

## 2016 Santander zinc production exceeds annual guidance

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jan 17, 2017) - Trevali Mining Corporation ("Trevali" or the "Company") (TSX:TV)(LMA:TV)(OTCQX:TREVF)(FRANKFURT:4TI) reports preliminary fourth quarter ("Q4") 2016 production results from its two operating zinc mines, the Caribou Mine in New Brunswick, Canada and the Santander Mine in Peru. For the three months ending December 31, 2016, approximately 36.8 million payable pounds zinc, 11.3 million payable pounds lead and 409,654 payable ounces of silver was produced (see Table 1).

Table 1: Consolidated Q4-2016 and 2016 preliminary production statistics

	Q4-2016*	Q4-2015	2016*	2015
Tonnes Mined	415,523	173,283	1,166,381	722,360
Tonnes Milled	469,723	204,999	1,300,037	778,151
Average Head Grades:				
Zinc	5.33%	3.80%	4.92%	4.14%
Lead	1.91%	1.68%	1.78%	2.09%
Silver (ounces/ton)	1.85 oz/t	1.38 oz/t	1.66 oz/t	1.66 oz/t
Average Recoveries (%):				
Zinc	81%	90%	84%	90%
Lead	69%	88%	75%	89%
Silver	48%	75%	57%	77%
Concentrate Produced DMT (dry metric tonnes):				
Zinc	42,275	14,141	110,027	58,232
Lead	13,284	5,347	34,335	24,962
Concentrate Grades:				
ZincSilver in zinc conc.	47%	49%	48%	50%
Lead	4.0 oz/t	-	4.2 oz/t	-
Silver in lead conc.	28.7 oz/t	36.7 oz/t	33.2 oz/t	40.48 oz/t
Payable Production:				
Zinc (pounds)	36,757,268	13,078,864	97,962,891	54,148,660
Lead (pounds)	11,317,254	6,337,737	33,048,019	30,237,350
Silver (ounces)	409,654	224,021	1,215,873	1,055,965

\*Q4-2016 and 2016 preliminary production figures include Caribou Zinc Mine production from commencement of commercial production on July 1, 2016.

For the year ending December 31, 2016, consolidated production was approximately 98 million payable pounds zinc, 33 million payable pounds lead and 1.2-million payable ounces of silver, a new annual record and reflective of the commencement of commercial production at the Caribou Mine (see Table 1).

"On top of consistent operational results from our Santander Zinc Mine in Peru, Q4-2016 saw significant improvement in throughput at our Caribou Zinc Mine in New Brunswick where the mill is now effectively operating at its nameplate 3,000-tonnes-per-day capacity," stated Dr. Mark Cruise, Trevali's President and CEO. "While we are very proud to achieve both record quarterly and annual zinc production from our mines we will continue to optimize operations and implement our business initiatives to maximize our production profile and benefit from the current strengthening zinc cycle."

### Santander Zinc Mine, Peru

For Q4-2016, Santander continued its strong performance to deliver preliminary quarterly production of 15.8 million payable pounds of zinc, 3.1 million payable pounds of lead and 177,931 payable ounces of silver (see Table 2). Recoveries averaged 89% for zinc, 83% for lead and 66% for silver.

Santander mill throughput for 2016 was 863,307 tonnes, approximately 18% above the nameplate design of 2,000-tonnes-per-day (730,000 tonnes per year).

As previously disclosed, lead production decreased during the Quarter as mining operations focused on the zinc-rich Magistral Central and South zones. The Santander team is advancing development of the Magistral North ramp in order to access recently discovered higher-grade Zn-Pb and Ag mineralization in the Magistral North and Oyon Zones, both of which remain

open for expansion and which are anticipated to result in increased Pb-Ag production in the latter half of 2017.

