

[Trinidad Drilling Ltd.](#) (TSX:TGD) ("Trinidad" and the "Company") announced today that it has increased its capital budget for 2017 by \$55 million. As a result of strengthening customer demand and growing activity across its operations, Trinidad expects to spend approximately \$95 million in capital expenditures in 2017, up from its initial budget of \$40 million. The 2017 capital budget is comprised of anticipated rig upgrade projects totaling approximately \$75 million and maintenance capital of approximately \$20 million.

"Market conditions have continued to improve in 2017," said Brent Conway, Trinidad's President and Chief Executive Officer. "We are seeing growing demand from our customers for modern, high performance equipment and our increased capital program will allow us to capture these opportunities and drive increased activity and cash flow. Our lower leverage and improved flexibility following our recent debt restructuring and equity offering have positioned us well to take advantage of improving market conditions. Our focus on conservative financial management remains unchanged. We expect to maintain our strong balance sheet and given current market conditions, we expect to fund our expanded capital program from cash generated from our operations and cash on hand."

Demand for high performance rigs in the US continues to grow, with most demand coming from the Permian Basin in Texas. Since the beginning of the third quarter of 2016, Trinidad has reactivated 18 rigs in the US, the vast majority of which have been recently upgraded with changes similar to those planned for 2017. Trinidad plans to upgrade 27 rigs in 2017, with approximately two thirds of the upgrade capital directed towards Trinidad's US fleet. The upgrade projects include increasing the pressure capacity of mud circulating systems to 7500 PSI, adding mud pumps, moving systems and high-torque top drives, and making certain bi-fuel upgrades. Trinidad's capital program reflects its customer's changing requirements and the rigs selected for upgrade are largely backed by contractual commitments for work. Trinidad expects that these upgrades will provide increased utilization and margins, and will improve the rigs long term marketability.

Trinidad is a corporation focused on sustainable growth that trades on the Toronto Stock Exchange under the symbol TDG. Trinidad's divisions currently operate in the drilling sector of the oil and natural gas industry, with operations in Canada, the United States and internationally. In addition, through joint venture arrangements, Trinidad operates drilling rigs in Saudi Arabia and Mexico, and is currently assessing operations in other international markets. Trinidad is focused on providing modern, reliable, expertly designed equipment operated by well-trained and experienced personnel. Trinidad's drilling fleet is one of the most adaptable, technologically advanced and competitive in the industry.

Forward looking Information

This document contains certain forward-looking information and statements ("forward-looking statements") within the meaning of applicable Canadian securities laws, relating to Trinidad's plans, strategies, objectives, expectations and intentions for the future. The use of any of the words "expect", "anticipate", "continue", "will", "plans" and similar expressions are intended to identify forward-looking statements. In particular, this document contains forward-looking statements pertaining to, among other things: Trinidad's 2017 capital budget, including the amounts and breakdown of anticipated capital expenditures and the projects that are expected to be undertaken during 2017; the maintenance of Trinidad's rig fleet in 2017; potential opportunities to increase dayrates and activity; Trinidad's ability to sign contracts for its upgraded rigs; the future utilization and margin levels of upgraded rigs; that the demand for high spec equipment will grow; Trinidad's ability to maintain its strong balance sheet and fund its capital program from cash generated from our operations and cash on hand.

Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this document. While Trinidad believes that the expectations and material factors and assumptions reflected in its forward-looking statements are reasonable as at the date hereof, there can be no assurance that any of these expectations, factors or assumptions will prove to be correct. In particular, in presenting its forward-looking statements, Trinidad has made assumptions respecting, among other things: that Trinidad's customers will honor their take-or-pay contracts; future liquidity levels; future industry conditions and general economic conditions; oil and gas supply and demand conditions in 2017; internal capital expenditure programs and other expenditures by oil and gas exploration and production companies; areas of industry activity and rig demand (and the spec requirements thereof) in such areas; regulatory and legislative conditions; commodity prices, in particular oil and natural gas; future expected cash flows; foreign currency exchange rates and interest rates; and future performance and operations of joint ventures and partnership arrangements.

The forward-looking statements included in this document are not guarantees of future performance and should not be unduly relied upon. Readers are cautioned that forward-looking statements are based on current expectations, estimates and projections that, by their nature, involve a number of known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated and described in the forward-looking statements. These known and unknown risks and uncertainties include, but are not limited to: potential changes in the regulatory and legislative environment; political uncertainty and instability in North American and internationally, and changes in political leadership in North America and elsewhere; volatility in commodity prices and foreign currency exchange, interest and tax rates; the ability of Trinidad to attract and retain qualified personnel, in particular field staff to crew the Company's rigs; the existence of competitors, technological changes and developments in the oilfield services industry; operating risks inherent in the oilfield services industry; variations in internal capital expenditure programs and other expenditures by oil and gas exploration and production companies; volatility in supply and demand

for commodities, in particular oil and natural gas; and changes in general economic conditions including the capital and credit markets.

Trinidad cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. Although the Company's current 2017 capital budget is based upon the current expectations of Trinidad's management, should any one of a number of issues arise, Trinidad may find it necessary to alter its business strategy and/or capital spending program and there can be no assurance as at the date of this document as to how those funds may be reallocated or the Company's strategy changed. Additional information on risks and other factors that could affect Trinidad's business, strategy, operations or financial results are described in reports filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) including but not limited to Trinidad's annual and quarterly MD&A and financial statements, Annual Information Form and Management Information Circular. The forward-looking statements contained in this document speak only as of the date of this document and Trinidad assumes no obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.

Contact

Brent Conway - President and Chief Executive Officer

Lesley Bolster - Chief Financial Officer

Lisa Ottmann - Vice President, Investor Relations

403-294-4401

email: investors@trinidaddrilling.com