SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Triton Emission Solutions Inc.

Form: 10-Q

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2017

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________

COMMISSION FILE NUMBER 000-33309

TRITON EMISSION SOLUTIONS INC.

(Exact name of registrant as specified in its charter)

DELAWARE	**33-0953557**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
c/o 1130 West Pender Street, Unit 820 **Vancouver, BC**	**V6E 4A4**
(Address of principal executive offices)	(Zip Code)

(800) 648-4287
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [ ] **No [X]**

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). **Yes [X]** No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ] (Do not check if a smaller reporting company)	**Smaller reporting company [X]**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: **As of November 20, 2017, the Registrant had 88,195,005 shares of common stock outstanding.**

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

The accompanying unaudited interim consolidated financial statements have not been reviewed by the Company's independent auditor. They have been prepared by management in accordance with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X, and, therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the three and nine months ended September 30, 2017, are not necessarily indicative of the results that can be expected for the year ending December 31, 2017.

Unless the context otherwise requires, all references in this report to "Triton," "the Company," "we," "us," or "our" are to Triton Emission Solutions Inc., collectively with its subsidiaries Ecolutions, Inc., and Triton Emission Solutions International AB.

TRITON EMISSION SOLUTIONS INC.
CONSOLIDATED BALANCE SHEETS
(EXPRESSED IN US DOLLARS)

	September 30, 2017 (Unaudited, Management Prepared)	December 31, 2016
ASSETS		
Current assets		
Cash	$ 7,921	$ 3,794
Accounts receivable	-	12,126
Prepaids	2,207	3,667
	$ 10,128	$ 19,587
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 215,468	$ 167,768
Accrued liabilities	38,923	43,423
Wages payable	92,332	46,808
Unearned revenue	2,075,000	2,075,000
Notes and advances payable	1,108,336	1,041,416
Due to related parties	734,850	244,075
Derivative liabilities - warrants	206,635	194,344
Derivative liability - conversion feature	1,647,978	1,576,327
Loans payable	8,410,314	6,196,278
Total liabilities	14,529,836	11,585,439
Stockholders' deficit		
Common stock $0.001 par value, 200,000,000 common shares authorized, 88,195,005 issued and outstanding at September 30, 2017 and December 31, 2016	88,195	88,195
Obligation to issue shares	46,410	46,410
Additional paid in capital	63,297,948	63,345,881
Accumulated deficit	(77,950,350)	(75,052,646)
Accumulated other comprehensive income (loss)	(1,911)	6,308
	(14,519,708)	(11,565,852)
	$ 10,128	$ 19,587

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

TRITON EMISSION SOLUTIONS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(EXPRESSED IN US DOLLARS)
(Unaudited, Prepared by Management)

	Three Months Ended September 30, 2017	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Consulting revenue	$ -	$ 21,768	$ 8,753	$ 70,988
Amortization	-	2,670	-	7,951
General and administrative expenses	28,567	257,202	353,498	1,309,510
Research and development	3,680	11,301	247,554	30,348
Loss before other items	(32,247)	(249,405)	(592,299)	(1,276,821)
Other items				
Accretion expense	-	(944,459)	(1,046,271)	(2,160,210)
Change in fair value of derivative liabilities	(18,036)	1,321,807	(83,942)	1,499,131
Financing costs	-	(3,457)	(362,720)	(10,298)
Interest	(315,793)	(14,164)	(860,405)	(41,764)
Stock-based compensation	(24,130)	(64,180)	47,933	(252,118)
Net income (loss)	(390,206)	46,142	(2,897,704)	(2,242,080)
Foreign exchange translation	(2,998)	935	(8,219)	(1,233)
Comprehensive income (loss)	$ (393,204)	$ 47,077	$ (2,905,923)	$ (2,243,313)
Net income (loss) per share - basic and diluted	$ (0.00)	$ 0.00	$ (0.03)	$ (0.03)
Weighted average number of shares outstanding - basic and diluted	88,195,005	88,195,005	88,195,005	88,174,750

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

TRITON EMISSION SOLUTIONS INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT
(EXPRESSED IN US DOLLARS)
(Unaudited, Prepared by Management)

	Common shares					Accumulated Other	
	Number of Shares	Amount	Obligation to Issue Shares	Additional Paid-in Capital	Accumulated Deficit	Comprehensive Income / (Loss)	Total
Balance at December 31, 2015	88,145,005	$ 88,145	$ 46,410	$ 63,045,602	$ (69,890,583)	$ 7,183	$ (6,703,243)
Stock-based compensation	-	-	-	252,118	-	-	252,118
Shares issued for investor relation services	50,000	50	-	2,198	-	-	2,248
Net loss for the period ended September 30, 2016	-	-	-	-	(2,242,080)	-	(2,242,080)
Translation to reporting currency	-	-	-	-	-	(1,233)	(1,233)
Balance at September 30, 2016	88,195,005	88,195	46,410	63,299,918	(72,132,663)	5,950	(8,692,190)
Stock-based compensation	-	-	-	45,963	-	-	45,963
Net loss for the period ended December 31, 2016	-	-	-	-	(2,919,983)	-	(2,919,983)
Translation to reporting currency	-	-	-	-	-	358	358
Balance at December 31, 2016	88,195,005	88,195	46,410	63,345,881	(75,052,646)	6,308	(11,565,852)
Stock-based compensation	-	-	-	(47,933)	-	-	(47,933)
Net loss for the period ended September 30, 2017	-	-	-	-	(2,897,704)	-	(2,897,704)
Translation to reporting currency	-	-	-	-	-	(8,219)	(8,219)
Balance at September 30, 2017	88,195,005	$ 88,195	$ 46,410	$ 63,297,948	$ (77,950,350)	$ (1,911)	$ (14,519,708)

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

TRITON EMISSION SOLUTIONS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN US DOLLARS)
(Unaudited, Prepared by Management)

	Nine Months Ended September 30,	
	2017	**2016**
Cash flows used in operating activities		
Net loss	$ (2,897,704)	$ (2,242,080)
Non-cash items		
Accretion expense	1,046,271	2,160,210
Accrued interest	860,405	41,764
Amortization	-	7,951
Financing costs	362,720	10,298
Foreign exchange loss	12,339	12,918
Change in fair value of derivative liability	83,942	(1,499,131)
Investor relations fees, non-cash	-	2,248
Stock-based compensation	(47,933)	252,118
Changes in operating assets and liabilities		
Accounts receivable	12,428	4,974
Prepaids	1,462	15,559
Work in progress	-	30,754
Accounts payable	46,482	11,972
Accrued liabilities	(4,500)	(24,974)
Wages payable	36,940	45,680
Due to related parties	191,071	28,391
Net cash used in operating activities	(296,077)	(1,141,348)
Cash flows from financing activities		
Long-term loan	-	1,200,000
Notes and advances payable	299,816	110,000
Repayment of notes payable	-	(200,000)
Net cash provided by financing activities	299,816	1,110,000
Effects of foreign currency exchange	388	(1,924)
Net increase (decrease) in cash	4,127	(33,272)
Cash, beginning	3,794	112,138
Cash, ending	$ 7,921	$ 78,866
Cash paid for:		
Income tax	$ -	$ -
Interest	$ -	$ 37,724

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Triton Emission Solutions Inc. (the "Company") was incorporated in the state of Delaware on March 2, 2000, and is listed on the OTCPink under the symbol "DSOX". On August 25, 2014, the Company changed its name from Poly Shield Technologies Inc. to Triton Emission Solutions Inc. On November 13, 2014, the Company established a wholly owned subsidiary in Sweden, Triton Emission Solutions International AB (the "Subsidiary").

The Company's main focus is the development and marketing of its proprietary DSOX Fuel Purification (the "DSOX") and Njord Exhaust Gas Scrubber (the "Njord") Systems, designed to remove sulfur from marine fuel and exhaust gases. The technology is currently aimed at the maritime industry which includes vessels for cruise-line, freight shipping and tanker companies.

Basis of presentation

The unaudited interim consolidated financial statements included herein have been prepared by, and are the responsibility of, the Company's management in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Due to a weak financial condition, the Company's independent auditor has not performed a review of these unaudited interim consolidated financial statements. They do not include all information and notes required by generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there has been no material change in the information disclosed in the notes to the financial statements included in the Annual Report on Form 10-K of the Company for the year ended December 31, 2016. In the opinion of management, all adjustments (including normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2017, are not necessarily indicative of the results that may be expected for the year ending December 31, 2017. For further information, these unaudited interim consolidated financial statements and the related notes should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2016, included in the Company's report on Form 10-K.

Reclassifications

Certain prior period amounts in the accompanying unaudited consolidated interim financial statements have been reclassified to conform to the current period's presentation. These reclassifications had no effect on the consolidated results of operations or financial position for any period presented.

Going Concern

The accompanying unaudited, management prepared, consolidated interim financial statements have been prepared assuming the Company will continue as a going concern. Continuation as a going concern is dependent upon the ability of the Company to obtain the necessary financing to meet its obligations and pay its liabilities arising from normal business operations when they come due and ultimately upon its ability to achieve profitable operations. The outcome of these matters cannot be predicted with any certainty at this time and raises substantial doubt that the Company will be able to continue as a going concern. These unaudited interim consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern. Management intends to obtain additional funding by borrowing funds from its directors and officers, issuing promissory notes and/or a private placement of common stock.

NOTE 2 - RELATED PARTY TRANSACTIONS

Amounts due to related parties, other than notes payable to related parties and KF Business Ventures loans (Notes 3 and 4), at September 30, 2017 and December 31, 2016:

	September 30, 2017	December 31, 2016
Due to a company controlled by the Chief Financial Officer ("CFO")	$ 201,454	$ 92,803
Due to the former Chief Executive Officer ("CEO")	73,125	46,860
Due to the former President and Chief Technical Officer ("CTO")	87,923	59,798
Due to the former Senior Vice President ("VP") of Business Development	74,064	41,117
Due to a company controlled by a Director and Chairman for advances	298,284	--
Due to the former VP of Engineering(1)	--	195
Due to the former CEO and President of Subsidiary	--	3,302
Due to related parties	$ 734,850	$ 244,075

Amounts are unsecured, due on demand and bear no interest.

(1)Mr. Buczek resigned from his position of VP of Engineering on May 1, 2015. As at September 30, 2017, the amounts owed to Mr. Buczek have been included in accounts payable.

The Company incurred the following expenses with related parties:

	September 30, 2017	September 30, 2016
Salary paid to the former CEO	$ --	$ 135,000
Consulting fees paid to the former CEO	28,125	--
Fair value of options granted to (forfeited by) the former CEO (Note 5)	(127,051)	70,923
Administrative fees accrued to a company controlled by the CFO	105,000	135,000
Salary paid to the former President and CTO	--	135,000
Consulting fees paid to the former President and CTO	28,125	--
Fair value of options issued to a Director and Chairman (Note 5)	79,118	176,867
Salary paid to the former Senior VP of Business Development	--	135,000
Consulting fees paid to the former Senior VP of Business Development	32,946	--
Salary paid to the President and CEO of the Subsidiary	30,122	78,535
Total transactions with related parties	$ 176,385	$ 866,325

NOTE 3 - NOTES AND ADVANCES PAYABLE

The tables below summarize the short-term loans outstanding as at September 30, 2017 and December 31, 2016:

As at September 30, 2017

Principal Outstanding	Interest Rate per Annum	Accrued Interest	Total
$ 27,000	8%	$ 15,612	$ 42,612
49,500	7%	30,909	80,409
152,244*	6%	14,422	166,666
15,000	0%	--	15,000
600,000	6%	78,423	678,423
110,000	10%	15,226	125,226
$ 953,744		$ 154,592	$ 1,108,336

*The carrying value of this loan is denoted in Canadian dollars and is translated into US dollars at the end of each reporting period.

