TRI ORIGIN EXPLORATION

CONDENDSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED
MARCH 31, 2017

(Expressed in Canadian Dollars)

(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim financial statements of Tri Origin Exploration Ltd. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three and nine months ended March 31, 2017 have not been reviewed by the Company's auditors.

TRI ORIGIN EXPLORATION LTD.

Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	March 31, 2017	June 30, 2016
Assets		
Current assets		
Cash	$ -	$ 500,801
Accounts receivable (note 8)	74,816	-
Prepaid	2,750	4,413
Investment in Heron Resources Ltd.	458,394	801,122
Total current assets	535,960	1,306,336
Exploration and evaluation assets (note 4)	5,412,852	4,845,444
Equipment (note 6)	2,587	3,401
Total Assets	$ 5,951,399	$ 6,155,181
Equity and Liabilities		
Current liabilities		
Bank indebtedness	$ 15,164	$ -
Accounts payable and accrued liabilities (note 7)	55,315	182,749
Funds on deposit	-	115,890
Flow-through share premium (note 16)	-	24,000
Promissory note payable (note 9)	300,000	293,334
Secured debenture (note 8)	-	400,000
Total Liabilities	370,479	1,015,973
Equity		
Share capital (note 10(b))	21,479,092	20,981,380
Warrants (note 11)	185,950	99,900
Equity portion of convertible debenture (note 11)	17,393	17,393
Contributed surplus	1,831,765	1,838,135
Deficit	(17,933,280)	(17,797,600)
Total equity	5,580,920	5,139,208
Total Liabilities and Equity	$ 5,951,399	$ 6,155,181

Nature of operations and going concern (note 1)
Subsequent events (note 17)

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

Approved by the Board of Directors:

President and Director: *"Robert Valliant"*

Director: *"Jean-Pierre Janson"*

TRI ORIGIN EXPLORATION LTD.

Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian Dollars)
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2017	**2016**	**2017**	**2016**
General and Administrative Expenses				
Salaries and benefits	$ 20,027	$ 16,099	$ 67,935	$ 63,296
Share-based payments	-	-	2,038	-
Professional fees	7,475	11,501	24,475	41,987
Share control and listing fees	8,132	11,392	23,855	29,015
Travel	-	2,514	-	3,436
General office expenses	31,477	26,638	75,237	92,759
Amortization	454	1,208	1,312	4,204
Reimbursement from projects	(27,118)	(13,338)	(77,380)	(74,152)
Total general and administrative expense	40,447	56,014	117,472	160,545
Finance Charges				
Interest on secured debentures (note 8)	6,280	7,921	54,965	25,174
Interest charges from unsecured debentures and promissory note (note 9)	5,918	5,974	18,018	20,568
Accretion charges on promissory note (note 9)	-	-	6,666	-
Other interest charges	2,127	3,872	3,866	4,769
Total finance charges	14,325	17,767	83,515	50,511
Net loss before other items	(54,772)	(73,781)	(200,987)	(211,056)
Other Items				
Unrealized gain (loss) on investments (note 4)	-	2,520	(104,142)	(35,803)
Realized gain on investments (note 4)	-	1,010	30,354	17,815
Realized flow-through share premium (note 16)	-	-	45,400	-
Other income (note 8)	82,895	-	82,895	-
Total other items	82,895	3,530	54,507	(17,988)
Net Income (loss) and comprehensive income (loss) for the period	$ 28,123	$ (70,251)	$ (146,480)	$ (229,044)
Basic and diluted (income) loss per share	$ 0.00	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding, basis	99,372,306	82,952,306	95,807,926	82,952,306

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

TRI ORIGIN EXPLORATION LTD.

Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital	Warrant reserve	Equity portion of convertible debenture	Contributed surplus reserve	Deficit	Total
Balance, June 30, 2015	$ 20,941,200	$ 5,700	$ 5,620	$ 1,845,185	$ (18,059,523)	$ 4,738,182
Shares to be cancelled under normal course issuer bid	(231,695)	-	-	-	215,220	(16,475)
Expired options	-	-	-	(16,800)	16,800	-
Termination of debenture	-	-	(5,620)	-	5,620	-
Net loss for the period	-	-	-	-	(229,044)	(229,044)
Balance, March 31, 2016	20,709,505	5,700	-	1,828,385	(18,050,927)	4,492,663
Shares issued pursuant to private placement	309,100	99,900	-	-	-	409,000
Flow-through share premium	(24,000)	-	-	-	-	(24,000)
Expired warrants	-	(5,700)	-	-	5,700	-
Stock-based compensation	-	-	-	9,750	-	9,750
Fair value of debenture	-	-	17,393	-	-	17,393
Share issue costs	(13,225)	-	-	-	-	(13,225)
Net income for the period	-	-	-	-	247,627	247,627
Balance, June 30, 2016	20,981,380	99,900	17,393	1,838,135	(17,797,600)	5,139,208
Shares issued pursuant to private placement	545,750	86,050	-	-	-	631,800
Flow-through share premium	(21,400)	-	-	-	-	(21,400)
Expired options	-	-	-	(10,800)	10,800	-
Share issue costs	(26,638)	-	-	-	-	(26,638)
Stock-based compensation	-	-	-	4,430	-	4,430
Net income for the period	-	-	-	-	(146,480)	(146,480)
Balance, March 31, 2017	$ 21,479,092	$ 185,950	$ 17,393	$1,831,765	$(17,933,280)	$ 5,580,920

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

TRI ORIGIN EXPLORATION LTD.

Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Operating Activities		
Net loss for the period	$ (146,480)	$ (229,044)
Amortization	1,312	4,204
Accretion charges on promissory note	6,666	-
Net realized and unrealized loss in investments	73,788	17,988
Realized flow-through share premium	(45,400)	-
Share-based payments	2,038	-
	(108,076)	(206,852)
Changes in non-cash working capital		
Accounts receivable	(74,816)	10,900
Prepaid	1,663	(2,104)
Bank indebtedness	15,164	-
Accounts payable and accrued liabilities	(127,603)	71,730
Deposit for exploration funding	(115,890)	(117,991)
Cash used in operating activities	(409,558)	(244,317)
Investing Activities		
Expenditures on exploration and evaluation assets	(565,016)	(118,756)
Expenditures on equipment	(498)	(2,750)
Proceeds from investments	269,109	189,006
Cash (used in) provided by investing activities	(296,405)	67,500
Financing Activities		
Cash used to purchase shares in normal course issuer bid	-	(16,475)
Proceeds from private placement, net	605,162	-
Proceeds from issue of promissory note	-	100,000
Repayment of secured debenture	(400,000)	(100,000)
Cash provided by (used in) financing activities	205,162	(16,475)
Change in cash during the period	(500,801)	(193,292)
Cash, beginning of the period	500,801	317,503
Cash, end of the period	$ -	$ 124,211

The notes to the unaudited condensed interim financial statements are an integral part of these statements.

1. Nature of operations and going concern

Tri Origin Exploration Ltd. (the "Company" or "TOE") was incorporated on June 6, 1989 under the Business Corporations Act (Ontario). The Company is a publicly held company engaged principally in the acquisition and exploration of mineral properties in the Canadian Shield, Canada.

The accompanying condensed interim financial statements of the Company have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, as described in the following paragraph. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

The Company has a net loss of $146,480 for the nine months ended March 31, 2017 (nine months ended March 31, 2016 – loss of $229,044) and a deficit of $17,933,280 as at March 31, 2017 (June 30, 2016 - $17,797,600). The Company is in the exploration stage and is subject to risks and challenges similar to other companies in a comparable business. These risks include, but are not limited to, dependence on key individuals, successful exploration and the ability to secure adequate financing to meet the minimum capital required to successfully complete the projects and continue as a going concern. There is no assurance that these initiatives will be successful and as a result there is significant doubt regarding application of the going concern assumption.

On March 31, 2017, the Company had a working capital of $165,481 (June 30, 2016 – $290,363) and is not generating positive cash flows from operations. Working Capital includes the Company's investment of $458,394 that consists of marketable securities in shares of the Company's former subsidiary and any or all of the shares could be sold to generate cash to fund ongoing operations. Apart from this investment, there may not be sufficient cash to meet general and administration expenses plus planned project activities for the following twelve months. The operations of the Company have primarily been funded by the issuance of common shares and debt instruments. Continued operations of the Company are dependent on the Company's ability to complete equity financing and enter into funding agreements with third parties in order to continue exploration of its mineral property interests. Management's plan in this regard is to continue to seek industry partners for its projects and to secure additional funds through future equity financings, which may or may not be available or may not be available on reasonable terms.

