Trevali Announces Preliminary Q4-2018 Production Results and Provides 2019 Production and Cost Guidance

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VANCOUVER, Jan. 17, 2019 - Trevali Mining Corporate (“Trevali” or the “Company”) (TSX:TV; BVL: TV; OTCQX: TREVF; Frankfurt: 4TI) reports preliminary fourth quarter (“Q4”) and 2018 full year production and sales results, and provides its production, cash costs, and capital and exploration expenditure guidance for 2019.

Dr. Mark Cruise, Trevali’s President and CEO stated, “2018 was an eventful year for Trevali. It was the Company’s first full year operating in Africa and we successfully increased production at both Perkoa and Rosh Pinah over 2017 levels and are on track to extend mine lives through our focus on exploration. Despite the challenges faced at Caribou, Trevali produced 407 million lbs of payable zinc in 2018, in-line with our initial guidance set out one year ago. Heading into 2019, the Company continues to drive forward on creating value through exploration, evaluating ways to reduce costs and maximize production and looks forward to delivering increased shareholder value.”

Key highlights include:

- Total 2018 zinc production of 407 million payable pounds, in-line with initial guidance of 400 – 427 million pounds set at the start of 2018. Total lead production of 41.7 million payable pounds and silver production of 1.2 million ounces.
- Consolidated Q4 production of 103 million pounds payable zinc, 9.7 million payable pounds of lead and 285,423 payable ounces of silver.
- Zinc concentrate inventories reduced to 57 thousand DMT at year end, a 26 thousand DMT reduction from the third quarter. Normal shipping schedules were realized at all operations in the fourth quarter and there were no material inventory backlogs that affected concentrate sales.
- Repurchased 12.7 million shares as part of the normal course issuer bid.
- 2019 zinc production guidance of 361 – 401 million payable pounds, with the decline from 2018 attributed to the anticipated grade declines at Perkoa and Rosh Pinah. Lead and silver production are expected to modestly increase to 44 to 49 million payable pounds and 1.32 to 1.47 million ounces respectively as higher grades are mined.
- We expect production in 2019 at Caribou to be in-line with 2018 as site continues to advance underground development to increase operating flexibility. At Santander, higher grades and increased throughput are expected to result in increased zinc production levels in 2019.
- Operating costs in 2019 are expected to be higher than those in 2018 as additional investments are made to improve operating flexibility and ensure stable operating results.
- Capital and committed exploration expenditures are expected to be $74 million and $8 million, respectively, with 2019 exploration to focus on regional targets at Perkoa and near-mine opportunities at Santander.

Table 1: Preliminary Consolidated Q4-2018 Production Results

	Three months ended December 31		Twelve months ended December 31	
	2018	2017	2018	2017(1)
Tonnes mined	723,384	832,878	3,253,617	2,128,018
Tonnes milled	737,496	818,690	3,300,948	2,250,464
Payable production:				
Zinc (million pounds)	102.7	104.8	406.9	225.1
Zinc (tonnes)	46,562	47,530	184,545	102,122
Lead (million pounds)	9.7	13.5	41.7	45.8
Lead (tonnes)	4,406	6,103	18,915	20,790
Silver (thousand ounces)	285	397	1,171	1,562

(1) Twelve months ending December 31, 2017 consolidated preliminary production includes only September

1 to December 31, 2017 for Rosh Pinah and Perkoa. Trevali acquired the Perkoa and Rosh Pinah mines on August 31, 2017.
(2) Please refer to “Use of Non-IFRS Financial Performance Measures” below.

Perkoa Mine, Burkina Faso

Perkoa delivered a strong performance in 2018 with annual production of 184 million pounds, materially above the Company’s initial target of 155 – 165 million pounds. In 2019, lower mined grades (estimated annual run-of-mine of 14.0% in 2019 versus 14.9% in 2018) will lead to reduced metal production and consequently slightly higher operating costs.

The new high-efficiency heavy fuel oil power plant is nearing completion. We expect cost savings of approximately $5 per tonne to be realized once it is fully operational. The reduction in power costs, however, is expected to be mostly offset by reduced production levels, resulting in similar costs per tonne as seen over recent quarters.

Record concentrate trucking during December lowered site inventories to 24 kilotonnes at year end, significantly below historic and anticipated inventory staging levels ranging from 30 – 35 kilotonnes. The Company continues to focus on logistic improvements and initiatives to minimize concentrate levels as far as feasible.

