

Trevali Mining Corp. Announces Preliminary Q4-2021 Production Results and Provides 2022 Production and Cost Guidance

24.01.2022 | [CNW](#)

VANCOUVER, Jan. 24, 2022 - [Trevali Mining Corp.](#) ("Trevali" or the "Company") (TSX: TV) (OTCQX: TREVF) (Frankfurt: 4TI) is pleased to release preliminary fourth quarter ("Q4") and full year production results for 2021 and provides 2022 operating, capital and exploration expenditure guidance. All financial figures are in U.S. dollars and are unaudited.

Ricus Grimbeek, Trevali's President and CEO stated, "The company ended 2021 with much to be excited about for 2022 and beyond. We achieved excellent performance from Rosh Pinah and had improved Q4 2021 performance at Perkoa and the recently divested Santander mine, though faced challenges at Caribou which we are working through. We also experienced ongoing issues related to COVID-19 which had an impact on our ability to operate and achieve our targets. Our COVID-19 control measures are holding up well and the experience gained further supports our focus on the health and safety of our workforce and surrounding communities.

The Trevali team has done an excellent job at identifying ways to continue to optimize our operations as we look to minimize the effects of anticipated declining ore grades in 2022. We are focused on safety, operational excellence, disciplined capital allocation, debt reduction and investing in the RP2.0 project at Rosh Pinah ("RP2.0").

The current zinc price of approximately \$1.65 per pound is roughly \$0.29 per pound higher than the average observed price in 2021. The higher zinc price environment supports the potential for robust organic cash flow generation and eases the ongoing financing process for RP2.0 as we continue to progress the early works program that we recently began."

Key 2021 Highlights Include:

- Total Recordable Injury Frequency ("TRIF") in 2021 saw an increase to 8.7 from 4.5 in 2020, however the severity of injuries declined
- Achieved 2021 payable zinc production of 322 million pounds, slightly below adjusted guidance of 325 to 350 million pounds of payable zinc when normalizing for the sale of Santander.
- Restarted the Caribou Mine with an initial two-year mine plan with potential to extend the mine life.
- Commenced Pilot Testing of FLSmidth's Rapid Oxidative Leach Technology at Caribou with results expected to form the basis of a preliminary economic assessment and an NI-43-101 technical report expected to be published in H1 2022.
- Published Trevali's Third Annual Sustainability report refining targets in order to reduce water consumption and greenhouse gas emissions.
- Published the Feasibility Study for RP2.0 outlining a planned increase to throughput by 86% and an expected decrease in operating costs.
- Closed the sale of the Santander Mine in Peru in December 2021, enabling the Company to continue its focus on disciplined capital allocation and the financing of RP2.0.

Q4 2021 and Full Year 2021 Preliminary Production Results & 2022 Production Guidance

Total zinc production from operations was 78 million pounds for Q4 2021 for total annual production of 322 million pounds of payable zinc. Trevali's 2021 actual production finished below the 330 - 355 million pounds of payable zinc revised guidance range disclosed on August 4, 2021. Accounting for the sale of the 100%-owned Santander mine, which closed December 3, 2021, the results fell slightly short of adjusted guidance (normalized for the sale of Santander) of 325 - 350 million pounds^[1] of payable zinc. The production figures provided herein are preliminary and subject to final adjustment. The Company will further expand on 2021 results, including with respect to cost performance, when it releases 2021 fourth quarter and

full year results.

Consolidated production guidance for 2022 is estimated between 247 - 280 million pounds of payable zinc, 36 - 41 million pounds of payable lead and 688 - 778 thousand ounces of payable silver. Zinc production is expected to be moderately higher in Q2 and Q3 versus the first and last quarter of 2022 due to scheduling. At each of the three operations, Q1 is anticipated to have the lowest level of production for the year.