As at December 31, 2016						
Principal Outstanding		Interest Rate per Annum	Accrued Interest		Total	
$	27,000	8%	$	13,145	$	40,145
	49,500	7%		26,819		76,319
	141,506*	6%		6,623		148,129
	15,000	0%		--		15,000
	600,000	6%		48,723		648,723
	110,000	10%		3,100		113,100
$	943,006		$	98,410	$	1,041,416

*The carrying value of this loan is denoted in Canadian dollars and is translated into US dollars at the end of each reporting period.

Quarry Bay and Tradex Loans and Advances

On April 7, 2015, the Company received a demand notice to repay outstanding notes payable issued to Quarry Bay Capital LLC. ("Quarry Bay") and Tradex Capital Corp ("Tradex").

During the year ended December 31, 2015, the Company repaid $150,000 in outstanding notes payable, and during the year ended December 31, 2016, the Company repaid an additional $200,000, of which $37,724 was applied toward interest accrued on the Quarry Bay Capital Loan, which accrues interest at a rate of 6% per annum. As at September 30, 2017, CAD$190,000 note payable to Quarry Bay remains outstanding and continues accumulating interest at 6% per annum. As at September 30, 2017, the Company owed $166,666 (December 31, 2016 - $148,129), including accrued interest of $14,422 (2016 - $6,623) under the Quarry Bay Capital Loan.

Norling Bridge Loans

On July 28, 2015, and November 6, 2015, the Company entered into two separate bridge loan agreements (the "Norling Loans") with its former President and CTO, Rasmus Norling. Pursuant to the Norling Loans, Mr. Norling agreed to lend to the Company total of $400,000 in exchange for unsecured promissory notes.

The Norling Loans have an interest rate of 6% and were due December 31, 2016. During the nine-month period ended September 30, 2017, the Company recorded $19,782 in interest expense associated with the Norling Loans (2016 - $18,651). As at September 30, 2017, the Company owed $451,879 (2016 - $432,097) under the Norling Loans.

As of September 30, 2017, the Norling Loans are in default, however, the Company has not been served with a default notice by Mr. Norling.

KF Business Ventures Bridge Loan and Note Payable

On August 31, 2015, the Company entered into a bridge loan agreement with KF Business Ventures, LP ("KFBV"), a company controlled by a director of the Company, whereby KFBV agreed to lend to the Company $200,000 in exchange for an unsecured promissory note (the "KFBV Bridge Loan").

The KFBV Bridge Loan has an interest rate of 6%, and was due December 31, 2016. During the nine-month period ended September 30, 2017, the Company recorded $9,918 in interest expense associated with the KFBV Bridge Loan (2016 - $9,351). As at September 30, 2017, the Company owed $226,544 (2016 - $216,626) under the KFBV Bridge Loan.

In September 2016, the Company issued an unsecured promissory note to KFBV for gross proceeds of $110,000 (the "KFBV Note"). As part of the terms of the KFBV Note the Company agreed to grant KFBV the right to offset the cash payable by KFBV to exercise the warrants to purchase shares of the Company's common stock against the corresponding amount the Company would have to pay for outstanding indebtedness under this KFBV Note.

The KFBV Note has an interest rate of 10% and was due January 15, 2017. Under the terms of the KFBV Note, in the event of default the interest rate increases to 15% per annum until such time that the default is cured. During the nine-month period ended September 30, 2017, the Company recorded $15,226 in interest expense associated with the KFBV Note (2016 - $296). As at September 30, 2017, the Company owed $125,226 (2016 - $113,100) under the KFBV Note.

As of September 30, 2017, the KFBV Bridge Loan and KFBV Note are in default, however, the Company has not been served with a default notice by KFBV.

Other Loans

In September and October of its Fiscal 2010, the Company entered into a number of loan agreements with a third party creditor, whereby the third party creditor agreed to lend to the Company a total of $34,500 in exchange for unsecured promissory notes. On November 9, 2010, the Company entered into a loan agreement with another third party creditor, whereby the third party creditor agreed to lend to the Company $15,000 in exchange for an unsecured promissory note.

The loans have an interest rate of 7%, and are due on demand. During the nine-month period ended September 30, 2017, the Company recorded $4,090 in interest expense associated with these loans from third party creditors (2016 - $3,817). As at September 30, 2017, the Company owed $80,409 (2016 - $76,319) under these loans.

On December 12, 2011, the Company entered into a loan agreement with a third party creditor, whereby the third party creditor agreed to lend to the Company $15,000 in exchange for an unsecured promissory note. On February 13, 2012, the third party creditor entered into a second loan agreement with the Company, whereby the third party creditor agreed to lend to the Company an additional $12,000 in exchange for an unsecured promissory note.

The loans have an interest rate of 8%, and are due on demand. During the nine-month period ended September 30, 2017, the Company recorded $2,467 in interest expense associated with these loans (2016 - $2,280). As at September 30, 2017, the Company owed $42,612 (2016 - $40,145) under these loans.

On August 14, 2012, the Company entered into a loan agreement with a third party creditor, whereby the third party creditor agreed to lend to the Company $15,000 in exchange for an unsecured non-interest bearing promissory note payable on demand.

NOTE 4 - KFBV LOANS AND DERIVATIVE LIABILITY

First KF Business Ventures Loan Agreement

On January 15, 2014, the Company entered into a binding letter agreement with KF Business Ventures, LP (“KFBV”), a company controlled by a director of the Company (the “Lender”), which was superseded by the formal definitive loan agreement signed on February 11, 2014, and further amended on March 10, 2014, September 8, 2014, and on December 17, 2015 (the “First KF Loan Agreement”). Under the First KF Loan Agreement the Lender agreed to lend to the Company up to $2,000,000 in four equal installments of $500,000 each (the “First KF Loan”). Pursuant to the First KF Loan Agreement (as amended on March 10, 2014) the principal and interest were to become payable in 18 equal monthly installments commencing on January 1, 2015, with the Company having the right to prepay the First KF Loan at any time in increments of not less than $250,000. The First KF Loan is unsecured and has effective interest rate of 1,130%, which was due primarily to the recording of non-cash accretion interest.

In consideration for the First KF Loan Agreement, as amended on March 10, 2014 (the “March Amendment”), the Company issued to the Lender non-transferrable share purchase warrants to purchase a total of 6,904,546 shares exercisable at a price of $1.00 per share (the “First KF Warrants”) (Note 5). Warrants for 2,450,000 shares had an original expiry date of January 15, 2015, and warrants for 4,454,546 shares had an original expiry date of January 15, 2018. At the discretion of the Lender the First KF Warrants for up to 3,452,273 shares of common stock could have been acquired by way of a cashless exercise.

The First KF Warrants included a down-round provision whereby the exercise price of the First KF Warrants could have been adjusted to the lowest offering price of any options, warrants or shares issued subsequent to the issuance of the First KF Warrants (the “Down-Round Provision”). The First KF Warrants were determined to be a derivative under ASC 815; therefore, at initial measurement, the proceeds were allocated to the fair value of the warrants first and any residual proceeds to the principal of the First KF Loan.

At issuance date, the fair value of the First KF Warrants was $5,128,110 and a value of $Nil was allocated to the principal.

On September 8, 2014, the Company entered into a Second Amendment Agreement (the “September Amendment”) to extend the maturity of the First KF Loan to January 15, 2016, and replace 18 equal monthly installments with a one-time payment of principal and accrued interest. Furthermore, the Company was given an option to further extend the repayment of the First KF Loan to January 15, 2017, by issuing additional share purchase warrants (the “First Extension Warrants”) equal to one-half of the outstanding principal and unpaid interest as at January 15, 2016. The Extension Warrants were to have an initial exercise price of $0.50 per share expiring on September 1, 2021.

As consideration for the September Amendment, the Company issued to the Lender additional warrants for the purchase of up to 2,350,000 shares (the “September Warrants”), with an initial exercise price of $0.50 per share and expiring on January 15, 2019, with cashless exercise rights for up to 1,175,000 shares. In addition, the Company agreed to decrease the exercise price for the First KF Warrants (the “Amended Warrants”) from $1.00 per share to $0.50 per share and extend the expiration date of warrants for up to 2,450,000 shares of the Company’s common stock from January 15, 2015, to January 15, 2016. The September Warrants also included the Down-Round Provision (Note 5).

On December 17, 2015 (the “December Amendment Date”), as part of the second definitive Letter Agreement with KFBV (the “Second KF Letter Agreement”), which was superseded by a formal Loan Agreement dated January 8, 2016, the Company agreed to decrease the exercise price for Amended Warrants and September Warrants from $0.50 per share to $0.10 per share and extend the expiration date of warrants to January 15, 2021. In addition, the Company exercised its option to extend the maturity of the First KF Loan to January 15, 2017, by issuing the Lender 1,194,332 First Extension Warrants, being an equivalent to one-half of the outstanding principal and unpaid interest on the First KF Loan as at January 15, 2016. First Extension Warrants have an initial exercise price of $0.10 per share expiring on September 1, 2021.

The Company did not repay the First KF Loan on January 15, 2017, when due, and as such the First KF Loan is in default. The Company recorded a penalty on unpaid balance of $131,978, representing 5% of the full balance due under the First KF Loan on January 15, 2017. The penalty has been included in financing costs. The Company has not been served with a default notice by KFBV.

During the nine-month period ended September 30, 2017, the Company recognized accretion expense of $73,250 (September 30, 2016 - $860,710). Pursuant to the terms of the First KF Loan Agreement, as of September 30, 2017, the Company recorded an additional $293,378 in interest expense on the First KF Loan at 15% per annum, the default rate of interest.

At September 30, 2017, the fair value of the derivative liability associated with the warrants issued pursuant to the First KF Loan Agreement was $74,336 (December 31, 2016 - $67,380).

At September 30, 2017 and December 31, 2016, the fair values of Amended Warrants, September Warrants, and First Extension Warrants were revalued using the Binomial Lattice model using the following assumptions:

	At September 30, 2017	**At December 31, 2016**
Expected Warrant Life	3.30 - 3.92 years	4.04 - 4.67 years
Risk-Free Interest Rate	1.62%	1.93%
Expected Dividend Yield	Nil	Nil
Expected Stock Price Volatility	32%-60%	32%-60%

Second KF Business Ventures Loan Agreement

On July 28, 2014, the Company entered into a second loan agreement with the Lender (the "Second KF Loan Agreement"). Under the Second KF Loan Agreement, the Lender agreed to lend to the Company $2,400,000 (the "Second KF Loan"), to be advanced in eight equal installments of $300,000 each, commencing on September 1, 2014, and on the first day of each consecutive calendar month thereafter until fully advanced.

The initial maturity date under the Second KF Loan Agreement was January 15, 2016, with an option to further extend the maturity date to January 15, 2017, by issuing additional share purchase warrants (the "Second Extension Warrants") equal to one-half of the outstanding principal and unpaid interest as at January 15, 2016. The Second KF Loan is unsecured and has an effective interest rate of 1,729%, which was due primarily to the recording of non-cash accretion interest.

In consideration for the Second KF Loan Agreement, the Company issued to the Lender non-transferrable share purchase warrants for a total of 9,600,000 shares of the Company's common stock, exercisable at a price of $0.50 per share for a period expiring September 1, 2019 (the "Second KF Warrants") (Note 5). At the discretion of the Lender the Second KF Warrants for up to 4,800,000 shares of common stock can be acquired by way of a cashless exercise.

The Second KF Warrants were determined to be a derivative under ASC 815; therefore, at initial measurement, the proceeds were allocated to the fair value of the Second KF Warrants first and any residual proceeds to the loan principal.

At issuance date, the fair value of the Second KF Warrants was $5,388,652 and a value of $Nil was allocated to the principal.