Table 2: Santander Mine Q4-2016 and 2016 annual preliminary production statistics

	Q1-2016	Q2-2016	Q3-2016	Q4-2016	2016
Tonnes Mined	175,579	177,415	192,815	171,084	716,893
Tonnes Milled	209,188	219,086	216,551	218,481	863,307
Average Head Grades:					
Zinc	3.93%	4.16%	4.61%	4.36%	4.27%
Lead	1.66%	1.39%	1.08%	0.82%	1.23%
Silver (ounces/ton)	1.32	1.32	1.26	1.18	1.27
Average Recoveries (%):					
Zinc	89%	89%	89%	89%	89%
Lead	88%	87%	84%	83%	86%
Silver	76%	73%	67%	66%	71%
Concentrate Produced DMT (dry metric tonnes):					
Zinc	14,840	16,601	18,403	17,553	67,397
Lead	5,469	4,865	3,745	3,111	17,189
Concentrate Grades:					
Zinc	49%	49%	48%	48%	49%
Lead	56%	55%	53%	48%	53%
Ag (ounces/ton)	38.70	43.66	49.07	54.62	45.24
Payable Production:					
Zinc (pounds)	13,662,766	15,157,944	16,608,275	15,826,253	61,255,238
Lead (pounds)	6,436,047	5,575,792	4,141,582	3,102,826	19,256,247
Silver (ounces)	221,324	222,121	192,431	177,931	813,807

#### 2017 Santander Mine Production Guidance

The preliminary 2017 production guidance estimate for the Santander mine is:

- 63-65 million pounds of payable zinc in concentrate
- 12-14 million pounds of payable lead in concentrate
- 700,000-900,000 ounces of payable silver

Cash costs for 2017 are estimated at approximately US\$35-40 per tonne milled (please see Cautionary Note on Forward Looking Statements at the end of this document).

#### Caribou Zinc Mine, Canada

Q4 marked the Caribou Mine's second commercial production quarter and saw significant improvements in throughput and Pb recovery following completion of SAG mill modifications. In Q4-2016, Caribou produced a record 20.9 million pounds of payable zinc, 8.2 million payable pounds of lead and 231,722 payable ounces of silver (see Table 3). Recoveries averaged 76% for zinc, 60% for lead and 36% for silver. Mill throughput for Q4 was 251,242 tonnes, effectively at its nameplate (3,000-tonne-per-day) performance.

Table 3: Caribou Mine Q4-2016 and 2016 annual preliminary production statistics

	Q1-2016**	Q2-2016**	Q3-2016	Q4-2016	2016***
Tonnes Mined	191,005	188,353	205,049	244,439	449,488
Tonnes Milled	200,670	186,246	185,488	251,242	436,730
Average Head Grades:					
Zinc	5.95%	5.92%	5.91%	6.01%	5.97%
Lead	2.55%	2.74%	2.62%	2.68%	2.66%
Silver (ounces/ton)	2.03	2.48	2.26	2.32	2.29
Average Recoveries (%):					
Zinc	71%	77%	78%	76%	77%
Lead	58%	56%	56%	60%	58%
Silver	38%	31%	36%	36%	36%

Concentrate Produced DMT (dry metric tonnes):					
Zinc	17,732	18,155	17,908	24,722	42,630
Lead	7,585	7,048	6,973	10,173	17,146
Concentrate Grades:					
ZincSilver in zinc conc.	48%	47%	48%	46%	47%
	4.0 oz/t	5.0 oz/t	4.5 oz/t	4.0 oz/t	4.2 oz/t
Lead	39%	41%	39%	40%	39%
Silver in lead conc.	20.3 oz/t	20.3 oz/t	21.5 oz/t	20.8 oz/t	21.1 oz/t
Payable Production:					
Zinc (pounds)	15,560,655	15,535,817	15,776,638	20,931,015	36,707,653
Lead (pounds)	6,070,048	5,891,615	5,577,344	8,214,428	13,791,772
Silver (ounces)	167,337	169,971	170,345	231,722	402,067

\*\*Both Q1-2016 and Q2-2016 were pre-commercial production quarters. Caribou Mine commercial production was declared as of July 1, 2016.

\*\*\*2016 reported annual production only includes commercial production commencing as of July 1, 2016 (Q3 and Q4).

In the first half of 2017 the Caribou Site, in conjunction with partners Glencore, will continue to focus on optimizing recoveries, specifically zinc.

#### 2017 Caribou Mine Production Guidance

The preliminary 2017 production guidance estimate for the Caribou mine is:

- 90-93 million pounds of payable zinc in concentrate
- 30-32 million pounds of payable lead in concentrate
- 800,000-900,000 ounces of payable silver

Cash costs for 2017 are estimated at approximately US\$55-60 per tonne milled (please see Cautionary Note on Forward Looking Statements at the end of this document).