2. Basis of preparation and significant accounting policies

(a) Statement of compliance

These unaudited condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied by the Company in these unaudited condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2016. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending June 30, 2017 could result in restatement of these unaudited condensed interim financial statements.

2. Basis of preparation and significant accounting policies (continued)

(a) Statement of compliance (continued)

These unaudited condensed interim financial statements were authorized for issuance by the Board of Directors of the Company on May 26, 2017.

(b) New standards not yet adopted

At the date of authorization of these unaudited condensed interim financial statements, the IASB and IFRIC has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods and which the Company has not early adopted these standards, amendments and interpretations. The Company is currently assessing what impact the application of these standards or amendments will have on the financial statements of the Company.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for condensed interim periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IAS 12 – Income Taxes ("IAS 12") was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences. The amendments are effective for condensed interim periods beginning on or after January 1, 2017. Earlier adoption is permitted.

Other accounting standards or amendment to existing accounting standards that have been issued, but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. Financial instruments

The Company's cash and bank indebtedness are measured at fair market value. Accounts receivable are measured at amortized cost. The investments of the Company are classified as financial assets at FVTPL and measured at fair value. Accounts payable and accrued liabilities, funds on deposit, promissory note payable and secured debenture are classified as other financial liabilities and measured at amortized cost.

The following table indicates the carrying value of the Company's financial assets and financial liabilities:

(Expressed in Canadian Dollars)

3. Financial Instruments (continued)

	As at March 31, 2017		As at June 30, 2016	
Item	**Cost $**	**Market value $**	**Cost $**	**Market value $**
Cash	-	-	-	500,801
Accounts receivable	74,816	-	-	-
Investments	-	458,394	-	801,122
Bank indebtedness	-	15,164	-	-
Accounts payable	55,315	-	182,749	-
Deposit for exploration funding	-	-	115,890	-
Promissory note payable	300,000	-	293,334	-
Secured debentures	-	-	400,000	-

4. Investment in Heron Resources Ltd.

	As at March 31, 2017	As at June 30, 2016
Investment in Heron Resources Ltd.	$ 458,394	$ 801,122

At March 31, 2017, the Company owned 4,165,689 (June 30, 2016 – 5,934,240) common shares in Heron Resources Limited. The common shares trade on both the Australian Securities Exchange and the Toronto Stock Exchange.

For marketable securities traded in an active market, market value is based on quoted closing prices of the securities at the balance sheet date. The shares of Heron are valued based on the closing market prices on the Toronto Stock Exchange ("TSX"), which was $0.11 as of the close of March 31, 2017.

During the nine months ended March 31, 2017, the Company sold 1,768,551 for gross proceeds of $269,109 and realized a net gain from these dispositions of $30,354. During the nine months ended March 31, 2016, the Company sold 2,014,000 shares for gross proceeds of $189,006 and realized a net gain from the disposition of $17,815. The Company recorded an unrealized loss of $104,142 (nine months ended March 31, 2016 – loss of $17,988) on the remaining Heron shares held throughout this nine month period ended March 31, 2017.

5. Exploration and evaluation assets

South Abitibi Project (Sumac Alliance)

During the latter part of fiscal 2015, a gold and base metal alliance agreement was entered into between Tri Origin and Sumac Mines Ltd (a subsidiary of Sumitomo Metal Mining Co, Ltd.) Tri Origin, as operator of the Alliance, will acquire and explore properties in the southern part of the Abitibi greenstone belt of Ontario. The properties will be held as to a 50% Tri Origin and 50% Sumac interest. Sumac will provide funding for property acquisition and exploration up to a maximum of $4.5 million and as the project advances, individual property specific joint ventures may be entered into to advance successful projects.

