

Trevali Announces Positive Feasibility Study for Potential Rosh Pinah Expansion "RP2.0"

18.08.2021 | [CNW](#)

VANCOUVER, Aug. 17, 2021 - [Trevali Mining Corp.](#) ("Trevali" or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREVI) (Frankfurt: 4TI) is pleased to announce positive results from the Rosh Pinah Expansion "RP2.0" NI 43-101 Feasibility Study ("FS") at its 90%-owned Rosh Pinah mine in Namibia. All figures in this release are stated in United States dollars on a 100%-ownership basis.

Highlights of the FS Include:

- Planned 86% increase in mill throughput from 0.7 Mtpa to 1.3 Mtpa.
- Assuming a positive investment decision:
 - Detailed engineering and procurement of long-lead items expected to commence in Q4 2021, with construction to commence mid-year 2022; and
 - Commercial production expected around mid-year 2024.
- Incorporates previously announced 15-year solar power purchase agreement with EMESCO for the supply of solar power, which will provide approximately 30% of the required power.
- Addition of a water treatment plant in conjunction with the paste fill plant anticipated to reduce water intensity of the process from 1.54 m³/t to 0.65 m³/t of ore processed.
- Production and Operating Costs (post-Commercial Production):
 - Average annual zinc payable production: 135 Mlbs.
 - Average AISC¹: \$0.67/lb .
 - Average annual lead and silver payable production: 23.7 Mlbs and 303 Koz, respectively .
- Proven and Probable Mineral Reserves
 - 12.35 Mt containing 1,744 Mlbs of zinc, 370 Mlbs of lead, and 7,858 Koz's of silver (see Table 5 below).
- Project CAPEX of \$111 million:
 - Modifications to the existing process plant to include a single stage SAG mill, crushing and ore blending and zinc and lead flotation circuit capacity;
 - Addition of a paste fill plant and reticulation system including a water treatment plant;
 - Dedicated portal and decline to the WF3 deposit with new material handling system; and
 - Mine surface and underground infrastructure.
- Project economics (after-tax) using \$1.17/lb zinc, \$0.96/lb lead and \$24.47/oz silver price assumptions:
 - NPV^{8%}: \$156M.
 - Free cash flow: \$290M.
 - IRR: 58%.
 - Payback period: 4.6 years.

¹ All-In-Sustaining-Cost "AISC" and C1 cash costs are non-IFRS financial performance measures. See "Use of Non-IFRS Financial performance Measures" in the Company's Management's Discussion and Analysis for the three and six months ended June 30, 2021, dated August 4, 2021 and filed on [sedar.com](#) for further information regarding these measures.

Ricus Grimbeek, President and CEO, commented, "Since providing the results of the Expansion Pre-Feasibility Study in 2020, the team has optimized and de-risked the project, delivering a Feasibility Study that reaffirms robust project economics while reducing our carbon intensity and water consumption usage on a per tonne milled basis. The RP2.0 project will modernize and expand the 50-year-old mine, increasing throughput by 86% and enabling the operation to increase production at a significantly lower operating cost, all while working more safely and reducing our environmental footprint.

In parallel with advancing the technical aspects of the project, we have had productive discussions with our existing lenders and syndicate as well as numerous financial institutions on securing project debt financing to minimize equity dilution."

Rosh Pinah Expansion "RP2.0" Feasibility Study

Processing Plant: The FS incorporates a planned upgrade to the comminution circuit to include a new, single-stage SAG mill and pebble crusher. The expansion also includes primary crushing upgrades and an ore blending area, along with other circuit modifications intended to provide increased flotation, thickening, filtration and pumping capacity to achieve the target throughput of 1.3 Mtpa. The upgrade will also include several flowsheet modifications aimed at improving both the concentrate grade and metal recoveries.