On December 17, 2015, as part of the Second KF Letter Agreement, which was superseded by a formal Loan Agreement dated January 8, 2016, the Company agreed to decrease the exercise price for the Second KF Warrants from $0.50 per share to $0.10 per share and extend the expiration date of these warrants to January 15, 2021. The Second KF Warrants included a down-round provision whereby the exercise price of the Second KF Warrants could have been adjusted to the lowest offering price of any options, warrants or shares issued subsequent to the issuance of the Second KF Warrants. In addition, the Company exercised its option to extend the maturity of the Second KF Loan to January 15, 2017, by issuing the Lender 1,337,320 Second Extension Warrants, being an equivalent to one-half of the outstanding principal and unpaid interest as at January 15, 2016. Second Extension Warrants have an initial exercise price of $0.10 per share expiring on September 1, 2021.

The Company did not repay the Second KF Loan on January 15, 2017, when due, and as such the Second KF Loan is in default. The Company recorded a penalty on unpaid balance of $147,779, representing 5% of the full balance due under the Second KF Loan on January 15, 2017. The penalty has been included in financing costs. The Company has not been served with a default notice by KFBV.

During the nine-month period ended September 30, 2017, the Company recognized accretion expense of $165,212 (September 30, 2016 - $1,267,288). Pursuant to the terms of the Second KF Loan Agreement, as of September 30, 2017, the Company recorded additional $328,501 in interest expense on the First KF Loan at 15% per annum, the default rate of interest.

At September 30, 2017, the fair value of the derivative liabilities associated with the Second KF Warrants and the Second Extension Warrants was $68,299 (December 31, 2016 - $67,764).

At September 30, 2017 and December 31, 2016, the fair values of the Second KF Warrants and Second Extension Warrants were revalued using the Binomial Lattice model using the following assumptions:

	At September 30, 2017	At December 31, 2016
Expected Warrant Life	3.30 - 3.92 years	4.04 - 4.67 years
Risk-Free Interest Rate	1.62%	1.93%
Expected Dividend Yield	Nil	Nil
Expected Stock Price Volatility	15% - 60%	15% - 60%

Third KF Business Ventures Loan Agreement

On December 17, 2015, the Company entered into a Second KF Letter Agreement with the Lender, which was ratified by the formal definitive loan agreement signed on January 8, 2016 (the "Third KF Loan Agreement"). Under the Third KF Loan Agreement, the Lender agreed to lend to the Company $1,500,000 (the "Third KF Loan"), to be advanced in five equal installments of $300,000 each, commencing on execution of the Second KF Letter Agreement, and on the first day of each consecutive calendar month thereafter until fully advanced. A total of $1,200,000 was advanced in fiscal 2016 (2015 - $300,000).

The maturity date under the Third KF Loan Agreement was January 15, 2017. The Third KF Loan is unsecured and has an effective interest rate of 2,339%, which was due primarily to the recording of non-cash accretion interest. At the discretion of the Lender the principal and accrued but unpaid interest under the Third KF Loan may be converted into shares of the Company's common stock at a conversion price of $0.10 per share, in minimum increments of $250,000 (the "Third KF Loan Conversion Feature"). The Down-Round Provision is included in the Third KF Loan Conversion Feature.

In consideration for the Third KF Loan Agreement, the Company issued to the Lender non-transferrable share purchase warrants for a total of 8,000,000 shares of the Company's common stock, exercisable at a price of $0.10 per share for a period expiring January 15, 2021 (the "Third KF Warrants"). At the discretion of the Lender the Third KF Warrants for up to 4,000,000 shares of common stock can be acquired by way of a cashless exercise (Note 5). The Down-Round Provision is included in the Third KF Warrants.

The Third KF Warrants and the Third KF Loan Conversion Feature were determined to be derivatives under ASC 815; therefore, at initial measurement, the proceeds were allocated to the Third KF Warrants and the Third KF Loan Conversion Feature on a pro-rata basis first and any residual proceeds to the principal.

At issuance date, the fair value of the Third KF Warrants and the Third KF Loan Conversion Feature was $509,760 and $990,239 respectively and a value of $1 was allocated to the principal.

The Company did not repay the Third KF Loan on January 15, 2017, when due, and as such the Third KF Loan is in default. The Company recorded a penalty on unpaid balance of $82,399, representing 5% of the full balance due under the Third KF Loan on January 15, 2017. The penalty has been included in financing costs. The Company has not been served with a default notice by KFBV.

During the nine-month period ended September 30, 2017, the Company recognized accretion expense of $807,809 (September 30, 2016 - $32,213). Pursuant to the terms of the Second KF Loan Agreement, as of nine-month period ended September 30, 2017, the Company recorded additional $183,166 in interest expense on the Third KF Loan at 15% per annum, the default rate of interest.

As a consequence of the Third KF Loan being in default, the conversion price decreased to 50% of the volume weighted average price of the Company's stock over the last five days of trading immediately preceding the date of exercise.

At September 30, 2017, the fair value of the derivative liability associated with the Third KF Warrants and the Third KF Loan Conversion Feature was $64,000 (2016 - $59,200) and $1,647,978 (2016 - $1,576,327), respectively.

At September 30, 2017 and December 31, 2016, the fair value of the Third KF Warrants was revalued using the Binomial Lattice model using the following assumptions:

	At September 30, 2017	At December 31, 2016
Expected Warrant Life	3.30 years	4.04 years
Risk-Free Interest Rate	1.62%	1.70%
Expected Dividend Yield	Nil	Nil
Average Expected Stock Price Volatility	60%	60%

At September 30, 2017 and December 31, 2016, the fair value of the Third KF Loan Conversion Feature was revalued using the Binomial Lattice model using the following assumptions:

	At September 30, 2017	At December 31, 2016
Expected Life	0.00 years	0.04 years
Risk-Free Interest Rate	0.96%	0.44%
Expected Dividend Yield	Nil	Nil
Expected Stock Price Volatility	57%	57%

Summary of KF Loans Payable

A summary of the discounted carrying value, deferred financing costs, accumulated accrued interest, penalty and principal of KF loans payable is as follows:

As at September 30, 2017	Discounted Carrying Value	Principal Outstanding	Accumulated Accrued Interest	Penalty	Total
First KF Loan Payable	$ 3,064,923	$ 2,000,000	$ 932,945	$ 131,978	$ 3,064,923
Second KF Loan Payable	3,431,849	2,400,000	884,070	147,779	3,431,849
Third KF Loan Payable	1,913,542	1,500,000	331,143	82,399	1,913,542
	$ 8,410,314	$ 5,900,000	$ 2,148,158	$ 362,156	$ 8,410,314

As at December 31, 2016	Discounted Carrying Value	Principal Outstanding	Accumulated Accrued Interest	Total
First KF Loan Payable	$ 2,566,317	$ 2,000,000	$ 628,764	$ 2,628,764
Second KF Loan Payable	2,790,357	2,400,000	543,475	2,943,475
Third KF Loan Payable	840,168	1,500,000	141,236	1,641,236
	6,196,842	5,900,000	1,313,475	7,213,475
Deferred Financing Costs	(564)	--	--	--
	$ 6,196,278	$ 5,900,000	$ 1,313,475	$ 7,213,475

Summary of the Derivative Liability - Conversion Feature

A summary of the derivative liability associated with the Conversion Feature under the Third KF Loan Agreement is as follows:

As at September 30, 2017	Fair Value at December 31, 2016	Change on Revaluation at Reporting Date	Fair Value at September 30, 2017
Third KF Loan Conversion Feature	$ 1,576,327	$ 71,651	$ 1,647,978

As at December 31, 2016	Fair Value at December 31, 2015	Change on Revaluation at Reporting Date	Fair Value at December 31, 2016
Third KF Loan Conversion Feature	$ 2,335,498	$ (759,171)	$ 1,576,327

Summary of the Derivative Liabilities - Warrants

A summary of the derivative liabilities associated with the warrants under the KF Loan Agreements and their amendments is as follows:

As at September 30, 2017	**Fair Value at December 31, 2016**	**Change on Revaluation at Reporting Date**	**Fair Value at September 30, 2017**
9,254,546 warrants (Amended Warrants and September Warrants)	$ 58,303	$ 6,478	$ 64,781
1,194,332 warrants (First Extension Warrants)	9,077	478	9,555
9,600,000 warrants (Second KF Warrants)	57,600	-	57,600
1,337,320 warrants (Second Extension Warrants)	10,164	535	10,699
8,000,000 warrants (Third KF Warrants)	59,200	4,800	64,000
Total	$ 194,344	$ 12,291	$ 206,635

As at December 31, 2016	**Fair value at December 31, 2015**	**Change on Revaluation at Reporting Date**	**Fair Value at December 31, 2016**
9,254,546 warrants (Amended Warrants and September Warrants)	$ 253,944	$ (195,641)	$ 58,303
1,194,332 warrants (First Extension Warrants)	42,089	(33,012)	9,077
9,600,000 warrants (Second KF Warrants)	329,472	(271,872)	57,600
1,337,320 warrants (Second Extension Warrants)	45,897	(35,733)	10,164
8,000,000 warrants (Third KF Warrants)	274,560	(215,360)	59,200
Total	$ 945,962	$ (751,618)	$ 194,344

KF Business Ventures, Deferred Financing Costs

During the year ended December 31, 2015, the Company recorded $50,538 in legal fees associated with securing the KFBV Loans. These fees are amortized over the remaining life of the loans. As of September 30, 2017, the legal fees were fully amortized and the Company recorded $564 (September 30, 2016 - $10,298) in financing costs associated with the amortization of these legal fees.

NOTE 5 - SHARE CAPITAL

During the nine months ended September 30, 2017, the Company did not have any transactions that resulted in issuance of its common stock.

Warrants

A continuity schedule of warrants is as follows:

	September 30, 2017	**December 31, 2016**
Warrants, beginning	39,886,198	39,886,198
Warrants, expired	(10,000,000)	--
Warrants, outstanding	29,886,198	39,886,198

Details of warrants outstanding as at September 30, 2017 are as follows:

Exercise price	Expiry date	Number of warrants outstanding
$0.50	August 1, 2018	500,000
$0.10	January 15, 2021	26,854,546
$0.10	September 1, 2021	2,531,652
		29,886,198

At September 30, 2017, the weighted-average exercise price and remaining contractual life of the outstanding share purchase warrants were $0.11 and 3.31 years, respectively.

Options

A summary of options is as follows:

	September 30, 2017	December 31, 2016
Options, beginning	6,300,000	6,300,000
Options, forfeited	(3,800,000)	-
Options, outstanding	2,500,000	6,300,000
Options, exercisable	2,000,000	3,800,000

Details of options outstanding as at September 30, 2017 are as follows:

Exercise price	Grant date	Number of options granted	Number of options exercisable
$0.10	September 8, 2014	2,500,000	2,000,000
		2,500,000	2,000,000

At September 30, 2017, the weighted-average exercise price and remaining contractual life of the outstanding options to purchase the shares of the Company's common stock were $0.10 and 3.94 years, respectively.

Effective September 8, 2014, the Company adopted the 2014 Stock Option Plan (the "2014 Plan"). The 2014 Plan allows the Company to grant awards to its officers, directors and employees. In addition, the Company may grant awards to individuals who act as consultants to the Company, so long as those consultants do not provide services connected to the offer or sale of the Company's securities in capital raising transactions and do not directly or indirectly promote or maintain a market for the Company's securities.

The Company reserved a total of 13,200,000 shares of its common stock for issuance under the 2014 Plan. However, under the terms of the 2014 Plan, at any time after January 1, 2015, the Company can increase the number of authorized shares available under the 2014 Plan up to 15% of the total number of shares of common stock then outstanding.