Expenditures by TOE during the nine months ended March 31, 2017 totalled $16,387 which included the acquisition of staked mining claims through a third party option agreement. This does not include exploration funds provided by Sumac which totalled $1,503,348 from the inception of the Alliance in late May, 2015 to March 31, 2017. As of March 31, 2017, the Company has on deposit ($19,036) of exploration funds received from Sumac after expenditures and subsequent to March 31, 2017, the Company received funds from Sumac and the negative deposit position was reversed.

Detour West Project
Detour West is a gold exploration project located 180 kilometres north of Timmins, Ontario and 20 kilometres west of the Detour Lake Gold Mine. The Detour West property consists of 30 staked mining claims comprising 480 claim units covering an area of approximately 77 square kilometres owned 100% by Tri Origin. The claims tie directly onto mining claims held by Detour Gold Corporation the operator of the nearby Detour Lake Mine.

Expenditures at Detour West during the nine months ended March 31, 2017 totalled $264,159 (for the year ended June 30, 2015 - $23,058). Total spending from inception to March 31, 2017 by the Company was $349,918.

Red Lake Extension Project (RLX)
RLX is a gold exploration project located 15 kilometres southeast of the town of Red Lake in northwestern Ontario. The Company has a 100% ownership in 62 adjoining mining claims consisting of 859 claim units totalling an area of 141 square kilometres in the Red Lake Greenstone Belt. Expenditures at RLX during the nine months ended March 31, 2017 totalled $7,165 (for the year ended June 30, 2016 - $22,579). Total spending from inception to March 31, 2017, by the Company was $3,051,297.

Sky Lake Project
Sky Lake is a gold exploration project covering an area of 41.4 square kilometres located 35 kilometres southwest of Pickle Lake in north western Ontario. It is comprised of 11 100% owned mining claims totalling 169 claim units covering an area of 27 square kilometers. During the 2015 fiscal year, an initial 80% interest was earned in an additional 8 contiguous mining claims covering an area of approximately 14 square kilometres through meeting the terms of an earn-in option during the 2015 fiscal year. These 8 claims are now subject to a joint venture with future funding of programs subject to Tri Origin’s pro-rata equity interest in the claims. During the period ended March 31, 2017 Tri Origin’s interest increased to 86.1**%**. During the period ended March 31, 2017, Tri Origin entered into an option agreement with Barrick Gold to acquire a 96% interest in patent mining claims covering an area of 2 square kilometres located within the boundary of its Sky Lake property. To exercise the option, the Company is required to spend $500,000 on exploration on the patent claims over a 4 year period.

During the nine months ended March 31, 2017, the Company spent $46,825 to conduct exploration on the property (for the year ended June 30, 2016 - $46,200). Total spending from inception to March 31, 2017 was $1,435,715

North Abitibi Project
North Abitibi is a gold exploration project located 150 kilometres north of Kirkland Lake, Ontario, in the Abitibi Greenstone Belt. The property consists of 16 claims covering an area of 28.5 square kilometres. Late in the 2010 fiscal year, Vista Gold Corp. (“Vista”) transferred 100% of its interest in the North Abitibi mineral claims to Tri Origin which claims are subject to a back-in right held by Vista and to the return of claims to Vista if an expenditure commitment of $1,000,000 is not met by Tri Origin by 2015. Upon completion of the $1,000,000 expenditure and until the Company has spent $2,000,000, Vista Gold has the option to earn back a majority interest in the property.

During the final quarter of fiscal 2014, Tri Origin was able to negotiate an extension to the term of the Vista agreement from January 2015 to July 2017. As part of the extension, Vista was issued 1,000,000 warrants for the purchase of common shares of Tri Origin. The Vista warrants expired unexercised prior to the June 30, 2016 yearend.

During the nine months ended March 31, 2017, the Company spent $214,890 on exploration expenditures on the property (for the year ended June 30, 2016 – $50,974). Total spending from inception to March 31, 2017 was $539,972

Project Generation
The Company continues to assess new areas for exploration. It is an objective of the Company to increase its portfolio of properties during the coming year. During the nine months ended March 31, 2017, the Company spent $17,982 on project generation activities including review and assessment of reports and preliminary analytical work (for the year ended June 30, 2016 - $26,461 all of which was expensed at year end).