Table 2: Perkoa Preliminary Q4-2018 Production (100 percent basis)

	Three months ended December 31		Twelve months ended December 31	
	2018	2017	2018	2017(1)
Tonnes mined	161,815	203,635	708,263	270,909
Tonnes milled	185,661	180,022	724,995	237,832
Payable production:				
Zinc (million pounds)	47.6	47.7	183.9	62.8
Zinc (tonnes)	21,577	21,627	83,428	28,483

(1) Twelve months ending December 31, 2017 consolidated preliminary production includes only September 1 to December 31, 2017. Trevali acquired the Perkoa mine on August 31, 2017.
(2) Please refer to “Use of Non-IFRS Financial Performance Measures” below.

Rosh Pinah Mine, Namibia

Similar to the third quarter of 2018, harder ore and head grades above mill design from the new Western Ore Field resulted in lower throughput and recovery. Ongoing projects, such as a new filter press, as well as flotation circuit and grinding circuit modifications are budgeted to resolve these issues in 2019 and are being appropriately sized to facilitate any potential future throughput increases. The increase in capital expenditures planned for 2019 reflect these enhancements and are being incorporated into the Rosh Pinah 2.0 study, which is evaluating an increase in mill throughput by 50% and is advancing to P/BFS level study with final results anticipated in H2 2019.

Table 3: Rosh Pinah Preliminary Q4-2018 Production

	Three months ended December 31		Twelve months ended December 31	
	2018	2017	2018	2017(1)
Tonnes mined	158,354	177,820	627,295	237,865
Tonnes milled	149,201	171,020	641,980	227,650
Payable production:				
Zinc (million pounds)	25.4	21.3	94.2	29.3
Zinc (tonnes)	11,675	9,681	42,706	13,299
Lead (million pounds)	1.5	3.1	8.5	4.4
Lead (tonnes)	677	1,398	3,870	1,986
Silver (thousand ounces)	22	49	104	68,533

(1) Twelve months ending December 31, 2017 consolidated preliminary production includes only September

1 to December 31, 2017. Trevali acquired the Rosh Pinah mine on August 31, 2017.
(2) Please refer to “Use of Non-IFRS Financial Performance Measures” below.

Caribou Mine, Canada

Planned remediation works (increased development, ground support and installation of cemented fill in key areas of the mine) remain on track to return the mine to normal production levels in Q2 2019 but will result in higher operating costs particularly in Q1. The technical team continues to evaluate modifications to the extraction method in order to improve productivity and decrease costs, in addition to ongoing short- and long-term strategic reviews of the Bathurst Mining Camp.

Table 4: Caribou Preliminary Q4-2018 Production

	Three months ended December 31		Twelve months ended December 31	
	2018	2017	2018	2017
Tonnes mined	184,635	250,225	887,141	937,459
Tonnes milled	174,180	252,857	884,529	945,436
Payable production:				
Zinc (million pounds)	13.7	21.7	72.0	79.9
Zinc (tonnes)	6,214	9,826	32,639	36,264
Lead (million pounds)	5.5	8.7	25.3	30.9
Lead (tonnes)	2,485	3,941	11,456	14,026
Silver (thousand ounces)	122	250	632	890

(1) Please refer to “Use of Non-IFRS Financial Performance Measures” below.

Santander Mine, Peru

Over the course of the fourth quarter, Santander transitioned to fully owner operated, recovered from third quarter production disruptions and met its forecasted annual production target, delivering a 2018 monthly zinc production record in December. The mine is well positioned for production in 2019 with all development in place for the year.

Table 5: Santander Preliminary Q4-2018 Production

	Three months ended December 31		Twelve months ended December 31	
	2018	2017	2018	2017
Tonnes mined	218,580	201,198	750,970	681,785
Tonnes milled	228,454	214,791	803,265	839,546
Payable production:				
Zinc (million pounds)	16.0	14.1	56.8	53.1
Zinc (tonnes)	7,236	6,396	25,760	24,076
Lead (million pounds)	2.7	1.7	7.9	10.5
Lead (tonnes)	1,244	764	3,588	4,779
Silver (thousand ounces)	142	98	435	603

(1) Please refer to “Use of Non-IFRS Financial Performance Measures” below.

2019 CONSOLIDATED PRODUCTION GUIDANCE

Consolidated production guidance for 2019 is estimated between 361 – 401 million pounds of payable zinc, 44 – 49 million pounds of payable lead and 1.3 – 1.5 million ounces of payable silver.

Table 6: 2019 Consolidated Production Guidance (1&2)

Mine	2019 Zinc Production	2019 Lead Production	2019 Silver Production
Perkoa (100%)	151 – 168 million lbs 68 – 76 ktonnes	N/A	N/A

Rosh Pinah (100%)	80 – 89 million lbs 36 – 40 ktonnes	10 – 11 million lbs 4 – 5 ktonnes	145 – 161 k ozs
Caribou	71 – 79 million lbs 32 – 36 ktonnes	24 – 27 million lbs 11 – 12 ktonnes	641 – 713 k ozs
Santander	59 – 65 million lbs 27 – 29 ktonnes	10 – 11 million lbs 4 – 5 ktonnes	536 – 595 k ozs
Total	361 – 401 million lbs 163 – 181 ktonnes	44 – 49 million lbs 19 – 22 ktonnes	1,322 – 1,469 k ozs

(1) Constitutes forward-looking information; see “Cautionary Note Regarding Forward-Looking Statements”.
(2) Trevali’s ownership interest is 90% of Perkoa and 90% of Rosh Pinah.