Underground Development and Infrastructure: A dedicated portal and decline to the WF3 deposit will be constructed to support the increase in mine production levels and to reduce operating costs. The planned trucking decline is 3.9 km in length, excluding level access and stockpiles. The trucking decline will act as an additional fresh air intake within the ventilation network and will enable direct ore haulage from the WF3 zone to a new surface primary crusher station utilizing large-scale (60 tonne) trucks. Ore sourced from other areas (EOF, SF3, SOF, and BME) will be transported to the existing underground crushing system using the existing 30 tonne truck fleet and conveyed to surface via the existing conveying system.

Paste Fill Plant: A paste fill plant designed to operate at both the current 0.7 Mtpa and the 1.3 Mtpa targeted throughput rate has been included. Paste filling the stopes rather than leaving them void is expected to improve ground stability, increase ore recovery, and reduce dilution, and also to reduce surface tailings as a portion of new tailings will be redirected underground to be used as paste fill. A water treatment plant has been added to the paste fill plant system which is expected to significantly reduce water consumption. The system in conjunction with the paste fill plant system is anticipated to reduce the water intensity of the Rosh Pinah operation from 1.54 m³/t to 0.65 m³/t of ore.

Mobile Equipment: The existing, small-scale underground trucks and load-haul dump (LHD) fleet will continue to be used primarily in the current mining areas. As mining extends deeper and average haulage distances increase in WF3, new large-scale trucks and LHDs are planned to be purchased for the more efficient transportation of material to surface which is expected to reduce costs over the life-of-mine.

Renewable Solar Energy Power Purchase Agreement: Trevali has entered into a fifteen-year Power Purchase Agreement (the "PPA") with Emerging Markets Energy Services Company ("EMESCO"). The PPA with EMESCO is anticipated to deliver 30% of Rosh Pinah's power requirements during the life of the agreement. EMESCO will be responsible for the design, permitting, financing and implementation of a solar energy system on a neighbouring property at no cost to Trevali. EMESCO will sell the power generated to Trevali at a fixed rate that is expected to reduce energy costs by 8% over the fifteen-year term of the agreement.

Onsite Operating Costs: Once the project is commissioned, onsite operating costs are expected to reduce by approximately 26% on a per tonne milled basis. Mining costs per tonne milled are expected to be reduced due to the planned change in the mining method to include paste fill allowing for increased ore recovery and reduced mining dilution. Mining costs are also expected to benefit from the dedicated underground decline to the WF3 deposit which should allow for more efficient material handling and reduced cycle times. The processing unit costs are expected to decrease as a result of treating increased tonnages following the upgrade. Fixed on site costs on a per tonne milled basis are also expected to decrease as the mine ramps up from 0.7 Mtpa to the FS target of 1.3 Mtpa as a function of higher annual throughput.

Table 1: Life of Mine and RP2.0 FS Expansion Economics

Project Metrics	Unit	LOM (2021 - 2032)	Post Expansion (2024 - 2032)
Mine life	Years	12	9
Total ore production	Kt	12,351 ²	10,432
Zinc grade (average)	%	6.5	6.6
Lead grade (average)	%	1.4	1.4
Silver grade (average)	g/t	19.8	19.3
Payable Zinc metal	T	592,542	517,127
Payable Lead metal	T	108,138	92,612
Payable Silver metal	Oz	3,079,951	2,681,453
Capital costs - project	US\$M	111	-
Capital costs - sustaining	US\$M	120	66
Capital costs - closure	US\$M	6	6
C1 cash costs ¹	US\$/lb	0.63	0.60
All-In-Sustaining-Cost "AISC" ¹	US\$/lb	0.72	0.67
After-tax free cashflow	US\$M	290	373
After-tax NPV (8%)	US\$M	156	-
After-tax IRR	%	58	-
Payback Period After-tax	Years	4.6	-

Table 2: Expansion Capital Cost Summary in US\$M

Item Description	Total
Processing	
Processing plant upgrade	50.2
Mine Infrastructure - Surface	
Boxcut / Portal (WF3)	0.7
Paste and Backfill Plant (incl. RO WTP)	18.6
Replacement of NamPower OHL	2.2
Upgrading of 66kV Yard @ RP Mine	2.4
Office, Control Room & Network Upgrades	1.7
Other	0.2
Mine Infrastructure - Underground	
Paste Fill Reticulation	4.0
Electrical	1.3
Dewatering	0.6
Ventilation	2.2
Other	1.2
Sub-Total	85.4
Indirect Costs	
EPCM Contractor	14.2
Owners Team	2.6
Contingency	8.8
Total	111.0

² As of effective date of 31 March 2021, see Table 6.