(Expressed in Canadian Dollars)

	Red Lake Extension	North Abitibi	Sky Lake	Detour West	South Abitibi	Project Generation	Total
Balance, June 30, 2015	$ 3,021,553	$ 274,108	$ 1,342,690	$ 62,700	$ -	$ -	$ 4,701,051
Acquisition	3,633	1,435	4,117	451	-	-	9,636
Drilling and analytical	-	4,326	-	-	-	-	4,326
Geological, geophysical and geochemical	9,243	29,414	15,082	2,755	-	-	56,494
Management and administration	9,703	15,799	27,001	19,852	1,582	26,461	100,398
Sub-total	**3,044,132**	**325,082**	**1,388,890**	**85,758**	**1,582**	**26,461**	**4,871,905**
Amounts expensed in the year	-	-	-	-	-	(26,461)	(26,461)
Balance, June 30, 2016	**3,044,132**	**325,082**	**1,388,890**	**85,758**	**1,582**	**-**	**4,845,444**
Acquisition	1,009	792	9,359	-	15,000	-	26,160
Drilling and analytical	-	791	17,512	-	347	-	18,650
Geological, geophysical and geochemical	2,485	183,912	8,756	237,733	1,040	-	433,926
Management and administration	3,671	29,395	11,198	26,427	-	17,981	88,672
Sub-total	**3,051,297**	**539,972**	**1,435,715**	**349,918**	**17,969**	**17,981**	**5,412,852**
Amounts expensed in the period	-	-	-	-	-	-	-
Balance, March 31, 2017	**$ 3,051,297**	**$ 539,972**	**$ 1,435,715**	**$ 349,918**	**$ 17,969**	**$ 17,981**	**$ 5,412,852**

6. Equipment

Cost	**Office equipment**	**Leasehold improvement**	**Computer software**	**Field equipment**	**Total**
Balance, June 30, 2015	$ 95,271	$ 3,701	$ 9,010	$ 27,625	$ 135,607
Additions	-	-	-	2,750	2,750
Balance, June 30, 2016	95,271	3,701	9,010	30,375	138,357
Additions	498		-	-	498
Balance, March 31, 2017	$ 95,769	$ 3,701	$ 9,010	$ 30,375	$ 138,855

Accumulated depreciation	**Office equipment**	**Leasehold improvement**	**Computer software**	**Field equipment**	**Total**
Balance, June 30, 2015	$ 91,835	$ 2,158	$ 9,010	$ 27,045	$ 130,048
Additions	3,436	617	-	855	4,908
Balance, June 30, 2016	95,271	2,775	9,010	27,900	134,956
Additions	25	462	-	825	1,312
Balance, March 31, 2017	$ 95,296	$ 3,237	$ 9,010	$ 28,725	$ 136,268

Net book value	**Office equipment**	**Leasehold improvement**	**Computer software**	**Field equipment**	**Total**
June 30, 2016	$ -	$ 926	$ -	$ 2,475	$ 3,401
March 31, 2017	$ 473	$ 464	$ -	$ 1,650	$ 2,587

7. Accounts payable and accrued liabilities

	March 31, 2017	**June 30, 2016**
Trade payables	$ 15,537	$ 50,285
Accruals	33,554	121,137
Government remittances owing	6,224	11,327
Total	$ 55,315	$ 182,749

8. Secured debenture

On September 9, 2014, the Company closed a $400,000 private placement whereby the Company issued a $400,000 secured debenture. The secured debenture was entered into between Tri Origin and an arms-length third party investor. The debenture initially matured on February 28, 2015, and was extended to December 31, 2015 and bears interest at a rate of 8.0 per cent per annum, payable at maturity or on conversion. On December 16, 2015, this debenture was replaced with a new debenture in the amount of $400,000 with the same arm's-length investor. The new debenture matures on December 31, 2016 and bears interest at a rate of 8.0 per cent per annum, payable at maturity. The fair value of the debenture approximates its carrying value due to its current nature.

The debenture was initially secured by 5,000,000 Heron shares, which the Company holds as an investment (see note 6) and are to be held in escrow until released in accordance with the terms of debenture. A bonus payment based on the difference in share price of Heron shares from the time of securing the debenture and the share price at the time of repayment is due to the investor at the time of repayment. During the nine months ended March 31, 2017, Heron announced a possible spin-out of certain assets of Heron. The cash value related to a portion of the spin out shares is payable to the Secured Debenture Holder if the spin out occurs.