Table 1: Preliminary Consolidated 2021 Production Results and 2022 Production Guidance

| Payable Production by Asset | Actuals | | | | Guidance ¹ | |
|--------------------------------------|---------|---------|----------------------|----------------------|-----------------------|---------|
| | Q4 2021 | FY 2021 | FY 2021 ⁵ | FY 2021 ⁵ | FY 2022 | FY 2022 |
| Zinc Production (Million lbs) | | | | | | |
| Perkoa (100%) ² | 37 | 161 | 160 - 170 | 128 - 145 | | |
| Rosh Pinah (100%) ² | 21 | 76 | 72 - 77 | 58 - 66 | | |
| Caribou | 10 | 41 | 48 - 53 | 60 - 68 | | |
| Santander ³ | 9 | 45 | 50 - 55 | n/a - n/a | | |
| Total Zinc Production ⁴ | 78 | 322 | 330 - 355 | 247 - 280 | | |
| Lead Production (Million lbs) | | | | | | |
| Rosh Pinah (100%) ² | 8 | 21 | 20 - 23 | 16 - 18 | | |
| Caribou | 3 | 13 | 16 - 17 | 20 - 23 | | |
| Santander ³ | 1 | 5 | 4 - 4 | n/a - n/a | | |
| Total Lead Production ⁴ | 12 | 39 | 40 - 44 | 36 - 41 | | |
| Silver Production (Thousand ozs) | | | | | | |
| Rosh Pinah (100%) ² | 73 | 188 | 180 - 200 | 158 - 178 | | |
| Caribou | 92 | 359 | 428 - 477 | 530 - 600 | | |
| Santander ³ | 52 | 355 | 282 - 297 | n/a - n/a | | |
| Total Silver Production ⁴ | 217 | 902 | 888 - 972 | 688 - 778 | | |

(1) 2022 guidance 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.

(3) Trevali closed the sale of Santander on December 3, 2021.

(4) Totals may not add due to rounding.

(5) Guidance revised on August 4, 2021. See press release of the Company entitled "Trevali Reports Second Quarter 2021 Results with Adjusted EBITDA of \$32 million" for further details

¹ Adjusted guidance subtracts approximately one month of production from the previous guidance of 50 to 55 million pounds of zinc.

2022 Consolidated Cost and Capital Expenditure Guidance

Consolidated cost guidance for 2022 for C1 Cash Cost⁴ is estimated between \$0.85 - \$0.93 per pound of zinc and AISC⁴ is expected to range between \$1.03 - \$1.13 per pound of zinc. Capital expenditures for the group is estimated to range between \$61 - \$68 million, consisting of \$43 million in sustaining capital, \$2

million in exploration capital, and \$20 million in expansionary capital at Rosh Pinah and \$0.5 million in expansionary capital at Caribou.

Table 2: 2022 Consolidated Operating Cost and Capital Expenditure Guidance²

| Asset | C1 Cash Cost ⁴ AISC ⁴ (\$/lb Zn) | Sustaining Capital Expenditures (\$m) (\$/lb Zn) | Expansionary Capital Expenditures (\$m) |
|--------------------------------|---|---|---|
| Perkoa (100%) ³ | 0.93 - 1.01 | 0.98 - 1.08 7 | 0 |
| Rosh Pinah (100%) ³ | 0.71 - 0.78 | 1.07 - 1.17 24 | 20 |
| Caribou | 0.85 - 0.93 | 1.10 - 1.20 12 | 0.5 |
| Exploration Expenditures | | 2 | |
| Total ⁵ | 0.85 - 0.93 | 1.03 - 1.13 61 -68 | |

(2) 2022 guidance constitutes forward-looking information; see "Cautionary Note Regarding Forward-Looking Statements".

(3) Trevali's ownership interest is 90% of Perkoa and 90% of Rosh Pinah.

(4) See "Non-IFRS Financial Performance Measures".

(5) Totals may not add due to rounding.

2022 C1 Cash Costs⁴ and AISC⁴ guidance reflect an estimated annual zinc treatment charge of \$215 per tonne, an increase from \$159 per tonne realized for 2021. For every \$20/tonne change in zinc treatment charges there is an impact to C1 Cash Cost⁴ and AISC⁴ of approximately \$0.02 per pound of zinc.