On September 8, 2014, the Company granted options to acquire up to 2,500,000 shares of the Company's common stock to a Director (the "Options"). These Options were issued under the 2014 Plan. The Options vest at a rate of 500,000 shares per year, beginning September 1, 2014, and had initial exercise price of $0.50 per share. The Options expire five years after the vesting date thereof. On December 17, 2015, the Options were repriced to $0.10 in accordance with the provisions under the Stock Option Agreement with the Director.

The grant date fair value of these options was $953,885. During the nine-month period ended September 30, 2017, the Company recognized $79,118 as stock-based compensation (2016 - $176,867).

The fair value was determined using the Black-Scholes Option pricing model at the grant date using the following assumptions:

	At September 8, 2014
Expected Option Life	5 years
Average Risk-Free Interest Rate	1.98%
Expected Dividend Yield	Nil
Average Expected Stock Price Volatility	118%

On March 6, 2015, the Company granted options to acquire up to 3,000,000 shares of the Company's common stock at an exercise price of $0.50 per share to the former CEO and a former director of the Company. These Options were issued under the 2014 Plan. Options to acquire up to 1,000,000 shares of the Company's common stock vested on March 23, 2015, and Options to acquire up to an additional 500,000 shares of the Company's common stock vested on March 23, 2016. The remaining 1,500,000 options were to vest at a rate of 500,000 shares per year, beginning March 23, 2017. In accordance with the termination provisions available under the 2014 Plan, the options expired on March 9, 2017, 30 days after the resignation of the CEO.

The grant date fair value of these Options was $413,944. During the nine-month period ended September 30, 2017, the Company recognized $7,441 as stock-based compensation (2017 - $70,923) relating to these options. Certain stock options were forfeited by the former CEO as a consequence of his resignation. On forfeiture, the Company recorded a reversal of $134,492 of previously recorded stock-based compensation expense relating to options that had not yet vested at the date of forfeiture.

The fair value was determined using the Black-Scholes Option pricing model at the grant date using the following assumptions:

	At March 23, 2015
Expected Option Life	5 years
Risk-Free Interest Rate	1.41 - 1.71%
Expected Dividend Yield	Nil
Average Expected Stock Price Volatility	126%

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Cautionary Statement Regarding Forward-Looking Statements

The information in this Quarterly Report contains forward-looking statements. These forward-looking statements involve risks and uncertainties, including statements regarding Triton’s capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may”, “will”, “should”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict”, “potential” or “continue”, the negative of such terms or other comparable terminology. Actual events or results may differ materially. In evaluating these statements, you should consider various factors, including the risks outlined from time to time, in other reports Triton files with the Securities and Exchange Commission.

The forward-looking statements in this Quarterly Report on Form 10-Q for the interim period ended September 30, 2017, are subject to risks and uncertainties that could cause actual results to differ materially from the results expressed in or implied by the statements contained in this report. As a result, the identification and interpretation of data and other information and their use in developing and selecting assumptions from and among reasonable alternatives requires the exercise of judgment. To the extent that the assumed events do not occur, the outcome may vary substantially from anticipated or projected results, and accordingly, no opinion is expressed on the achievability of those forward-looking statements. No assurance can be given that any of the assumptions relating to the forward-looking statements specified in the following information are accurate.

All forward-looking statements are made as of the date of the filing of this Quarterly Report on Form 10-Q and Triton disclaims any obligation to publicly update these statements, or disclose any difference between its actual results and those reflected in these statements. Triton may, from time to time, make oral forward-looking statements. Triton strongly advises that the above paragraphs and the risk factors described in this Quarterly Report and in Triton’s other documents filed with the United States Securities and Exchange Commission should be read for a description of certain factors that could cause the actual results of Triton to materially differ from those in the oral forward-looking statements. Triton disclaims any intention or obligation to update or revise any oral or written forward-looking statements whether as a result of new information, future events or otherwise.

Cautionary Statement of No Auditor Review

The unaudited interim consolidated financial statements included in this quarterly report on Form 10-Q have not been reviewed by the Company’s independent auditor. They have been prepared by management of the Company in accordance with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X, and, therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature.

The discussion provided in this Quarterly Report should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2016, filed with the United States Securities and Exchange Commission (the “SEC”) on April 14, 2017.

OVERVIEW

We were incorporated under the laws of the State of Delaware on March 2, 2000. We are in the business of developing and marketing emission abatement technologies for the marine industry worldwide.

Our main products are represented by the Njord Exhaust Gas Scrubber System (the “Njord System”) and the DSOX Fuel Purification System (the “DSOX-20” or “DSOX System”). The main purpose of the Njord System is to clean the exhaust gases from excess sulfur following the internal combustion process within a ships’ engine, whereas the DSOX-20 is a pre-combustion de-sulfurization technology designed to remove alkali metals, such as sulfur and sodium, from heavy marine fuel.

Both systems can work as stand-alone units or can be used in conjunction with one another to get the ultimate results. The fairly small size of Njord System and capability of it working in both open and closed loop modes makes the system versatile for installation on new builds as well as for retrofitting existing vessels. Its unique design does not require the addition of any chemicals and results in minimal back pressure, allowing for an extended longevity of a ships' engine.

The DSOX-20 is based on our patented Bio Scrubber platform, integrating it with additional new proprietary technologies that we acquired from Mr. Norling, our former President and Chief Technical Officer ("CTO"), in March 2014.

In February of 2017, majority of our top management, including Anders Aasen, the Chief Executive Officer and a director of the Company, Rasmus Norling, the Chief Technical Officer, President and a director of the Company, and Mitchell Miller, Senior Vice President of Business Development and a director of the Company, tendered their resignations from their respective posts. Resignations of Messrs. Aasen, Norling, and Miller were not due to, and were not caused by, in whole or in part, any disagreement with us, whether related to our operations, policies, practices or otherwise. However, their resignation had left the Company without the technical expertise required for the Company to continue developing and marketing its emission technologies. These resignations, coupled with a significant shortage of financial resources, create an uncertainty in the Company's ability to continue as a going concern.

In April of 2017 we commissioned Norling Inc., a company controlled by our former President and CTO, to complete a laboratory acceptance test on the Company's technology. We paid Norling Inc. a total of $210,600 for the test, which was finalized in late July of 2017. As of the date of this Quarterly Report of Form 10-Q, the Company is awaiting the final results of the test.

RESULTS OF OPERATIONS

Three and Nine Months Summary

	Three Months Ended			Nine Months Ended		
	September 30, 2017	September 30, 2016	Percentage Increase / (Decrease)	September 30, 2017	September 30, 2016	Percentage Increase / (Decrease)
Revenue	$ -	$ 21,768	(100.0)%	$ 8,753	$ 70,988	(87.7)%
Operating expenses	(32,247)	(271,173)	(88.1)%	(601,052)	(1,347,809)	(55.4)%
Accretion expense	-	(944,459)	(100.0)%	(1,046,271)	(2,160,210)	(51.6)%
Change in fair value of derivative liabilities	(18,036)	1,321,807	(101.4)%	(83,942)	1,499,131	(105.6)%
Financing costs	-	(3,457)	(100.0)%	(362,720)	(10,298)	3,422.2%
Interest	(315,793)	(14,164)	2.129.5%	(860,405)	(41,764)	1,960.2%
Stock-based compensation	(24,130)	(64,180)	(62.4)%	47,933	(252,118)	(119.0)%
Net income (loss)	$ (390,206)	$ 46,142	(945.7)%	$ (2,897,704)	$ (2,242,080)	29.2%

Revenues

We did not generate any revenue during the three-month period ended September 30, 2017, which represented a 100% decline as compared to $21,768 we generated during the three-month period ended September 30, 2016. During the nine-month period ended September 30, 2017, our revenue decreased by 87.7% to $8,753, from $70,988 we generated during the nine months ended September 30, 2016. Our revenue consisted of consulting fees charged by our wholly owned subsidiary, Triton International, on the use and installation of emission abatement technologies. The consulting agreement between Triton International and its sole customer expired during the quarter ended March 31, 2017.

During the nine-month period ended September 30, 2017, we did not record any revenue from our main operations, being installation and servicing of our DSOX and Njord Systems (collectively, the "Emission Technologies"), as the installations of our DSOX Systems for LMS Ship Management Inc. ("LMS") and Magical Cruise Company, Limited ("DCL") projects were not completed. Due to significant shortage of financial resources, we do not expect to have significant operating revenue in the foreseeable future.

Operating Expenses

During the three-month period ended September 30, 2017, our operating expenses decreased by 88.1% to $32,247 from $271,173 for the three months ended September 30, 2016; the decrease was directly associated with a lack of funds and our inability to secure additional financing to continue our operations. The most significant changes included a $132,040 decrease to our salary and wage costs, as majority of our senior officers and board members resigned from their positions in February of 2017; as well as $30,561 reduction to our administrative fees and $45,332 reduction of insurance costs.

During the nine-month period ended September 30, 2017, our operating expenses decreased by 55.4% to $601,062 from $1,347,809 for the nine months ended September 30, 2016.

The most significant year-to-date changes in our operating expenses were as follows:

- During the nine-month period ended September 30, 2017, we did not have any staff employed directly by the parent corporation. Our Subsidiary had two employees of which one resigned in the month of February and the last employee resigned in May of 2017. This resulted in a decrease to our wages and salaries of $746,172, or 91.0%, from $819,984 we recorded during the nine-month period ended September 30, 2016, to $73,812 we recorded during the nine-month period ended September 30, 2017. As of the date of this report, we have no intention to hire any staff, and we plan to use external consultants on as needed basis.

- As part of our ongoing efforts to control our overhead costs, while we are seeking additional sources of financing, we terminated our insurance coverage, which resulted in $121,487 decrease to our insurance expenses to $12,105 we incurred during the period ended September 30, 2017. We also decided to reduce our marketing and advertising expenditures, which resulted in decrease of $44,274 to $155.

- During the nine-month period ended September 30, 2017, our travel and entertainment expenses decreased by $36,843 to recovery of $740 we incurred during the period. Our office and rent expenses decreased by $19,187 and $26,014, respectively to $3,509 we incurred in office expenses, and $2,489 incurred in rent expenses during the period ended September 30, 2017. These decreases were mainly associated with our efforts to control our operating costs.

The above changes were in part offset by the following:

- On February 7, 2017, Anders Aasen resigned as our Chief Executive Officer and a director, and Rasmus Norling resigned as our Chief Technical Officer, President and a director. On February 13, 2017, Mr. Mitchell Miller resigned as our Senior Vice President of Business Development and as a director. We recorded $89,196 in consulting fees associated with January and February fees we accrued for services performed by Messrs. Norling, Miller and Aasen until their respective resignations. We did not have similar expenses during the nine-month period ended September 30, 2016, as above officers and directors were receiving payroll.

- In order to protect the intellectual rights to our technology, we incurred $38,409 in patent application and protection fees, which were recorded as part of our expense on research and development.

- In April of 2017 we commissioned Norling Inc., a company controlled by our former President and CTO, to complete a laboratory acceptance test on the Company's technology. We paid Norling Inc. a total of $209,145 for the test, which was finalized in late June of 2017. The payment was included as part of our research and development costs.

Other Items

During the nine-month period ended September 30, 2017, we recorded $1,046,271 in accretion expense that resulted from the difference between the stated interest rate and the implied interest rate we used to determine the fair value of the proceeds we received pursuant to the First KF Loan, the Second KF Loan and the Third KF Loan (collectively, the "KF Loans"). During the same period of fiscal 2016, our accretion expense was determined to be $2,160,210. As of January 15, 2017, all KF Loans were fully accreted, however, since we did not repay the KF Loans when due, we continue to accrue interest on the balances owed under KF Loans at 15% per annum compounded monthly, the default rate of interest per KF Loan Agreements. As a result we recorded $805,045 in interest on KF Loans. Further $55,360 in interest expense was associated with interest accrued on the notes payable we issued to Mr. Norling and KFBV, and on the notes payable we issued to other non-related lenders.