As of March 31, 2017, the Company has repaid the $400,000 secured debenture including accrued interest and bonus payment of $6,280 which was based on a portion of spinout shares. The remaining Heron shares had been released from escrow.

During the three and nine months ended March 31, 2017, Heron completed the spin-out into a subsidiary named Ardea Resources Limited ("Ardea"). Shareholders of Heron could receive shares of Ardea or have the shares sold on their behalf. The Company had the Ardea shares sold for $82,895 which was recorded as other income in the unaudited condensed interim statements of income (loss) and comprehensive income (loss) for the three and nine months ended March 31, 2017. As at March 31, 2017, $33,862 of the proceeds from the sale was received and the remaining $49,033 was included in the accounts receivable. Subsequent to March 31, 2017, the $49,033 was received.

9. Convertible debenture and promissory note

Convertible Debenture – Matured November 30, 2014

On December 15, 2013, the Company closed a $100,000 private placement whereby the Company issued a $100,000 convertible debenture which bears interest at a fixed rate of 8% per year payable monthly starting January 1, 2014. The debenture initially matured on November 30, 2014. Under the initial terms of the debenture, the holder has the option to convert the debenture in full into common shares of Tri Origin at a price of $0.05 per share. The conversion option expired on November 30, 2014. The convertible debenture was entered into between Tri Origin and a private corporation controlled by the Company's president. The maturity date of the Debenture was extended to October 31, 2015, and has now been replaced by the $300,000 promissory note noted below – "Promissory Note – Matures October 31, 2016".

Promissory Note – Matured April 30, 2015

On May 1, 2014, the Company closed a $100,000 private placement whereby the Company issued a $100,000 promissory note. In February 2015 the promissory note was increased to $200,000. The promissory note initially matured on April 30, 2015 and bears interest at a fixed rate of 8% per year payable monthly starting May 1, 2014. The promissory note was entered into between Tri Origin and a private corporation controlled by the Company's president. The maturity date of the promissory note was initially extended to October 31, 2015, and has now been replaced by the $300,000 promissory note noted below – "Promissory Note – Matures October 31, 2016". The fair value of the promissory note approximates its carrying value due to its current nature.

(Expressed in Canadian Dollars)

9. Convertible debenture and promissory note (continued)

Promissory Note – Matures June 30, 2017

On November 1, 2015, the Company closed a $300,000 private placement whereby the Company issued a $300,000 promissory note. The promissory note initially maturing on October 31, 2016, has been extended to June 30, 2017, and bears interest at a fixed rate of 8% per year payable monthly commencing November 30, 2015. Under the terms of the promissory note, the holder has the option to convert the note in full into common shares of Tri Origin at a price of $0.05 per share. The promissory note was entered into between Tri Origin and a private corporation controlled by the Company's president.

The Company used the residual value method to allocate the proceeds between the liability and equity components. Under this method, the fair value of the liability component of $282,607 was computed as the present value of future principal and interest payments discounted at a rate of 15% per annum. The residual value of $17,393 was attributed to the liability components and no value was placed on the conversion feature of the debenture. The residual value was credited to contributed surplus.

	March 31, 2017	June 30, 2016
Face value of debentures	$ 300,000	$ 300,000
Discount on face value of debentures	(17,393)	(17,393)
Accumulated accretion	17,393	10,727
Total	$ 300,000	$ 293,334

10. Share capital

Authorized
Unlimited common shares without par value.

Issued and outstanding

	Shares	Amount
Balance, June 30, 2015	**83,876,306**	**$ 20,941,200**
Normal course issuer bid (i)	(924,000)	(231,695)
Private placement (ii)	5,300,000	185,500
Private placement (iii)	2,400,000	123,600
Flow-through share premium	-	(24,000)
Share issue costs	-	(13,225)
Balance, June 30, 2016	**90,652,306**	**$ 20,981,380**
Private placement (iv)	8,720,000	545,750
Flow-through share premium (iv)	-	(21,400)
Share issue costs (iv)	-	(26,638)
Balance, March 31, 2017	**99,372,306**	**$ 21,479,092**

(i) Regulatory approval for a Normal Course Issuer Bid ("NCIB") was received by the Company on December 10, 2014. The NCIB allows the Company to repurchase for cancellation up to 7,768,179 of its outstanding common shares through the facilities of the TSX-V during the period December 15, 2014 to December 14, 2015. For the year ended June 30, 2016 the Company repurchased 924,000 shares at an average cost of $0.018 per share for a total gross value of $16,475. A total of $16,475 was used to repurchase the shares. To account for the cancellation of these shares $231,695 was attributed to the reduction in capital and an adjustment of $215,220 was made to retained earnings.