#### Qualified Person and Quality Control/Quality Assurance

EurGeol Dr. Mark D. Cruise, Trevali's President and CEO, Paul Keller, P.Eng, Trevali's Chief Operating Officer are qualified persons as defined by NI 43-101, have supervised the preparation of the scientific and technical information that forms the basis for this news release. Dr. Cruise is not independent of the Company as he is an officer, director and shareholder. Mr. Keller is not independent of the Company as he is an officer and shareholder.

#### ABOUT TREVALI MINING CORPORATION

Trevali is a zinc-focused, base metals mining company with two commercially producing operations.

The Company is actively producing zinc and lead-silver concentrates from its 2,000-tonne-per-day Santander mine in Peru and its 3,000-tonne-per-day Caribou mine in the Bathurst Mining Camp of northern New Brunswick. Trevali also owns the Halfmile and Stratmat base metal deposits, located in New Brunswick, that are currently undergoing a Preliminary Economic Assessment reviewing their potential development.

The common shares of Trevali are listed on the TSX (symbol TV), the OTCQX (symbol TREV), the Lima Stock Exchange (symbol TV), and the Frankfurt Exchange (symbol 4TI). For further details on Trevali, readers are referred to the Company's website ([www.trevali.com](http://www.trevali.com)) and to Canadian regulatory filings on SEDAR at [www.sedar.com](http://www.sedar.com).

On Behalf of the Board of Directors of TREVALI MINING CORPORATION

Mark D. Cruise, President

This news release contains "forward-looking statements" within the meaning of the United States private securities litigation reform act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation. Statements containing forward-looking information express, as at the date of this news release, the Company's plans,

estimates, forecasts, projections, expectations, or beliefs as to future events or results and the Company does not intend, and does not assume any obligation to, update such statements containing the forward-looking information. Such forward-looking statements and information include, but are not limited to statements as to: the Company's plan to prepare a new PEA for its Halfmile and Stratmat properties, the accuracy of estimated mineral resources, anticipated results of future exploration, and forecast future metal prices, expectations that environmental, permitting, legal, title, taxation, socio-economic, political, marketing or other issues will not materially affect estimates of mineral resources. These statements reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.

These statements reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained in this news release and the company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in spot and forward markets for silver, zinc, base metals and certain other commodities (such as natural gas, fuel oil and electricity); fluctuations in currency markets (such as the Canadian dollar and Peruvian sol versus the U.S. dollar); risks related to the technological and operational nature of the Company's business; changes in national and local government, legislation, taxation, controls or regulations and political or economic developments in Canada, the United States, Peru or other countries where the Company may carry on business in the future; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected geological or structural formations, pressures, cave-ins and flooding); risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; employee relations; relationships with and claims by local communities and indigenous populations; availability and increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses and permits and the presence of laws and regulations that may impose restrictions on mining,; diminishing quantities or grades of mineral resources as properties are mined; global financial conditions; business opportunities that may be presented to, or pursued by, the Company; the Company's ability to complete and successfully integrate acquisitions and to mitigate other business combination risks; challenges to, or difficulty in maintaining, the Company's title to properties and continued ownership thereof; the actual results of current exploration activities, conclusions of economic evaluations, and changes in project parameters to deal with unanticipated economic or other factors; increased competition in the mining industry for properties, equipment, qualified personnel, and their costs. Investors are cautioned against attributing undue certainty or reliance on forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.

Trevali's production plan at the Caribou Mine is based only on measured, indicated and inferred resources, and not mineral reserves, and does not have demonstrated economic viability. Trevali's production plan at the Santander Mine is based only on indicated and inferred mineral resources, and not mineral reserves, and does not have demonstrated economic viability. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is therefore no certainty that the conclusions of the production plans and Preliminary Economic Assessment (PEA) will be realized. Additionally, where Trevali discusses exploration/expansion potential, any potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

We advise US investors that while the terms "measured resources", "indicated resources" and "inferred resources" are recognized and required by Canadian regulations, the US Securities and Exchange Commission does not recognize these terms. US investors are cautioned not to assume that any part or all of the material in these categories will ever be converted into reserves.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state and may not be offered or sold within the United States, absent such registration or an applicable exemption from such registration requirements.

The TSX has not approved or disapproved of the contents of this news release.

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