Table 3: Zinc Price Sensitivity Estimates

Financial Metric	Unit	\$0.90/lb	\$1.00/lb	\$1.10/lb	\$1.17/lb	\$1.20/lb	\$1.30/lb	\$1.40/lb
Post-tax free cashflow	US\$M	83	161	238	290	316	393	471
Post-tax NPV (8%)	US\$M	13	67	118	156	169	220	270

Mineral Resources and Reserves

The Mineral Resource estimate for the Rosh Pinah deposit covers numerous lenses. A total of seven mineral lenses are included in the updated Mineral Resource estimate as of March 31, 2021.

To convert Mineral Resources to Mineral Reserves, mining cut-off grades were applied, mining dilution was added, and mining recovery factors were assessed. Only Measured and Indicated Mineral Resources were used for Mineral Reserve estimation.

A cut-off value of US\$50.0/t was used to report the Mineral Reserves. The selected cut-off value is above the projected full breakeven cut-off value.

Updated Mineral Resource and Mineral Reserve estimates are planned as part of the Company's annual year end process. The conversion of additional resources and further optimizations may be included in this process, which, if included, will further enhance the project's economics. For further information regarding the Mineral Resource and Mineral Reserve estimate, please see the FS dated August [16], 2021 and filed on the Company's SEDAR profile at www.sedar.com.

Table 4: Mineral Resources

Classification	Tonnes (Mt)	Grade				Contained Metal		
		Zn (%)	Pb (%)	Ag (g/t)	ZnEq (%)	Zn (M lbs)	Pb (M lbs)	Ag (k oz)
Measured	10.54	7.41	2.04	27.4	10.22	1,722	474	8,983
Indicated	7.92	7.48	1.46	23.8	9.60	1,306	255	5,863
M&I	18.46	7.44	1.79	25.8	9.96	3,028	729	14,845
Inferred	1.58	8.31	2.19	54.9	12.04	289	76	2,698

Notes:

• CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) were used for reporting of Mineral Resources.

• The Mineral Resources are stated inclusive of Mineral Reserves.

• Mineral Resources are reported at a 4% ZnEq cut-off grade which approximates a Net Smelter Return value of US\$40/t.

• Zinc equivalency was estimated as $ZnEq = Zn (\%) + Pb (\%) + [Ag (g/t) * 0.028]$.

• Effective date of Mineral Resources is March 31, 2021.

• The Qualified Person for the Mineral Resource estimate is Mr Rodney Webster, MAIG, of AMC.

• Totals may not compute exactly due to rounding.

• Mineral Resources are stated on a 100% ownership basis.

Classification	Tonnes (Mt)	Grade			Contained Metal		
		Zn (%)	Pb (%)	Ag (g/t)	Zn (M lbs)	Pb (M lbs)	Ag (k oz)
Proven	6.14	6.26	1.5	18.8	847	203	3,713
Probable	6.21	6.55	1.22	20.8	897	167	4,145
Total	12.35	6.41	1.36	19.8	1,744	370	7,858

Notes:

• CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) were used for reporting of Mineral Reserves.

• Mineral Reserves were estimated at a full breakeven NSR cut-off value of US\$50 per tonne.

• NSR values were calculated based on average metal prices of US\$1.17/lb Zn, US\$0.96/lb Pb, and US\$24.47/oz Ag.

• The average processing recoveries used were 88.8% for zinc, 68.5% for lead, and 45.0% for silver.