Operational Updates and Outlook

Perkoa Mine, Burkina Faso

Perkoa delivered annual production of 161 million pounds of zinc in 2021, at the low end of the annual revised guidance range of 160 - 170 million pounds. In 2022, zinc payable production is expected to decline to 128 - 145 million pounds, principally as a result of the decline in zinc grade as per the 2022 mine plan. Cost guidance for 2022 for C1 Cash Cost⁴ is estimated between \$0.93 - \$1.01 per pound of zinc and AISC⁴ is expected to range between \$0.98 - \$1.08 per pound of zinc. Sustaining capital of \$7 million is planned for 2022.

Rosh Pinah Mine, Namibia

Rosh Pinah produced 76 million pounds of payable zinc in 2021, meeting its annual revised guidance for zinc, and was also within the guidance range on lead and silver volumes, producing 21 million pounds of lead and 188,000 ounces of silver. In 2022, zinc payable production is expected to reduce to 58 - 66 million pounds of zinc due to lower expected head grades. Cost guidance for 2022 for C1 Cash Cost⁴ is estimated between \$0.71 - \$0.78 per pound of zinc and AISC⁴ is expected to range between \$1.07 - \$1.17 per pound of zinc.

In addition to planned sustaining capital expenditures of \$24 million at Rosh Pinah, expansionary capital of \$20 million for early works RP2.0 is planned. As noted in the January 20, 2022 press release entitled "Trevali Provides Financing Update for the Rosh Pinah Expansion "RP2.0" Project and Commences Early Works Program", the early works program is designed to advance certain aspects of the RP2.0 project until full financing and Board approval is obtained. A modest amount of capital has also been budgeted for planned study work related to the Gergarub Joint Venture.

Caribou Mine, Canada

Caribou produced 41 million pounds of payable zinc in 2021, below the annual revised guidance of 48 - 53

million pounds. The mine was placed on care and maintenance in March 2020 and was restarted in Q1 2021 with a two-year production plan. Underground productivity was challenged in the ramp-up and production was further impacted in Q3 2021 due to the temporary suspension of mining in a localized area caused by ground conditions. Mine resequencing and productivity challenges persisted into Q4 2021. Limited ore availability in 2021 due to low development productivity, equipment availability and ground control management has been factored in to the schedule for 2022. The production profile sees higher levels in the second half of the year relative to the first half. In 2022, zinc payable production is expected to increase to 60 - 68 million pounds of zinc. Cost guidance for 2022 for C1 Cash Cost⁴ is estimated between \$0.85 - \$0.93 per pound of zinc and AISC⁴ is expected to range between \$1.10 - \$1.20 per pound of zinc.

Caribou sustaining capital is forecast at \$12 million and is focused on planned underground development to support a flexible production schedule in 2022 and the expected expansion of the tailings dam. The reason for the higher forecasted capital relative to the original re-start plan is two-fold: although the original plan had flexibility built into it, the production challenges experienced in H2 2021 prompted a need for a further increase in sustaining capital to allow for the achievement of production objectives; and second, we believe that there is an opportunity to bring forward some work on the tailings storage facility which we expect will reduce our closure liability. Additionally, \$0.5 million has been budgeted as expansionary capital for the planned Caribou Rapid Oxidative Leach Preliminary Economic Assessment (refer to the August 3, 2021 press release entitled "Trevali Begins Pilot Testing of FLSmidth's Rapid Oxidative Leach Technology at Caribou" for background). Assuming a positive assessment, additional capital may be allocated to advance the project in 2022.

It is anticipated that by the end of H1 2022, a decision will be made on whether to proceed on pursuing additional underground development, which is expected to extend the mine life beyond the current two-year mine plan. The outcome of the Caribou Rapid Oxidative Leach study will also inform this decision.

