that provide abundant low-risk infill drilling opportunities and good access to infrastructure and processing facilities, many of which are operated and controlled by Trilogy. Trilogy's common shares are listed on the Toronto Stock Exchange under the symbol "TET".

Non-GAAP Measures

Certain measures used in this document, including "adjusted EBITDA", "consolidated debt", "finding and development costs", "funds flow from operations", "operating income", "net debt", "operating netback", "recycle ratio" and "senior debt" collectively the "Non GAAP measures" do not have any standardized meaning as prescribed by IFRS and previous GAAP and, therefore, are considered Non-GAAP measures. Non-GAAP measures are commonly used in the oil and gas industry and by Trilogy to provide Shareholders and potential investors with additional information regarding the Company's liquidity and its ability to generate funds to finance its operations. However, given their lack of standardized meaning, such measurements are unlikely to be comparable to similar measures presented by other issuers.

"Adjusted EBITDA" refers to "Funds flow from operations" plus cash interest, tax expenses, certain other items (accrued cash remuneration costs for its employees – deducted from EBITDA when paid) that do not appear individually in the line items of the Company's financial statements, in addition to pro-forma adjustments for properties acquired or disposed of in the period and the exclusion of revenues or losses of an extraordinary and non-recurring nature.

"Consolidated debt" generally includes all long-term debt plus any issued and undrawn letters of credit, less any cash held.

"Finding and development costs" refers to all capital expenditures and costs of acquisitions, excluding expenditures where the related assets were disposed of by the end of the year, and including changes in future development capital on a total proved or total proved plus probable basis. "Finding and development costs per Barrel of oil equivalent" ("F&D $/Boe") is calculated by dividing finding and development costs by the current year's reserve extensions, discoveries and revisions on a total proved or total proved plus probable reserve basis. Management uses finding and development costs as a measure to assess the performance of the Company's resources required to locate and extract new hydrocarbon reservoirs.

"Funds flow from operations" refers to the cash flow from operating activities before net changes in operating working capital as shown in the consolidated statements of cash flows. Management utilizes funds flow from operations as a key measure to assess the ability of the Company to finance dividends, operating activities, capital expenditures and debt repayments.

"Operating income" is equal to petroleum and natural gas sales before financial instruments and bad debt expenses minus royalties, operating charges, and transportation costs. Management uses this metric to measure the discrete operating results of its oil and gas properties.

“Operating netback” refers to operating income plus realized financial instrument gains and losses and other income minus actual decommissioning, restoration, and remediation costs incurred. Operating netback provides management with a more fulsome metric on its oil and gas properties considering strategic decisions (for example, hedging programs) and associated full life cycle charges.

“Net debt” is calculated as current liabilities minus current assets therein plus long-term debt. Management utilizes net debt as a key measure to assess the liquidity of the Company.

“Recycle ratio” is equal to “Operating netback” on a production barrel of oil equivalent for the year divided by “F&D $/Boe” (computed on a total proved or total proved plus probable reserve basis as applicable). Management uses this metric to measure the profitability of the Company in turning a barrel of reserves into a barrel of production.

“Senior debt” is generally defined as “Consolidated debt” but excluding any indebtedness under the Senior Unsecured Notes.

Investors are cautioned that the Non-GAAP measures should not be considered in isolation or construed as alternatives to their most directly comparable measure calculated in accordance with IFRS, as set forth above, or other measures of financial performance calculated in accordance with IFRS.

Forward-Looking Information

Certain statements included in this document (including this MD&A and the Operations Update) constitute forward-looking statements under applicable securities legislation. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", “budget”, “goal”, “objective”, “possible”, “probable”, “projected”, “scheduled”, or state that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved, or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements or information in this document include but are not limited to statements regarding:

- the proposed merger with Paramount and the timing and expected results thereof;
- business strategy and objectives for 2017 and beyond;
- drilling, completion and infrastructure plans for the Company’s Kaybob Montney oil and gas assets and Duvernay play, among others, and the timing, cost payout and other anticipated benefits thereof;
- forecast 2017 annual production levels, the relative content of natural gas liquids therein and the expected impact of the second quarter asset dispositions;
- planned 2017 capital expenditures, the allocation and timing thereof and Trilogy’s intention to execute its capital budget within annual funds flow from operations;
- operating, finding and development, decommissioning, asset retirement, restoration and other costs and the anticipated results of Trilogy’s operational efficiencies and cost cutting measures;
- anticipated funds flow from operations and other measures of profit,
- expectations regarding future commodity prices for crude oil, natural gas, NGLs and related products and the potential impact to Trilogy of commodity price fluctuations;
- Trilogy’s capacity under its credit facilities;
- projected results of hedging contracts and other financial instruments; and
- other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, and results of operations or performance.

Statements regarding "reserves" are forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. In addition to other assumptions identified in this document, assumptions have been made regarding, among other things:

- the likelihood that all necessary shareholder and other approvals will be obtained and all conditions will be satisfied in order for the proposed merger with Paramount to proceed as proposed;
- future crude oil, natural gas, condensate, NGLs and other commodity pricing and supply;
- funds flow from operations and cash flow consistent with expectations;
- current reserves estimates;
- credit facility availability and access to sources of funding for Trilogy's planned operations and expenditures;
- the ability of Trilogy to service and repay its debt when due;
- current production forecasts and the relative mix of crude oil, natural gas and NGLs therein;
- geology applicable to Trilogy's land holdings;
- the extent and development potential of Trilogy's assets (including, without limitation, Trilogy's Kaybob area Montney oil and gas assets and the Duvernay Shale play, among others);
- the ability of Trilogy and its industry partners to obtain drilling and operational results, improvements and efficiencies consistent with expectations (including in respect of anticipated production volumes, reserves additions and NGL yields);
- well economics;
- decline rates;
- foreign currency, exchange and interest rates;
- royalty rates, taxes and capital, operating, general & administrative and other costs and expenses;
- assumptions regarding royalties and expenses and the applicability and continuity of royalty regimes and government incentive programs to Trilogy's operations;
- general business, economic, industry and market conditions;
- projected capital investment levels and the successful and timely implementation of capital projects;
- anticipated timelines and budgets being met in respect of drilling programs and other operations;
- the ability of Trilogy to obtain equipment, services, supplies and personnel in a timely manner and at an acceptable cost to carry out its evaluations and activities;
- the ability of Trilogy to secure adequate product processing, transportation, fractionation and storage capacity on acceptable terms or at all and assumptions regarding the timing and costs of run-times, outages and turnarounds;
- the ability of Trilogy to market its oil, natural gas, condensate, other NGLs and other products successfully to current and new customers;
- expectation that counterparties will fulfill their obligations under operating, processing, marketing and midstream agreements;
- the timely receipt of required regulatory approvals;
- the continuation of assumed tax regimes, estimates and projections in respect of the application of tax laws and estimates of deferred tax amounts, tax assets and tax pools;
- the extent of Trilogy's liabilities; and
- assumptions used in calculating the provisions made for the cost of the Kaybob North Montney pipeline release and the third party prior year production reallocations.

Although Trilogy believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Trilogy can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Trilogy and described in the forward-looking statements or information. These risks and uncertainties include but are not limited to:

- the risk that the proposed merger with Paramount will not proceed as proposed or within the expected timing thereof as a result of not obtaining the requisite shareholder or other approvals or due to other conditions not being satisfied;
- fluctuations in crude oil, natural gas, condensate and other natural gas liquids and commodity prices;
- the ability to generate sufficient funds flow from operations and obtain financing on acceptable terms to fund planned exploration, development, construction and operational activities and to meet