(Expressed in Canadian Dollars)

10. Share capital (continued)

(ii) On April 7, 2016, the Company completed a private placement for total gross proceeds of $265,000 and issued 5,300,000 units at a price of $0.05 per unit. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.07 for a period of 18 months from the date of issuance. The fair value of common share purchase warrants issued in this placement was estimated at $79,500.

(iii) On May 18, 2016, the Company completed a private placement for total gross proceeds of $144,000 and issued 2,400,000 flow-through units at a price of $0.06 per unit. Each unit consisted of one common share, issued on a flow-through basis, and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.10 for a period of 18 months from the date of issuance. The fair value of common share purchase warrants issued in this placement was estimated at $20,400.

A flow-through share premium of $24,000 was initially recognized on this financing. As of December 31, 2016 100 per cent of the funds were spent on flow-through eligible expenses. As a result the flow-through premium was recognized into income.

(iv) On October 20, 2016, the Company completed of a private placement for total gross proceeds of $631,800 and issued 7,650,000 hard dollar units (“HDU”) at a price of $0.07 per HDU and 1,070,000 flow through units (“FTU”) at a price of $0.09 per FTU. Each FTU consisted of one common share, issued on a flow-through basis, and one-half of a common share purchase warrant. Each HDU consisted of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.12 for a period of 18 months from the date of issuance. The fair value of common share purchase warrants issued in this placement was estimated at $86,050.

A flow-through share premium of $21,400 was recognized on this financing. As of March 31, 2017, 100 per cent of the funds were spent on flow-through eligible expenses. As a result, the flow-through premium was recognized into income.

11. Warrants

The movements in the number and estimated fair value of outstanding broker warrants and share purchase warrants are as follows:

	Number of warrants outstanding	Weighted average exercise price ($)
Balance, June 30, 2015	1,000,000	0.05
Issued	6,500,000	0.08
Expired	(1,000,000)	0.05
Balance, June 30, 2016	6,500,000	0.08
Issued	4,360,000	0.12
Balance, March 31, 2017	10,860,000	0.09

Warrants to purchase common shares outstanding at March 31, 2017 carry exercise prices and remaining terms to maturity as follows:

(Expressed in Canadian Dollars)

11. Warrants (continued)

Expiry date	Exercise price ($)	Fair value of warrants	Remaining term to maturity (years)	Warrants exercisable
October 7, 2017	0.07	$ 79,500	0.44	5,300,000
November 18, 2017	0.10	20,400	0.63	1,200,000
April 20, 2018	0.12	86,050	1.05	4,360,000
		$ 185,950	0.71	10,860,000

12. Stock options

The Company has a stock option plan available to directors, officers, employees and consultants of the Company. Currently, a maximum of 13,084,661 common shares may be issued under the Plan. The movements in the number of stock options are as follows

	Number of options outstanding	Weighted average exercise price ($)
Balance, June 30, 2015	5,400,000	0.06
Granted	550,000	0.05
Expired	(400,000)	0.11
Balance, June 30, 2016	5,550,000	0.06
Expired	(300,000)	0.11
Balance, March 31, 2017	5,250,000	0.05

Options to purchase common shares outstanding at March 31, 2017 carry exercise prices and remaining terms to maturity as follows:

Expiry date	Exercise price ($)	Options outstanding	Options exercisable	Remaining term to maturity (years)
November 6, 2017	0.10	200,000	200,000	
0.60				
January 15, 2018	0.10	300,000	300,000	0.80
February 19, 2019	0.05	1,500,000	1,500,000	1.89
December 15, 2019	0.05	500,000	500,000	2.71
June 25, 2020	0.05	2,200,000	2,200,000	3.24
June 2, 2021	0.05	550,000	366,666	4.18
		5,250,000	5,066,666	2.66

During the period ended March 31, 2017, the Company did not grant any new options to employees, directors and consultants (year ended June 30, 2016 – 550,000). The Company recognized a total expense of $2,038 for period ended March 31, 2017 (year ended June 30, 2016 - $4,350) and capitalized $2,392 (year ended June 30, 2016 - $5,400) to Exploration and Evaluation assets in respect of the options vesting during the period.