Consolidated operating costs are forecast to range from $69 – $76 per tonne, with cash costs (net of by-product credits) of between $0.81 – $0.88 per pound of zinc (see Table 7). Including capital expenditures forecast of $74 million, consolidated AISC are expected to range from $0.99 – $1.09 per pound of zinc (for the purpose of AISC guidance, all capital is considered to be sustaining). Relative to 2018, higher capital expenditures at Rosh Pinah and Santander are planned, with incremental spending on process plant upgrades (new filter press and floatation and grinding circuit improvements) and power infrastructure, respectively, the main drivers.

Table 7: 2019 Consolidated Operating Cost and Capital Expenditure Guidance (1&2)

Mine	Operating Costs (per tonne)	Cash Costs net of By-product Credits ($/lb Zn)	All-in Sustaining Costs ($/lb Zn)	Capital Expenditures ($M)
Perkoa (100%)	106 – 117	0.84 – 0.92	0.91 – 0.99	11
Rosh Pinah (100%)	56 – 63	0.70 – 0.77	0.99 – 1.09	26
Caribou	72 – 79	0.95 – 1.02	1.15 – 1.28	16
Santander	45 – 49	0.71 – 0.78	1.02 – 1.13	21
Exploration	–	–	–	8
Total	69 - 76	0.81 – 0.88	0.99 – 1.09	82

(1) Constitutes forward-looking information; see “Cautionary Note Regarding Forward-Looking Statements”.
(2) Trevali’s ownership interest is 90% of Perkoa and 90% of Rosh Pinah.

Quarterly Variability

Zinc: While production guidance has been provided on an annual basis, we expect moderate production fluctuations on a quarter-to-quarter basis due to mine scheduling. Zinc production overall is forecast to be slightly stronger in the second half of 2019, with Caribou in particular expected to deliver a weaker quarter in Q1 as the Company completes the advanced rates of development and production catches up in Q2 – Q4. Conversely, Rosh Pinah is forecast to have a stronger start to 2019, with production strongest in Q1 and declining thereafter as zinc grades decline from approximately 10% to 8%. Due to the mining sequence, lower grades are planned at Perkoa in Q2 and Q3.

Lead: Production is expected to show more quarterly variability than zinc, with consolidated lead production increasing in each successive quarter throughout 2019. Lead grades at Santander and Rosh Pinah are forecast to increase throughout the year, with Rosh Pinah expected to mine significantly higher lead grades in the second half of 2019.

Operating costs: The Company expects costs to generally be at their highest level for each mine in Q1 with consolidated costs per tonne to range from $73 - $81 per tonne during the quarter. Operating costs will be higher in Q1 compared to the yearly target due to the following:

- Increased mining scope to build inventories and further de-risk annual production;
- Seasonal impact of winter at Caribou Mine and reduced mined ore until planned development is in place;
- Benefit of the HFO generating plant at Perkoa is forecast to improve costs starting in Q2;

- Seasonal pumping requirements at Santander Mine;
- Lower planned throughput due to planned maintenance.

Exploration – Targeting Resource and Reserve Growth and Mine Life Extensions

The exploration group is on track to successfully replace mined inventory at all the operations in addition to modestly increasing resources. Specific highlights include the emerging Santander Pipe deposit, which will remain a focus for 2019 and material extensions to the Perkoa deposit where the Hanging Wall zone was extended approximately 300 meters below the current mine plan. Finally, regional exploration drilling commenced at Perkoa in Q4 and to date has successfully intersected sulphide bearing (stringer – disseminated to narrow massive zones – non-economic to date) VMS systems at several of the targets. Drill testing is ongoing.

The 2019 exploration program will continue to focus on brownfield, near-mine, exploration targets to expand and discover new resources in proximity to existing mine infrastructure and extend the current mine lives. For 2019, the Company intends to invest a minimum $8.4 million on approximately 36,300 metres of diamond drilling from surface and underground primarily focused on the Perkoa and Santander mineral systems. Contingent on positive results and available funds, additional funding may be deployed towards further drilling.

Updated resource and reserve estimates at all sites are expected to be completed at the end of the first quarter of 2019.

Qualified Person and Quality Control/Quality Assurance
EurGeol Dr. Mark D. Cruise, Trevali's President and CEO, is a qualified person as defined by NI 43-101, has supervised the preparation of, and has verified 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.