On January 15, 2017, we recorded a penalty on the KF Loans in the amount of $362,156, which was calculated as 5% of the total amount owed under the First KF Loan, the Second KF Loan and the Third KF Loan on January 15, 2017. The penalty was recorded as part of financing costs.

During the nine months ended September 30, 2017, we recorded $86,559 in stock-based compensation in respect of options to acquire shares of our common stock granted to our chairman of the board of directors and our former CEO under the 2014 Plan. As a consequence of Mr. Aasen's resignation certain stock options were forfeited by the former CEO. On forfeiture, the Company recorded a reversal of $134,492 of previously recorded stock-based compensation expense relating to options that had not yet vested at the date of resignation. During the nine-month period ended September 30, 2016, our stock-based compensation associated with the same options was determined to be $252,118.

During the nine months ended September 30, 2017, we recorded $83,942 loss on the change in the fair value of the derivative liabilities associated with the warrants we issued to KFBV pursuant to the KF Loans and the conversion feature available under the Third KF Loan Agreement. The change in the fair values of the derivative liabilities was a result of the increase in the market price of our common stock at September 30, 2017 ($0.012 per share), as compared to the market price of the stock at December 31, 2016 ($0.0115 per share). During the nine months ended September 30, 2016, we recorded a gain on the change in the fair value of the derivative liabilities of $1,499,131, as the price of our common stock at September 30, 2016 ($0.03 per share), had decreased as compared to the price in effect on December 31, 2015 ($0.0525 per share).

Liquidity and Capital Resources

Our financial position at September 30, 2017 and December 31, 2016 was as follows:

	September 30, 2017	December 31, 2016
Current assets	$ 10,128	$ 19,587
Current liabilities	14,529,836	11,585,439
Working capital deficit	$ (14,519,708)	$ (11,565,852)

As of September 30, 2017, we had a cash balance of $7,921, a working capital deficit of $14,519,708, and cash flows used in operations of $296,077 for the nine months then ended. Of our working capital deficit at September 30, 2017, $206,635 was attributed to the fair value of the derivative liability associated with the warrants we issued to KFBV as partial consideration for the KF Loans, and $1,647,978 was attributed to the conversion feature included in the Third KF Loan Agreement. During the nine-month period ended September 30, 2017, we funded our operations with $299,816 we received in non-interest bearing advances from KFBV and Da Costa Management Corp., and, to a minor extent, with cash received from consulting fees.

As of September 30, 2017, we owed a total of $8,410,314 (2016 - $7,213,475) to KFBV under the terms of the First KF Loan, the Second KF Loan and the Third KF Loan, consisting of $5,900,000 (2016 - $5,900,000) in principal amount of all advances made to that date plus $1,343,113 (2016 - $1,313,475) in accrued interest thereon calculated using the stated interest rate of 10% per annum compounded monthly until January 15, 2017, when all KF Loans became due and payable, $805,045 in accrued interest at a default rate of interest, which was calculated on $7,243,113 owed and payable on January 15, 2017, and $362,156 in financing costs associated with penalty we accrued on an unpaid balance. A description of the KF Loans is provided under "Net Cash Provided by Financing Activities".

During the nine-month period ended September 30, 2017, we did not generate sufficient cash flows from our operating activities to satisfy our cash requirements. Our only significant source of financing during the nine-month period ended September 30, 2017, came from KFBV advances. The amount of cash that we have generated from our operations to date is significantly less than our current debt obligations, including our debt obligations under the KF Loans, which became due and payable on January 15, 2017, and as of the date of the filing of this Form 10-Q are in default.

There is no assurance that we will be able to generate sufficient cash from our operations to repay the amounts owing under the KF Loans when due, or to service our other debt obligations. If we are unable to generate sufficient cash flow from our operations to repay the amounts owing when due, we may be required to raise additional financing, or re-negotiate the terms of our debt obligations. Our ability to raise financing from other sources is restricted under the terms of the KF Loan Agreements. Under the terms of those agreements, we may not incur additional debt financing (other than trade payables incurred in the ordinary course of business), sell any material assets, sell any of our equity securities as part of any transaction that would result in a change in control, or engage in any corporate reorganization while any amounts remain outstanding under those agreements without KFBV's prior written consent.

Although Robert C. Kopple, the Chairman of our Board of Directors, is the principal of KFBV, there is no assurance that we will be able to obtain additional financing from KFBV, re-negotiate the terms of the KF Loans, or obtain KFBV's consent to other financing alternatives, if needed.

Cash Flows

	Nine Months Ended September 30,	
	2017	**2016**
Cash flows used in operating activities	$ (296,077)	$ (1,141,348)
Cash flows provided by financing activities	299,816	1,110,000
Effects of foreign currency exchange	388	(1,924)
Net increase (decrease) in cash during the period	$ 4,127	$ (33,272)

Net Cash Used in Operating Activities

Net cash used in operating activities during the nine-month period ended September 30, 2017, was $296,077. This cash was primarily used to cover our cash operating expenses of $579,960, and to decrease our accrued liabilities by $4,500. These uses of cash were offset by decreases in our accounts receivable and prepaids of $12,428 and $1,462, and increases in the accounts payable of $46,482, wages payable of $36,940 and the amounts due to related parties of $191,071.

Net cash used in operating activities during the nine month period ended September 30, 2016, was $1,141,348. This cash was primarily used to cover our cash operating expenses of $1,253,704 and to decrease our accrued liabilities by $24,974. These uses of cash were offset by decreases in our prepaid expenses of $15,559, accounts receivable of $4,974, and work in progress of $30,754, and by increase in our accounts payable of $11,972. In addition, increases in our wages payable and amounts due to related parties of $45,680 and $28,391, respectively, further reduced amount of cash we used in operations.

Non-cash transactions

During the nine months ended September 30, 2017 and 2016, our net loss was further increased by the following expenses that did not have any impact on cash used in operations:

- $1,046,271 (2016 - $2,160,210) in accretion expense which resulted from the difference between the stated interest rate and implied interest rate we used to determine the fair value of the proceeds we received pursuant to the KF Loans;

- $860,405 (2016 - $41,764) in interest we accrued on our notes and advances payable, of which $805,045 was associated with the interest we calculated on the balances payable on the KF Loans at January 15, 2017;

- $362,720 (2016 - $10,298) which consisted of $362,156 in financing costs associated with the penalty we recorded on the balances payable on the KF Loans at January 15, 2017, when the KF Loans became due and payable, and $564 in deferred legal fees we incurred to secure the KF Loans; and

- $83,942 loss (2016 - $1,499,131 gain) we recorded on the revaluation of the derivative liability associated with the warrants we issued to KFBV as consideration for the KF Loans and conversion feature included in the Third KF Loan Agreement, as, pursuant to the guidance provided by ASC 815, we must revalue derivative liability at each reporting period based on the value of the underlying variable on the reporting date. Since the price of our common stock at September 30, 2017, was higher as compared to the price at December 31, 2016, this resulted in a loss on revaluation; whereas lower price or our common stock at September 30, 2016, in comparison to the price of the stock on December 31, 2015, resulted in gain on revaluation.

The negative effects of the above non-cash transactions were offset by $47,933 in recovery of stock-based compensation which comprised of $86,559 in stock-based compensation in respect of options to acquire shares of our common stock granted to our chairman of the board of directors and our former CEO under the 2014 Plan, and a recovery of $134,492, which was associated with the value of forfeited options to acquire our common stock we granted to our former CEO. During the nine months ended September 30, 2016, our stock-based compensation associated with the above options was determined to be $252,118.

Net Cash Provided by Financing Activities

During the nine-month period ended September 30, 2017, KFBV advanced to us $298,284 for working capital; in addition we received $1,532 in advances from Da Costa Management Corp.

During the nine-month period ended September 30, 2016, we received $1,200,000 from KFBV pursuant to our Third KF Loan Agreement, and $110,000 pursuant to the note payable we issued to KFBV. Robert C. Kopple, Chairman of our Board of Directors, is the principal of KFBV. These financing activities were reduced by $200,000 we paid to Quarry Bay and Tradex as partial repayment of loans and advances we received from these lenders during our fiscal 2012 through 2014.

First Loan Agreement with KF Business Ventures, LP

On January 15, 2014, we entered into a binding letter agreement (the “Letter Agreement”) with KFBV, which was superseded by a formal definitive Loan Agreement signed on February 11, 2014, and further amended on March 10, 2014, September 8, 2014 and January 8, 2016 (as amended, the “First KF Loan Agreement”). Under the First KF Loan Agreement, KFBV agreed to lend to us $2,000,000 (the “First KF Loan”). Under the terms of the First KF Loan Agreement, we may not incur additional debt financing (other than trade payables incurred in the ordinary course of business), sell any material assets, sell any of our equity securities, which may result in a change in control, or engage in any corporate reorganization while any amounts remain outstanding under those agreements without KFBV’s prior written consent.

Amounts payable under the First KF Loan Agreement accumulate interest at a rate of 10% per annum, compounded monthly. In the event of default, the interest is increased to 15% per annum until event of default is cured; in addition, the Company is required to pay a late payment fee equal to 5% of any past due sum under the First KF Loan.

On December 17, 2015, we exercised our right to extend the maturity date of the First KF Loan to January 15, 2017 by issuing to KFBV warrants to acquire up to additional 1,194,332 shares of our common stock with an initial exercise price of $0.10 per share, expiring on September 1, 2021 (the “First Loan Extension Warrants”).

As additional consideration for KFBV agreeing to loan us the funds and make amendments to the terms of the First KF Loan Agreement we issued to KFBV non-transferrable warrants for the purchase of up to 10,448,878 shares of our common stock, including the First Loan Extension Warrants, as follows:

No. of Shares	Ex. Price	Expiration Date
2,450,000	$0.10 per share	Jan. 15, 2021
4,454,546	$0.10 per share	Jan. 15, 2021
2,350,000	$0.10 per share	Jan. 15, 2021
1,194,332	$0.10 per share	Sep. 1, 2021
10,448,878	**Total**	

The warrants issued to KFBV in connection with the First KF Loan may be exercised by way of a cashless exercise for a total of up to 5,224,439 shares of our common stock. If, at any time prior to the expiration date of these warrants, we issue additional shares of common stock, or options, warrants, convertible notes or similar rights to acquire shares of our common stock for a purchase, exercise or conversion price per share less than the exercise price of these warrants, the exercise price will be adjusted to equal such lower price.

Second Loan Agreement with KF Business Ventures, LP

On July 28, 2014, we entered into a second loan agreement with KFBV, which was amended on January 8, 2016 (as amended, the “Second KF Loan Agreement”). Under the Second KF Loan Agreement KFBV agreed to lend to us $2,400,000 (the “Second KF Loan”). Under the terms of the Second KF Loan Agreement, we may not incur additional debt financing (other than trade payables incurred in the ordinary course of business), sell any material assets, sell any of our equity securities, which may result in a change in control, or engage in any corporate reorganization while any amounts remain outstanding under those agreements without KFBV’s prior written consent.

Amounts payable under the Second KF Loan Agreement accumulate interest at a rate of 10% per annum, compounded monthly. In the event of default, the interest is increased to 15% per annum until event of default is cured; in addition, the Company is required to pay a late payment fee equal to 5% of any past due sum under the Second KF Loan.

On December 17, 2015, we exercised our right to extend the maturity date of the Second KF Loan to January 15, 2017, by issuing to KFBV warrants to acquire up to additional 1,337,320 shares of our common stock with an initial exercise price of $0.10 per share expiring on September 1, 2021 (the “Second KF Loan Extension Warrants”).