(Expressed in Canadian Dollars)

13. Financial risk factors

The Company's market risk exposures and the impact on the Company's financial instruments are described in the notes to the audited June 30, 2016 yearend financial statements. Liquidity risk is summarized below:

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet current liabilities when due. As at March 31, 2017, the Company had $nil cash (June 30, 2016 - $500,801) to settle current liabilities of $370,479 (June 30, 2016 - $1,015,973). In addition, the Company owns marketable securities comprised of the shares of Heron Resources Ltd., which have a market value of $458,394 as at March 31, 2017 (June 30, 2016 - $801,122). All of the Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

14. Capital management

The Company’s objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company considers its capital to be cash, investments, credit facilities and equity, comprising share capital, warrants, contributed surplus and deficit. The equity of the Company at March 31, 2017 totaled $5,580,920 (June 30, 2016 - $5,139,208). The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, and acquire or dispose of assets to adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including but not limited to source and use of capital and general industry conditions.

The Corporation’s capital management objectives, policies and processes have remained unchanged during the nine months ended March 31, 2017.

15. Related party transactions

The Company had the following related party transactions for the nine months ended March 31, 2017. These transactions were in the normal course of operations and were measured at the exchange amount, which are the amounts agreed to by the related parties.

(a) The Company’s office is located at 125 Don Hillock Drive, Unit 18 in Aurora, Ontario and rents the property on a month-to-month basis. This rental property is owned by a private Ontario corporation controlled by Tri Origin Exploration Ltd.’s President. During the nine months ended March 31, March 31, 2017 the Company paid or accrued $44,114 (nine months ended March 31, 2016 - $40,077) for this rental. Prepaid assets include $2,750 (June 30, 2016 - $2,750) related to rent paid in advance.

(b) Remuneration of directors and key management personnel of the Company were as follows:

	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Salaries and benefits	$ 161,850	$ 174,700
Stock-based compensation	2,038	-
Total	$ 163,888	$ 174,700

(Expressed in Canadian Dollars)

15. Related party transactions (continued)

Key management personnel include the President and Chief Financial Officer and companies controlled by the Chief Executive Officers. Accrued salaries and fees payable as of March 31, 2017 are $nil (2015- $66,200).

(c) On November 1, 2015, the Company closed a $300,000 private placement whereby the Company issued a $300,000 promissory note. The promissory note matures on June 30, 2017 and bears interest at a fixed rate of 8% per year payable monthly commencing November 30, 2015. Under the terms of the promissory note, the holder has the option to convert the debenture in full into common shares of Tri Origin at a price of $0.05 per share. The promissory note was entered into between Tri Origin and a private corporation controlled by the Company's president. See Note 9 for further information.

16. Flow-through share premium

Flow-through liabilities include the deferred premium portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through share issues.

	Amount
Balance, June 30, 2015	$ -
Liability incurred on flow-through shares issued May 18, 2016	24,000
Balance, June 30, 2016	24,000
Settlement of liability through renouncement	(24,000)
Liability incurred on flow-through shares issued October 20, 2016	21,400
Settlement of liability through renouncement	(21,400)
Balance, March 31, 2017	$ -

Pursuant to the terms of the flow-through share agreements, the Corporation has complied with its flow-through contractual obligations with subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As at March 31, 2017, the Corporation has incurred eligible flow-through exploration expenditures in the amount that is greater than $240,300 from the two flow-through financings and as a result has reduce the liability to $nil.

17. Subsequent events

On March 30, 2017, the Company appointed Mr. Jing Peng as the Company's Chief Financial Officer.

Subsequent to March 31, 2017, the Company received $49,033 from the proceeds of sale of shares of Ardea.

CORPORATE INFORMATION

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