current and future obligations ;
- the possibility that Trilogy will not commercially develop its Duvernay shale assets in the near future or at all;
- uncertainties as to the availability and cost of financing;
- Trilogy's ability to satisfy maintenance covenants within its credit and debt arrangements;
- the risk and effect of a downgrade in Trilogy's credit rating;
- fluctuations in foreign currency, exchange rates and interest rates;
- the risks of the oil and gas industry, such as operational risks in exploring for, developing and producing crude oil, natural gas, condensate and other natural gas liquids, and market demand;
- risks and uncertainties involving the geology of oil and gas;
- the uncertainty of reserves estimates and reserves life;
- the uncertainty of estimates and projections relating to future production and NGL yields as well as costs and expenses;
- the ability of Trilogy to add production and reserves through development and exploration activities and acquisitions;
- Trilogy's ability to secure adequate product processing, transmission, transportation, fractionation and storage capacity on acceptable terms and on a timely basis or at all;
- potential disruptions or unexpected technical difficulties in designing, developing, or operating new, expanded, or existing pipelines or facilities (including third party operated pipelines and facilities);
- risks inherent in Trilogy's marketing operations, including credit and other financing risks and the risk that Trilogy may not be able to enter into arrangements for the sale of its sales volumes;
- volatile business, economic and market conditions;
- general risks related to strategic and capital allocation decisions, including potential delays or changes in plans with respect to exploration or development projects or capital expenditures and Trilogy's ability to react to same;
- availability of equipment, goods, services and personnel in a timely manner and at an acceptable cost;
- health, safety, security and environmental risks;
- the timing and cost of future abandonment and reclamation obligations and potential liabilities for environmental damage and contamination;
- risks and costs associated with environmental, regulatory and compliance, including those potentially associated with hydraulic fracturing, greenhouse gases and "climate change" and the cost to Trilogy in order to comply with same;
- weather conditions;
- the possibility that government policies, regulations or laws may change, including risks related to the imposition of moratoriums;
- the possibility that regulatory approvals may be delayed or withheld;
- risks associated with Trilogy's ability to enter into and maintain leases and licenses;
- uncertainty with regard to royalty payments and the applicability of and changes to royalty regimes and incentive programs including, without limitation, applicable royalty incentive regimes and the Modernized Royalty Framework, the Emerging Resources Program and the Enhanced Hydrocarbon Recovery Program, among others;
- imprecision in estimates of product sales, commodity prices, capital expenditures, tax pools, tax deductions available to Trilogy, changes to and the interpretation of tax legislation and regulations;
- uncertainty regarding results of objections to Trilogy's exploration and development plans by third party industry participants, aboriginal and local populations and other stakeholders;
- risks associated with existing and potential lawsuits, regulatory actions, audits and assessments;
- changes in land values paid by industry;
- risks associated with Trilogy's mitigation strategies including insurance and hedging activities;
- risks related to the actions and financial circumstances of Trilogy agents and contractors, counterparties and joint venture partners, including renegotiation of contracts;
- risks relating to cybersecurity, vandalism, and terrorism;
- the ability of management to execute its business plan;
- the risk that the assumptions used by Management to estimate the provision for the costs resulting from the recent Kaybob North Montney pipeline release and the third party prior year production reallocation prove to be incorrect; and
- other risks and uncertainties described elsewhere in this document and in Trilogy's other filings with Canadian securities authorities, including its Annual Information Form.

The foregoing lists are not exhaustive. Additional information on these and other factors which could affect the Company's operations or financial results are included in the Company's most recent Annual Information Form and in other documents on file with the Canadian Securities regulatory authorities. The forward-looking statements or information contained in this document are made as of the date hereof and Trilogy undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Oil and Gas Advisory

This document contains disclosure expressed as "Boe", "MBoe", "Boe/d", “Mcf”, “Mcf/d”, "MMcf", “MMcf/d", “Bcf”, “Bbl”, and “Bbl/d”. All oil and natural gas equivalency volumes have been derived using the ratio of six thousand cubic feet of natural gas to one barrel of oil (6:1). Equivalency measures may be misleading, particularly if used in isolation. A conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head. For Q2 2017, the ratio between Trilogy's average realized oil price and the average realized natural gas price was approximately 20:1 (“Value Ratio”). The Value Ratio is obtained using the Q2 2017 average realized oil price of $58.13 (CAD$/Bbl) and the Q2 2017 average realized natural gas price of $2.98 (CAD$/Mcf). This Value Ratio is significantly different from the energy equivalency ratio of 6:1 and using a 6:1 ratio would be misleading as an indication of value.

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