Following are the warrants we granted to KFBV in connection with the Second KF Loan, including the Second KF Loan Extension Warrants:

No. of Shares	Ex. Price	Expiration Date
9,600,000	$0.10 per share	Jan. 15, 2021
1,337,320	$0.10 per share	Sep. 1, 2021
10,937,320	**Total**	

The warrants issued to KFBV in connection with the Second KF Loan may be exercised by way of a cashless exercise for a total of up to 5,468,660 shares of our common stock. If, at any time prior to the expiration date of these warrants, we issue additional shares of common stock, or options, warrants, convertible notes or similar rights to acquire shares of our common stock for a purchase, exercise or conversion price per share less than the exercise price of these warrants, the exercise price will be adjusted to equal such lower price.

Third Loan Agreement with KF Business Ventures, LP

On December 17, 2015, we entered into a binding letter agreement with KFBV, which was superseded by a formal definitive Loan Agreement signed on January 8, 2016 (the “Third KF Loan Agreement”). Under the Third KF Loan Agreement, KFBV agreed to lend to us up to $1,500,000, to be advanced in five equal installments of $300,000 each, beginning on December 17, 2015, with the remaining installments advanced on the first day of each consecutive calendar month thereafter (the “Third KF Loan”).

Advances under the Third KF Loan were conditional upon (1) our agreeing to amend the terms of the 9,254,546 warrants previously issued to KFBV under the terms of the First KF Loan Agreement, as amended, and the 9,600,000 warrants previously issued to KFBV under the terms of the Second KF Loan Agreement, (the "Existing Warrants") such that the exercise price for the Existing Warrants was reduced to $0.10 per share and the expiration date for the Existing Warrants was extended to January 15, 2021; and (2) our issuing to KFBV additional non-transferrable share purchase warrants for a total of 8,000,000 shares of our common stock, exercisable at a price of $0.10 per share expiring on January 15, 2021.

Amounts payable under the Third KF Loan Agreement accumulate interest at a rate of 10% per annum, compounded monthly. In the event of default, the interest is increased to 15% per annum until event of default is cured; in addition, the Company is required to pay a late payment fee equal to 5% of any past due sum under the Third KF Loan.

The warrants issued to KFBV in connection with the Third KF Loan may be exercised by way of a cashless exercise for a total of up to 4,000,000 shares of our common stock. If, at any time prior to the expiration date of these warrants, we issue additional shares of common stock, or options, warrants, convertible notes or similar rights to acquire shares of our common stock for a purchase, exercise or conversion price per share less than the exercise price of these warrants, the exercise price will be adjusted to equal such lower price.

At the discretion of KFBV the principal and accrued but unpaid interest under the Third KF Loan may be converted into shares of the Company's common stock at a conversion price of $0.10 per share, in minimum increments of $250,000 (the "Third KF Loan Conversion Feature").

As of the date of the filing of this Quarterly Report on Form 10-Q the KF Loans are in default, however, we have not been served with a default notice by KFBV as the Company and Mr. Kopple are discussing a possibility to re-negotiate the terms of the KF Loans. However, there is no assurance that these negotiations will be successful.

As of September 30, 2017, we owed a total of $8,410,314 under KF Loans, consisting of $5,900,000 in principal amount of all advances made to that date, $1,343,113 in accrued interest thereon calculated using the stated interest rate of 10% per annum, $805,045 in accrued interest at a default rate of interest, and $362,156 in financing costs associated with late payment fee we accrued on an unpaid balance.

Going Concern

The notes to our financial statements at September 30, 2017, disclose our uncertain ability to continue as a going concern. As of the date of this Quarterly report on Form 10-Q we have accumulated a deficit of $77,950,350 and additional financing will be required to fund and support our operations.

We were in the business of selling, marketing, distributing and installing global wireless tracking and telematics equipment in Europe until November 1, 2004, when we exchanged our rights to sell, market, distribute and install global wireless tracking and telematics equipment in Europe as well as specific assets and liabilities, for a royalty of 6% on future gross sales to qualified customers in Europe. This royalty agreement ended on October 31, 2015, which ended the revenue from this source. Our emission abatement technologies have generated only limited revenue.

In February of 2017, majority of our top management resigned from their positions with the Company. Resignations of Mr. Aasen and Mr. Norling have left the Company without technical expertise required for the Company to continue development and marketing of our emission technologies, creating an uncertainty as to our ability to finalize our current projects to install a land-based DSOX Fuel Purification System for LMS, and to install a DSOX System on board of a vessel operated by DCL. These contracts were earlier placed on hold until such time that our technology can be proven through testing. In April 2017 we commissioned Norling Inc. to perform the required tests, which were completed in late June. As of the date of this report on Form 10-Q the Company is awaiting the final results of the test. Should the results be positive, we will be required to retain several engineers with relevant experience in the emission abatement technologies to complete the above projects. In order to be able to retain new staff or consultants we will be required to raise additional debt or equity financing, which may become challenging based on the current debt covenants under our existing KFBV Loan Agreements, and our share structure.

The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

Off-Balance Sheet Arrangements

None.

CRITICAL ACCOUNTING POLICIES

An appreciation of our critical accounting policies is necessary to understand our financial results. These policies may require management to make difficult and subjective judgments regarding uncertainties, and as a result, such estimates may significantly impact our financial results. The precision of these estimates and the likelihood of future changes depend on a number of underlying variables and a range of possible outcomes. Our critical accounting policies do not involve the choice between alternative methods of accounting. We have applied our critical accounting policies and estimation methods consistently.

Principles of Consolidation

The unaudited interim consolidated financial statements include the accounts of Triton Emission Solutions Inc. and our wholly-owned subsidiaries, Ecolutions, Inc., and Triton Emission Solutions International AB. On consolidation, we eliminate all significant intercompany balances and transactions.

Revenue Recognition

Consulting revenue

Revenue is realized when the service has been provided and the income is determinable and collectability is reasonably assured.

Revenue from the installation and servicing of the Fuel Purification Systems

We recognize the revenue using the completed contract method whereby revenue is only recognized when all the following conditions have been met: pervasive evidence of an agreement exists, when delivery of the product has occurred and title has transferred or services have been provided, and when collectability is reasonably assured.

Deposits received prior to the delivery of goods and services are recorded as unearned revenue.

Accounts Receivable

Receivables represent valid claims against debtors for royalties and consulting services arising on or before the balance sheet date and are reduced to their estimated net realizable value. An allowance for doubtful accounts is based on an assessment of the collectability of all past due accounts. At September 30, 2017, our allowance for doubtful accounts was $Nil.

Long-lived Assets

In accordance with ASC 360, “Property, Plant, and Equipment”, we test our long-lived assets or asset groups for recoverability when events or changes in circumstances indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and current expectation that the asset will more likely than not be sold or disposed significantly before the end of its estimated useful life. We assess the recoverability based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount exceeds fair value.

Foreign Exchange Risk

We are subject to foreign exchange risk on some purchases which are denominated in Canadian dollars and/or Swedish kronor. Foreign currency risk arises from the fluctuation of foreign exchange rates and the degree of volatility of these rates relative to the U.S. dollar. Foreign exchange rate fluctuations may adversely impact our results of operations as exchange rate fluctuations on transactions denominated in currencies other than our functional currency result in gains and losses that are reflected in our Statement of Operations. To the extent the U.S. dollar weakens against foreign currencies, the translation of these foreign currency-denominated transactions will result in increased net revenue. Conversely, our net revenue will decrease when the U.S. dollar strengthens against foreign currencies. We do not believe that we have any material risk due to foreign currency exchange.

Stock Options and other Stock-based Compensation

For equity awards, such as stock options, total compensation cost is based on the grant date fair value and for liability awards, such as stock appreciation rights, total compensation cost is based on the settlement value. We recognize the stock-based compensation expense for all awards over the service period required to earn the award, which is the shorter of the vesting period or the time period an employee becomes eligible to retain the award at retirement.

Fair Value of Financial Instruments

Our financial instruments include cash, accounts receivable, loan receivable, accounts payable, notes and advances payable, amounts due to related parties, loans payable and derivative liability. The fair values of these financial instruments approximate their carrying values due to their short maturities.

Concentration of Credit Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash and trade accounts receivable.

At September 30, 2017, we had $4,820 in cash on deposit with a large chartered Canadian bank, and $3,101 on deposit with a Swedish bank. As part of our cash management process, we perform periodic evaluations of the relative credit standing of these financial institutions. We have not experienced any losses in cash balances and do not believe we are exposed to any significant credit risk on our cash.

Accounts receivable consists of income from our consulting services and is not collateralized. We continually monitor the financial condition of our customers to reduce the risk of loss. We routinely assess the financial strength of our source of revenue income and as a consequence, concentration of credit risk is limited. At September 30, 2017, we did not have any accounts receivable outstanding, as our agreement for consulting services expired.

Recent Accounting Standards and Pronouncements

Recent accounting pronouncements issued by the Financial Accounting Standards Board or other authoritative standards groups with future effective dates are either not applicable or are not expected to be significant to our financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not Applicable.

ITEM 4. CONTROLS AND PROCEDURES.

In connection with the preparation of this Quarterly Report on Form 10-Q, an evaluation was carried out by our management, with the participation of our Chief Financial Officer and Chairman of our board of directors, of the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (“Exchange Act”) as of September 30, 2017. Based on the evaluation, our management concluded, as of the end of the period covered by this report, that our disclosure controls and procedures were not effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Securities and Exchange Commission’s rules and forms due to limited segregation of duties.

Due to financial constraints, the management decided not to engage services of an independent accountant to review its quarterly financial statements. To the management’s best knowledge the financial statements included in this Form 10-Q have been prepared in accordance with US GAAP and with the instructions to Form 10-Q and Rule 8-03 of Regulation S-X; they include all adjustments considered necessary for a fair presentation of the results of operations and financial position and all such adjustments are of a normal recurring nature.

During the quarter ended September 30, 2017, other than noted above, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

None.

ITEM 1A. RISK FACTORS.

The following are certain risk factors that could affect our business, financial position, results of operations or cash flows. These risk factors should be considered along with the forward-looking statements contained in this Quarterly Report on Form 10-Q because these factors could cause our actual results or financial condition to differ materially from those projected in forward-looking statements. The following discussion is not an all-inclusive listing of risks, although we believe these are the more material risks that we face. If any of the following occur, our business, financial position, results of operations or cash flows could be negatively affected. We caution the reader to keep these risk factors in mind and refrain from attributing undue certainty to any forward-looking statements, which speak only as of the date of this Quarterly Report.

We have earned only limited revenues from the sale of products or services related to our Emission Technologies.

Our current principal business focus is on the research, development and marketing of products and services related to our Emission Technologies. However, our efforts in this area are in the development stage and we have earned only limited revenues related to this technology. There is also no assurance that we will be able to earn revenues from this businesses line in the future.

The loss of key members of our senior management team could disrupt the management of our business and our ability to finalize current projects.

We believe that our success depends on the continued contributions of the members of our senior management team, including Mr. Rasmus Norling, our former Chief Technical Officer and an original inventor of our Emission Technologies, as well as Mr. Anders Aasen, our former Chief Executive Officer, who has an extensive business experience with emission abatement technologies specific to marine industry. In February of 2017, Mr. Norling and Mr. Aasen tendered to us their resignations from all positions they held with the Company. These resignations left the Company with no technical expertise and could impair our ability to complete current projects, to identify and secure new customer contracts, and to otherwise manage our business. Should we be unable to find successors who would be willing to fill positions previously held by Mr. Norling and Mr. Aasen, we may have to curtail and even cease our operations.

As of September 30, 2017, we owed $8,410,314 under the terms of the KF Loans. In addition to these amounts, we have other significant short term liabilities. There is no assurance that we will be able to service our debt obligations when due.