• Average payable values used were 85% for zinc, 95% for lead, and 95% for silver.

• Dilution (Inferred and unclassified material set to zero grade) assumed as a minimum of 1.0 m on each hangingwall and 0.5 m on each footwall.

• Mining recovery factors assumed as a minimum of 60%, ranging to 95%, with a weighted average of 93%.

• Mineral Reserves are reported based on mined ore delivered to the plant as mill feed.

• The average exchange rate used was N\$14.90 = US\$1.00.

• Effective date of Mineral Reserves is March 31, 2021.

• The Qualified Person for the Mineral Reserve estimate is Mr Andrew Hall, MAusIMM (CP), of AMC.

• Totals may not compute exactly due to rounding.

• Mineral Reserves are stated on a 100% ownership basis.

The written technical disclosure and data in this news release was approved by Yan Bourassa, P.Geol, Vice-President of Technical Services of the Company. Mr. Bourassa is a non-independent Qualified Person within the meaning of Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). Qualified persons contributing to the study, who have also read this release are as follows:

- Andrew Hall, MAusIMM (CPP), AMC Consultants Pty Ltd., responsible for mining and Mineral Reserve estimation
- Rodney Webster, MAIG, AMC Consultants Pty Ltd., responsible for geology and Mineral Resource estimation.
- Louise Lintvelt, PrEng, DRA Projects (Pty) Ltd a wholly owned subsidiary of DRA Global Ltd, responsible for metal ore processing aspects.
- Rob Welsh, PrEng, DRA Projects (Pty) Ltd a wholly owned subsidiary of DRA Global Ltd, responsible for ore processing surface infrastructure aspects.
- Mo Molavi, P. Eng, AMC Mining Consultants (Canada) Ltd., responsible for underground infrastructure aspects.

The Mineral Resource and Mineral Reserve estimates have been reported in accordance with definitions and guidelines set out in the Definition Standards for Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining, Metallurgy, and Petroleum and as required by NI 43-101. Mineral Reserve estimates reflect the Company's reasonable expectation that all necessary permits and approvals will be obtained and maintained, mining dilution and mining recovery have been applied in estimating the Mineral Reserves.

For information regarding the data verification measures applied to the scientific and technical information contained in this news release, please see the FS dated August 17, 2021 and filed on the Company's SEDAR profile at www.sedar.com

ABOUT TREVALI

Trevali is a global base-metals mining company, headquartered in Vancouver, Canada. The bulk of Trevali's revenue is generated from base-metals mining at its four operational assets: the 90%-owned Perkoa Mine in Burkina Faso, the 90%-owned Rosh Pinah Mine in Namibia, the wholly-owned Caribou Mine in northern New Brunswick, Canada and the wholly-owned Santander Mine in Peru. In addition, Trevali owns the Halfmile and Stratmat Properties and the Restigouche Deposit in New Brunswick, Canada, and the past-producing Ruttan Mine in northern Manitoba, Canada. Trevali also owns an effective 44%-interest in the Gergarub Project in Namibia, as well as an option to acquire a 100% interest in the Heath Steele deposit located in New Brunswick, Canada.

The 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) and to Canadian regulatory filings on SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-Looking Information and Statements