ABOUT TREVALI MINING CORPORATION
Trevali is a zinc-focused, base metals company with four mines: the 90% owned Perkoa mine in Burkina Faso, the 90% owned Rosh Pinah mine in Namibia, the wholly-owned Caribou mine in the Bathurst Mining Camp of northern New Brunswick in Canada, and the wholly-owned Santander mine in Peru.

The shares of Trevali are listed on the TSX (symbol TV), the OTCQX (symbol TREVF), 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) and to Canadian regulatory filings on SEDAR at www.sedar.com.

On Behalf of the Board of Directors of
TREVALI MINING CORPORATION
“Mark D. Cruise” (signed)
Mark D. Cruise, President

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Use of Non-IFRS Measures
In this news release we refer to the following non-IFRS financial performance measures: Cash operating cost per tonne milled, C1 Cash Cost per pound and All-In Sustaining Costs (“AISC”) per pound. These measures are not recognized under IFRS as they do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Management uses these measures internally to evaluate the underlying operating performance of the Company for the reporting periods presented. The use of these measures enables management to assess performance trends and to evaluate the results of the underlying business of the Company. Management understands that certain investors, and others who follow the Company’s performance, also assess

performance in this way.

Management believes that these measures reflect the Company’s performance and are useful indicators of its expected performance in future periods. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Cash operating cost per tonne milled:
Cash operating cost per tonne milled measures the mine site cash operating cost per tonne milled. This measure includes mine operating production expenses such as mining, processing, administration, indirect charges such as surface maintenance and camp expenses, and inventory stock movement divided by tonnes milled. Cash operating cost per tonne milled does not include smelting and refining, distribution (freight), royalties, by-product revenues, depreciation, depletion, amortization, reclamation, and capital sustaining and exploration expenses.

C1 Cash Cost per pound:
C1 Cash Cost per pound measures the cash costs to produce a pound of payable zinc. This measure includes mine operating production expenses such as mining, processing, administration, indirect charges (including surface maintenance and camp), and inventory stock movement, smelting, refining and freight, distribution, royalties, and by-product metal revenues divided by pounds of payable zinc produced. C1 Cash Cost per Pound does not include depreciation, depletion, and amortization, reclamation expenses, capital sustaining and exploration expenses.

AISC per pound:
All-In Sustaining Cost per pound measures the cash costs to produce a pound of payable zinc plus the capital sustaining costs to maintain the mine and mill. This measure includes the C1 Cash Cost per Pound and capital sustaining costs divided by pounds of payable zinc produced. All-In Sustaining Cost per Pound does not include depreciation, depletion, and amortization, reclamation and exploration expenses.

See “Cautionary Notes Regarding Forward-Looking Statements” below as well as “Use of Non-IFRS Financial Performance Measures” in our Management’s Discussion and Analysis for the three and nine months ended September 30, 2018.

Cautionary Note Regarding Forward-Looking Statements
This news release contains “forward-looking information” within the meaning of the Canadian securities legislation and “forward-looking statements” within the meaning of Section 27A of the *United States Securities Act of 1933*, as amended, Section 21E of the *United States Exchange Act of 1934*, as amended, the *United States Private Securities Litigation Reform Act of 1995*, or in releases made by the United States Securities and Exchange Commission, all as may be amended from time. 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. Such forward-looking statements and information include, but are not limited to statements as to: the timing and amount of estimated future production; the estimation of mineral resources and mineral reserves; costs and timing of development; operating efficiencies; expectations regarding milling operations and metal production shortfalls; metal output and throughput rates; cost guidance and anticipated annual results; anticipated results of future exploration; forecast future metal prices; and statements relating to, among other things, the Company’s objectives, strategies and intentions and its future financial and operating performance.

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. If any assumptions are untrue, it could cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by such statements. Assumptions have been made regarding, among other things, present and future business strategies and the environment in which the Company will operate in the future, including commodity prices, anticipated costs and ability to achieve goals.

Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to joint venture operations; 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; 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, Namibia, Burkina Faso, 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, as well as other risks as more fully described in the Company’s annual information form for the year ended December 31, 2017, which is available on the Company’s website (www.trevali.com) and filed under our profile on SEDAR (www.sedar.com). 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.

Note to United States Investors
In accordance with applicable Canadian securities regulatory requirements, all mineral resource estimates of the Company disclosed or incorporated by reference in this news release have been prepared in accordance with Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects, classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's “CIM Standards on Mineral Resources and Reserves Definitions and Guidelines”.

The Company uses the terms "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". While these terms are recognized by Canadian securities regulatory authorities, they are not recognized by the United States Securities and Exchange Commission. US investors are cautioned not to assume that any part or all of the material in these categories will ever be converted into reserves.

Source: Trevali Mining Corp.