We have generated only limited cash from our operations to date. The amount of cash that we have generated from our operations to date is significantly less than our current debt obligations. There is no assurance that we will be able to generate sufficient cash from our operations to repay the amounts owing under the KF Loans when due, or to service our other debt obligations. If we are unable to generate sufficient cash flow from our operations to repay the amounts owing when due, we may be required to raise additional financing from other sources or re-negotiate the terms of our debt obligations.

We have not raised significant financing from any sources other than the KF Loans, and there is no assurance that we will be able to raise additional financing in the future in amounts sufficient to repay our obligations under these loans or on commercially reasonable terms. In addition, our ability to raise financing from other sources is restricted under the terms of the KF Loan Agreements. Under the terms of those agreements, we may not incur additional debt financing (other than trade payables incurred in the ordinary course of business), sell any material assets, sell any of our equity securities, which could potentially result in a change in control, or engage in any corporate reorganization while any amounts remain outstanding under those agreements without KFBV's prior written consent.

As of September 30, 2017, we owed a total of $8,410,314 to KFBV under the terms of the KF Loans, consisting of the full principal amount of all advances made to that date ($5,900,000) plus interest and late payment fees accrued thereon. Outstanding principal plus interest under the KF Loans was due on January 15, 2017. As of the date of this Quarterly Report on Form 10-Q, the loans are in default, however, we have not been served with a default notice by KFBV.

Since we are not in position to pay our debt obligations, we will most likely seek to re-negotiate the terms of our debt obligations. Although Robert C. Kopple, the Chairman of our Board of Directors, is the principal of KFBV, there is no assurance that we will be able to re-negotiate the terms of the KFBV Loans. If we are unable to re-negotiate the terms of our debt obligations, our business could fail and our investors could lose their investment.

We have a lack of operating history in the emission abatement industry and there is no assurance that our business efforts in this industry will be successful.

Resignations of Mr. Norling, our former President and CTO, and Mr. Aasen, our former CEO, have left our current Board of Directors and Executive Officers with no relevant expertise in the emission abatement industry. Many of our competitors have top management with relevant experience and have greater financial resources than we do at this time. We intend to seek experienced management and engineers, as well as sales and consulting teams to continue development of our business and our products. However, since we have no history of earning revenue in this business line, there is no assurance that our business efforts will prove successful.

Although we have entered into sales contracts for our Emission Technologies, we have not yet obtained certification that our DSOX and Njord Systems meet current MEPC standards.

Although we have entered into sales contracts with LMS and DCL, and have a term sheet agreement with Prestige, for the installation of our DSOX Systems, and we have completed installation of our DSOX System on board a DCL vessel, we have not yet obtained certification that our DSOX System installed on board the DCL vessel meets current MEPC standards. In addition, we have temporarily suspended our efforts on the LMS Project. As a result, we have not yet recorded revenue from the LMS or DCL Projects, and there is no assurance that our DSOX Systems as well as future installations of the Njord Systems will obtain certification under current MEPC Standards.

Flag Ship Approval under Regulation 4 of Marpol Annex VI is made on a ship by ship basis.

The approval of the emission abatement technologies is made on a ship by ship basis and it is very difficult to receive a type approval for the system prior to installation. We cannot guarantee that our DSOX Systems and future installations of the exhaust scrubbers will receive type approval. Failure to receive type approval on future installations could have a significant material impact on the financial results of our Company.

Changes in government policies, regulations and laws could adversely affect our financial results.

We expect the majority of our future revenue to come from sales of our DSOX-20 Fuel Purification System, and our Njord System, which are heavily dependent on current and future IMO Regulations being enforced by international signatories to MARPOL Annex VI. Currently the United States, Canada and the E.U. have Emission Control Area's (ECA) in place that apply stringent engine emission standards and fuel sulfur limits to ships that operate in these ECA's as set under MARPOL Annex VI. There can be no assurance that other reductions in limits will be implemented as planned. A change in the current and upcoming IMO regulations may have a significant material impact on our financial results.

Unforeseen complications during the installation of our DSOX and Njord Systems can potentially halt ships operation, which could adversely affect our sales, results of operations or cash flows, as well as increase potential for lawsuits filed against us.

Our DSOX Fuel Purification System as well as our exhaust gas scrubber, Njord, can be installed on a ship without disruption to the ship's operations. The DSOX-20 can also be bypassed if needed, reducing the potential operational impact in case of any technical issues. However, if the planning and/or execution of the installation process have flaws, we can face a situation where the ship's operation may have to be halted in order to complete installation. Depending on the type of ship and its machinery, this risk can be mitigated by scheduling the operation of a different engine. However, if the alternative engine is not available, or if bypassing our DSOX System is not possible, we will have no choice but to stop the operation of the ship.

Inability to protect and enforce our intellectual property rights could adversely affect our financial results.

Intellectual property rights, including patents, trade secrets, confidential information, trademarks, tradenames and other forms of trade dress, are important to our business. We endeavor to protect our intellectual property rights in jurisdictions in which our products are produced or used and in jurisdictions into which our products are imported. However, we may be unable to obtain protection for our intellectual property in key jurisdictions. We have designed and implemented internal controls to restrict access to and distribution of our intellectual property. Despite these precautions, our intellectual property is vulnerable to unauthorized access through employee error or actions, theft and cybersecurity incidents, and other security breaches.

Demand for and supply of our products and services may be adversely affected by several factors, some of which we cannot predict or control, that could adversely affect our financial position, results of operations or cash flows.

The demand for our products and services could be affected by several factors, including:

- economic downturns in the markets in which we sell our products;
- competition from other products;
- changes in customer preferences;
- product obsolescence or technological changes that render our products less desirable to use or more expensive to produce;
- changes in environmental regulations that may make our products illegal to sell and distribute in their present form; and
- inability of our suppliers to obtain materials used in production due to factors such as work stoppages, shortages or supplier plant shutdowns.

If any of these events occur, the demand for and supply of our products and services could suffer, which could have a material adverse effect on our financial position, results of operations and cash flows.

We are subject to risks associated with selling our products internationally.

Our non-domestic sales efforts are subject to varying degrees of regulation in each of the foreign jurisdictions in which we may seek to provide services. Local laws and regulations, and their interpretation and enforcement, differ significantly among those jurisdictions, and can change significantly over time. Future regulatory, judicial and legislative changes or interpretations may have a material adverse effect on our ability to deliver services in foreign jurisdictions.

In addition to these international regulatory risks, some of the other risks inherent in conducting business internationally include:

- economic, political and social instability;
- currency restrictions and exchange rate fluctuations;
- potential submission to the jurisdiction of a foreign court or arbitration panel;
- import and export quotas;
- longer payment cycles and problems collecting accounts receivable;
- potential vessel seizure, terrorist attacks, piracy, kidnapping, the expropriation of assets and other governmental acts;
- pandemics or epidemics that disrupt worldwide trade or the movement of vessels;
- additional U.S. and other regulation of non-domestic operations, including regulation under the Foreign Corrupt Practices Act as well as other anti-corruption laws; and
- the imposition of unanticipated or increased taxes, increased environmental and safety regulations or other forms of public and governmental regulation that increase our operating expenses.

Many of these risks are beyond our control, and we cannot predict the nature or the likelihood of the occurrence or corresponding effect of any such events, each of which could have an adverse effect on our financial condition and results of operations.

Disruptions in the global credit and financial markets could limit our access to financing, which could negatively impact our business.

Disruptions to credit and financial markets, including volatility in security prices, diminished liquidity and credit availability, declining valuations of certain investments and significant changes in the capital and organizational structures of certain financial institutions may limit our ability to access the capital necessary to grow and maintain our business. Accordingly, we may be forced to delay raising capital, issue shorter tenors than we prefer or pay unattractive interest rates, which could increase our interest expense, decrease our profitability and significantly reduce our financial flexibility. Overall, our results of operations, financial condition and cash flows could be materially adversely affected by disruptions in the global credit and financial markets.

Global economic downturns may have a negative effect on our business and operations.

Global economic downturns cause general tightening in the credit markets, lower levels of liquidity, increases in the rates of default and bankruptcy, and lower business spending, all of which may have a negative effect on our business, results of operations, financial condition and liquidity. Potential customers may be unable to fund purchases, may decide to reduce purchases or inventories, or may cease to continue in business. In addition, our supplier may not be able to supply us with needed raw materials on a timely basis, may increase prices or go out of business, which could result in our inability to meet customer demand or could affect our gross margins.

Such conditions may make it very difficult to forecast operating results, make business decisions and identify and address material business risks and our operating results, financial condition and business could be adversely affected.

The agreements governing our debt contain various covenants that limit our ability to take certain actions, failure to comply with which could have a material adverse effect on us.

The agreements governing our debt obligations contain a number of covenants that, among other things, limit our ability to: transfer or sell all or substantially all of our assets or make certain other restricted payments. Any future refinancing of the term loan is likely to contain similar restrictive covenants.

Our former Chief Technical Officer, former Senior Vice President of Business Development and Chairman of our Board of Directors each hold a significant amount of our outstanding common stock. Together, they hold approximately 56.6% of our common stock and are able to exert considerable influence over our actions.

Rasmus Norling, a former director, Chief Technical Officer and President, and Mitchell Miller, a former director and Senior Vice President of Business Development, each own approximately 23.1% of our outstanding common stock. Robert C. Kopple, Chairman of our Board of Directors, owns approximately 10.4% of our outstanding common stock. Mr. Kopple also owns a significant number of warrants and options to purchase additional shares of our common stock, further increasing the number of shares beneficially owned by our current and former executive officers and members of our Board of Directors (See “Security Ownership of Certain Beneficial Holders and Management”). In addition, Mr. Kopple is the principal of KF Business Ventures, LP, our principal creditor, which has loaned to us a total of $5,900,000 under the First KF Loan, the Second KF Loan, and the Third KF Loan.

Our current and former executive officers and directors, as identified above, have the power to exert considerable influence over our actions and the outcome of matters on which our stockholders are entitled to vote, including the election of directors and other significant corporate actions. The interests of Mr. Norling, Mr. Miller and Mr. Kopple may be different from the interests of our shareholders.

Because our stock is a penny stock, stockholders will be more limited in their ability to sell their stock.

The SEC has adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. Penny stocks are generally equity securities with a price of less than $5.00, other than securities registered on certain national securities exchanges or quoted on the NASDAQ system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or quotation system.

Because our securities constitute "penny stocks" within the meaning of the rules, the rules apply to us and to our securities. The rules may further affect the ability of owners of shares to sell our securities in any market that might develop for them. As long as the quotation price of our common stock is less than $5.00 per share, the common stock will be subject to Rule 15g-9 under the Exchange Act. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock, to deliver a standardized risk disclosure document prepared by the SEC, that:

- contains a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading;
- contains a description of the broker's or dealer's duties to the customer and of the rights and remedies available to the customer with respect to a violation to such duties or other requirements of securities laws;
- contains a brief, clear, narrative description of a dealer market, including bid and ask prices for penny stocks and the significance of the spread between the bid and ask price;
- contains a toll-free telephone number for inquiries on disciplinary actions;
- defines significant terms in the disclosure document or in the conduct of trading in penny stocks; and
- contains such other information and is in such form, including language, type, size and format, as the SEC shall require by rule or regulation.

The broker-dealer also must provide, prior to effecting any transaction in a penny stock, the customer with: (a) bid and offer quotations for the penny stock; (b) the compensation of the broker-dealer and its salesperson in the transaction; (c) the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and (d) a monthly account statements showing the market value of each penny stock held in the customer's account. In addition, the penny stock rules require that, prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written acknowledgment of the receipt of a risk disclosure statement, a written agreement to transactions involving penny stocks, and a signed and dated copy of a written suitability statement. These disclosure requirements may have the effect of reducing the trading activity in the secondary market for our stock.