This news release contains "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). Forward-looking statements are based on the beliefs, expectations and opinions of the management of the Company as of the date the statement is published, and the Company assumes no obligation to update any forward-looking statement, except as required by law. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects", "outlook", "guidance", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events including, but not limited to, statements with respect to the results of the FS, including the expected expansion of throughput and the existing production capacity to up to 1.32Mtpa, the expected reduction of operating costs as a result of the expansion project, the Company's planned development and construction activities in respect of the expansion project and the anticipated results of these development and construction activities, the environmental and safety benefits expected from the expansion process and the expected timing of commencement of construction of the expansion project and achievement of commercial production; estimates of project capital costs; the anticipated power requirements of the Rosh Pinah mine and EMESCO's ability to supply the contracted amount of power at a fixed rate over the term of the PPA; future production forecasts, including estimates of the amount of ore production, production grades, throughput and average annual production of payable zinc, lead and silver; estimates of cash costs including C1 cash costs and All-in Sustaining Cost; estimates of mineral reserves and mineral resources; estimates of average zinc, lead and silver grades and mineral recoveries over the mine life and post-completion of the expansion project; economic estimates, including estimates of internal rate of return, payback period, free cash flow and net present value; mine life estimates; commodity price estimates; management's expectations regarding a positive investment decision by the Company's board of directors; the ability of the Company to realize environmental efficiencies as a result of the expansion project; and the Company's expectations with respect to the timing and receipt of project financing for the expansion.

Forward-looking statements are necessarily based upon estimates and assumptions, which are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control and many of which, regarding future business decisions, are subject to change. Assumptions underlying the Company's expectations regarding forward-looking statements or information contained in this press release include, but are not limited to, that the board of director of the Company will make a positive investment decision regarding the expansion project and that the expansion project will receive construction financing; that the Company will proceed with the development and construction of the expansion project as set forth in the FS; that the expansion project will proceed on the timeline currently anticipated; that the expansion project will yield the benefits expected by the Company; that the assumptions and estimates underlying production, cost and economic forecasts, including commodity price and exchange rate assumptions, are reasonable and are representative of these actual inputs; that the assumptions and estimates underlying mineral resource and reserve estimates, including commodity price and exchange rate assumptions, cut-off grade assumptions and recovery and dilution estimates, are reasonable and are representative of these actual inputs; that the Company will achieve actual production and cost and economic performance in-line with its assumptions; that mineral resource and reserve estimates are indicative of actual mineralization; and that the life of mine of Rosh Pinah after the

expansion will accord with expectations.

By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to changes in project parameters as plans continue to be refined; future prices of zinc, lead, silver and other minerals and the anticipated sensitivity of our financial performance to such prices; possible variations in ore reserves, grade or recoveries; the adequacy of underground development infrastructure; unforeseen changes in geological characteristics; changes in the metallurgical characteristics of the mineralization; the availability to develop adequate processing capacity; the availability of equipment necessary to complete development; the size of future processing plants and future mining rates; increased operating and capital costs, including with respect to consumables and mining and processing equipment; risks related to the PPA with EMESCO, including that EMESCO may not be able to successfully design, permit, finance and implement the solar energy system in the manner contemplated by the PPA, or at all, and that the PPA may not deliver the expected cost savings and GHG emissions reduction; unforeseen technological and engineering problems; dependence on key personnel; potential conflicts of interest involving our directors and officers; labour pool constraints; labour disputes; delays or inability to obtain governmental and regulatory approvals for mining operations or financing or in the completion of development or construction activities; counterparty risks; foreign currency exchange rate fluctuations; operating in foreign jurisdictions with risk of changes to governmental regulation; risks relating to widespread epidemics or pandemic outbreak; land reclamation and mine closure obligations; challenges to title or ownership interest of our mineral properties; maintaining ongoing social license to operate; impact of climatic conditions on the Company's mining operations; corruption and bribery; limitations inherent in our insurance coverage; compliance with debt covenants; competition in the mining industry; cybersecurity threats; litigation and other risks and uncertainties that are more fully described in the Company's most recent annual information form, interim and annual consolidated financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary

materially from those described in forward-looking statements. In addition, there can be no assurance regarding the achievement or timing of the Company's exploration, development, construction or commercial production objectives. The information in the FS Technical Report is presented with an effective date of **March 31, 2021**, unless otherwise indicated in the FS Technical Report.

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/391757--Trevali-Announces-Positive-Feasibility-Study-for-Potential-Rosh-Pinah-Expansion-RP2.0.html>

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. **Trevali provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events may differ from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.**

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!

SOURCE: Trevali Mining Corp © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).