FOR ALL OF THE AFORESAID REASONS AND OTHERS SET-FORTH AND NOT SET-FORTH HEREIN, AN INVESTMENT IN OUR SECURITIES INVOLVES A CERTAIN DEGREE OF RISK. ANY PERSON CONSIDERING TO INVEST IN OUR SECURITIES SHOULD BE AWARE OF THESE AND OTHER FACTORS SET-FORTH IN THIS REPORT AND IN THE OTHER REPORTS AND DOCUMENTS THAT WE FILE FROM TIME TO TIME WITH THE SEC AND SHOULD CONSULT WITH HIS/HER LEGAL, TAX AND FINANCIAL ADVISORS PRIOR TO MAKING AN INVESTMENT IN OUR SECURITIES. AN INVESTMENT IN OUR SECURITIES SHOULD ONLY BE ACQUIRED BY PERSONS WHO CAN AFFORD TO LOSE THEIR TOTAL INVESTMENT.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

None

ITEM 6. EXHIBITS.

The following exhibits are either provided with this Quarterly Report or are incorporated herein by reference:

Exhibit Number	Description of Exhibit
3.1	Articles of Incorporation.(1)
3.2	Certificate of Amendment to Certificate of Incorporation - Name Change to Artescope Inc. (1)
3.3	Certificate of Amendment to Certificate of Incorporation - Name Change to GlobeTrac Inc. (2)
3.4	Certificate of Amendment to Certificate of Incorporation - Name Change to Poly Shield Technologies Inc. (3)
3.5	Certificate of Amendment to Certificate of Incorporation - Name Change to Triton Emission Solutions Inc. (4)
3.6	Bylaws.(1)
10.1	Termination and Transfer Agreement dated for reference November 1, 2004, among the Company, Global Axxess Corporation Limited, WebTech Wireless International and WebTech Wireless Inc.(5)
10.2	Loan Agreement dated June 29, 2012, in respect of the principal sum of CDN $40,000 between the Company and Quarry Bay Capital LLC. (3)
10.3	Loan Agreement dated June 29, 2012, in respect of the principal sum of CDN $100,000 between the Company and Quarry Bay Capital LLC. (3)
10.4	Loan Agreement dated June 29, 2012, in respect of the principal sum of CDN $50,000 between the Company and Quarry Bay Capital LLC. (3)
10.5	Employment Agreement between Rasmus Norling and Poly Shield Technologies Inc. dated December 1, 2012. (6)
10.6	U.S. Patent Assignment Agreement dated January 12, 2013, between Rasmus Norling and Poly Shield Technologies Inc. (7)
10.7	European Patent Assignment Agreement dated January 12, 2013, between Rasmus Norling and Poly Shield Technologies Inc. (7)
10.8	Share Purchase Agreement dated January 31, 2013, between Rasmus Norling and Poly Shield Technologies Inc. (8)
10.9	Collaboration Agreement dated November 15, 2012, between Ecolutions, Inc. and Green Tech Marine AS. (8)
10.10	Master Distributor Agreement dated November 15, 2012, between Ecolutions, Inc. and Green Tech Marine AS. (8)
10.11	License Agreement dated November 15, 2012, between Ecolutions, Inc. and Green Tech Marine AS. (8)
10.12	Sales and Purchase Agreement dated July 18, 2013 between LMS Shipmanagement, Inc. and Poly Shield Technologies Inc. (9)
10.13	Term Sheet Agreement dated August 16, 2013 between Prestige Cruise Holdings, Inc., and Poly Shield Technologies Inc. (10)
10.14	Addendum to December 1, 2012 Employment Agreement, dated effective as of December 30, 2013. (11)
10.15	Letter Agreement dated January 15, 2014 between Poly Shield Technologies Inc. and KF Business Ventures, LP. (12)
10.16	Loan Agreement dated as of January 15, 2014 between Poly Shield Technologies Inc. and KF Business Ventures, LP. (13)
10.17	Addendum No. 2 to December 1, 2012 Employment Agreement, dated effective as of February 28, 2014. (14)
10.18	Technology Transfer Agreement between Paer Tomas Rasmus Norling and Poly Shield Technologies Inc. dated effective as of March 10, 2014. (15)
10.19	Management Consulting Agreement between Paer Tomas Rasmus Norling and Poly Shield Technologies Inc. dated effective as of March 10, 2014. (15)
10.20	Amendment No. 1 to Loan Agreement between Poly Shield Technologies Inc. and KF Business Ventures, LP dated effective as of March 10, 2014. (15)
10.21	Purchase and Services Agreement between Magical Cruise Company, Limited and Poly Shield Technologies Inc. dated effective as of April 15, 2014.(16)
10.22	Loan Agreement between Poly Shield Technologies Inc. and KF Business Ventures, LP dated July 28, 2014. (17)

Exhibit Number	Description of Exhibit
10.23	Consulting Agreement between Robert Lipp and Triton Emission Solutions Inc. dated effective as of September 3, 2014. (18)
10.24	Amendment No. 2 to that Loan Agreement dated January 15, 2014 between the Triton Emission Solutions Inc. and KF Business Ventures LP dated effective July 29, 2014.(19)
10.25	2014 Stock Option Plan.(19)
10.26	Non-Qualified Stock Option Agreement for Robert C. Kopple dated September 8, 2014. (19)
10.27	Amendment No. 1 to Sales and Purchase Agreement dated as of January 12, 2015 between LMS Shipmanagement, Inc. and Triton Emission Solutions Inc.(20)
10.28	Employment Agreement dated March 6, 2015, and effective as of March 23, 2015, between Anders Aasen and Triton Emission Solutions Inc. (21)
10.29	Loan Agreement dated July 28, 2015, in respect of the principal sum of $200,000 between Triton Emission Solutions Inc. and Paer Tomas Rasmus Norling.(22)
10.30	Loan Agreement dated August 31, 2015, in respect of the principal sum of $200,000 between Triton Emission Solutions Inc. and KF Business Ventures LP.(23)
10.31	Consulting Agreement between Robert Lipp and Triton Emission Solutions Inc. dated effective as of September 4, 2015. (24)
10.32	Amendment No. 2 to Sales and Purchase Agreement dated as of November 5, 2015 between LMS Shipmanagement, Inc. and Triton Emission Solutions Inc. (25)
10.33	Loan Agreement dated November 6, 2015, in respect of the principal sum of $200,000 between Triton Emission Solutions Inc. and Paer Tomas Rasmus Norling.(26)
10.34	Amendment to Sales and Purchase Agreement dated as of December 1, 2015 between LMS Shipmanagement, Inc. and Triton Emission Solutions Inc. (25)
10.35	Letter Agreement dated December 17, 2015 between Triton Emission Solutions Inc. and KF Business Ventures, LP. (27)
10.36	Loan Agreement dated January 8, 2016 between Triton Emission Solutions Inc. and KF Business Ventures, LP. (28)
10.37	Amendment Agreement to those loan agreements dated as of January 15, 2014, July 28, 2014, and August 31, 2015 between Triton Emission Solutions Inc. and KF Business Ventures, LP dated January 8, 2016.(28)
10.38	Amendment Agreement to those loan agreements dated July 28, 2015 and November 6, 2015 between Triton Emission Solutions Inc. and Paer Tomas Rasmus Norling dated January 8, 2016.(28)
10.39	Promissory Note dated September 13, 2016, in respect of the principal sum of $110,000 between Triton Emission Solutions Inc. and KF Business Ventures, LP.(29)
10.40	Amendment No. 3 to Sales and Purchase Agreement dated as of December 22, 2016 between LMS Shipmanagement, Inc. and Triton Emission Solutions Inc. (30)
31.1	Certification of Chairman of the board of directors of the Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chairman pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.
101.DEF	XBRL Taxonomy Extension Definition Linkbase.
101.LAB	XBRL Taxonomy Extension Label Linkbase.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.

Notes:

(1) Filed as an exhibit to our Registration statement on Form SB-2 filed on August 2, 2001.

(2) Filed as an exhibit to our Quarterly Report on Form 10-QSB filed on April 15, 2003.

(3) Filed as an exhibit to our Current Report on Form 8-K filed on July 13, 2012.

(4) Filed as an exhibit to our Current Report on Form 8-K filed on August 27, 2014.

(5) Filed as an exhibit to our Current Report on Form 8-K filed on November 14, 2005.
(6) Filed as an exhibit to our Current Report on Form 8-K filed on December 11, 2012.
(7) Filed as an exhibit to our Current Report on Form 8-K filed on January 17, 2013.
(8) Filed as an exhibit to our Current Report on Form 8-K filed on February 6, 2013.
(9) Filed as an exhibit to our Current Report on Form 8-K filed on July 24, 2013.
(10) Filed as an exhibit to our Current Report on Form 8-K filed on August 22, 2013.
(11) Filed as an exhibit to our Current Report on Form 8-K filed on January 3, 2014.
(12) Filed as an exhibit to our Current Report on Form 8-K filed on January 17, 2014.
(13) Filed as an exhibit to our Current Report on Form 8-K filed on February 18, 2014.
(14) Filed as an exhibit to our Current Report on Form 8-K filed on March 3, 2014.
(15) Filed as an exhibit to our Current Report on Form 8-K filed on March 11, 2014.
(16) Filed as an exhibit to our Current Report on Form 8-K filed on April 17, 2014.
(17) Filed as an exhibit to our Current Report on Form 8-K filed on August 1, 2014.
(18) Filed as an exhibit to our Current Report on Form 8-K filed on September 9, 2014.
(19) Filed as an exhibit to our Current Report on Form 8-K filed on September 12, 2014.
(20) Filed as an exhibit to our Current Report on Form 8-K filed on January 26, 2015.
(21) Filed as an exhibit to our Current Report on Form 8-K filed on March 12, 2015.
(22) Filed as an exhibit to our Current Report on Form 8-K filed on August 3, 2015.
(23) Filed as an exhibit to our Current Report on Form 8-K filed on September 4, 2015.
(24) Filed as an exhibit to our Current Report on Form 8-K filed on September 10, 2015.
(25) Filed as an exhibit to our Annual Report on Form 10-K filed on April 14, 2016
(26) Filed as an exhibit to our Current Report on Form 8-K filed on November 12, 2015.
(27) Filed as an exhibit to our Current Report on Form 8-K filed on December 23, 2015.
(28) Filed as an exhibit to our Current Report on Form 8-K filed on February 1, 2016.
(29) Filed as an exhibit to our Current Report on Form 10-Q filed on November 21, 2016.
(30) Filed as an exhibit to our Annual Report on Form 10-K filed on April 14, 2017.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRITON EMISSION SOLUTIONS INC.

Date:	November 20, 2017	By:	*/s/ Robert Kopple*
			ROBERT KOPPLE
			Chairman

Date:	November 20, 2017	By:	*/s/ John da Costa*
			JOHN DA COSTA
			Chief Financial Officer
			(Principal Financial Officer
			and Principal Accounting Officer)

TRITON EMISSION SOLUTIONS INC.
CERTIFICATIONS PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert Kopple, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ending September 30, 2017, of Triton Emission Solutions Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 20, 2017

/s/ Robert Kopple
Robert Kopple
Chairman and Member of
the Board of Directors

TRITON EMISSION SOLUTIONS INC.
CERTIFICATIONS PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John da Costa, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ending September 30, 2017, of Triton Emission Solutions Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 20, 2017

/s/ John da Costa
John da Costa
Chief Financial Officer
(Principal Financial and
Accounting Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Triton Emission Solutions Inc. (the "Company") on Form 10-Q for the period ending September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Kopple, Chairman and Member of the Board of Directors of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 20, 2017

/s/ Robert Kopple
Robert Kopple
Chairman and Member of the Board of Directors

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Triton Emission Solutions Inc. (the “Company”) on Form 10-Q for the period ending September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John da Costa, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 20, 2017

/s/ John da Costa
John da Costa
Chief Financial Officer
(Principal Financial and
Accounting Officer)