Santander, Peru

Santander delivered annual production of 45 million pounds of zinc in 2021, at the low end of the adjusted annual guidance range of 45 - 50 million pounds². The Company announced the divestiture of the Santander mine on November 8, 2021 and the transaction closed on December 3, 2021.

Exploration

Exploration activities in 2022 are designed to focus on extending the mine lives of Perkoa and Rosh Pinah. At Perkoa, we plan to drill T3 deposit in Q2 2022 with results anticipated in late 2022. The 2022 exploration objectives at Rosh Pinah are two-fold: to discover another Zn-Pb replacement style orebody within hauling distance of the mill along the Northern extensions on the WF3-Gergarub corridor, and to extend the current deposits down plunge at depth at WF3 and AAB, while also advancing regional targets. The timing and extent of the expenditures for this exploration are contingent on positive exploration results and additional funds beyond guidance may be allocated.

² Adjusted guidance subtracts approximately one month of production from the previous guidance of 50 to 55 million pounds of zinc.

Q4 2021 and Full Year Results Conference Call and Webcast Details

Trevali will release Q4 2021 and full year financial and operating results before the market opens on Friday, February 25, 2022. The Company will hold a conference call on Friday, February 25, 2022 for management to discuss the Q4 2021 financial and operating results.

Conference call dial-in details:

Date: Friday, February 25, 2022 at 01:00PM Eastern Time

Toll-free (North America): 1 (877) 291-4570

International: +1 (647) 788-4919

Webcast: <http://www.gowebcasting.com/11718>

ABOUT TREVALI

Trevali is a global base-metals mining Company headquartered in Vancouver, Canada. The bulk of Trevali's revenue is generated from zinc and lead concentrate production at its three operational assets: the 90%-owned Perkoa Mine in Burkina Faso, the 90%-owned Rosh Pinah Mine in Namibia, and the wholly-owned Caribou Mine in northern New Brunswick, Canada. In addition, Trevali owns the Halfmile and Stratmat Properties and the Restigouche Deposit in New Brunswick, 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 company's growth strategy is focused on the exploration, development, operation and optimization of properties within its portfolio, as well as other mineral assets it may acquire that fit its strategic criteria. Trevali's vision is to be a responsible, top-tier operator of long-life, low-cost mines in stable pro-mining jurisdictions. Trevali is committed to socially responsible mining, working safely, ethically, and with integrity. Integrating responsible practices into its management systems, standards, and decision-making processes is essential to ensuring everyone and every community's long-term sustainability.

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.

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 management of the Company as of the date the statements are 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. Forward-looking statements in this news release include, but are not limited to, statements with respect to the Company's operations; financial and operational guidance for the fiscal year 2022, including the Company's forecasted AISC, C1 Cash Cost, capital expenditures and production; expectations with respect to the Company's financial results for fiscal year 2022, including its expectations with respect to cash flows generated from its operations; estimates of ore grades and the Company's ability to minimize the effects of anticipated declining ore grades in 2022; future zinc prices; estimates of zinc treatment charges; the RP2.0 Project preparatory activities and early works, the Company's ability to finance these activities from internal cash flows, and the timing of proposed capital expenditures in respect of the project; the feasibility study for the RP2.0 Project, including the expectations and forecasts contained therein; the financing of the RP 2.0 Project; operations at Caribou, including with respect to the mine schedule for 2022 and the ability of same to enhance ore availability by improving development productivity, equipment availability and ground control management; the Rapid Oxidative Leaching pilot testing program at Caribou, including the ability for the results of this testing program to form the basis for a preliminary economic assessment, the timing for completion of such preliminary economic assessment and publication of a NI 43-101 technical report with respect to same and the potential for increased capital expenditures in respect of the project; extensions to the mine life of Caribou; the planned underground development and expansion of the tailings dam at Caribou, the timing of these activities and the ability of these activities to allow for the achievement of the Company's production objectives and reduce closure liabilities; the Company's growth strategies and planned exploration and development activities, including the Company's planned development and exploration activities at Rosh Pinah and Perkoa, the timing and nature of these activities and expected benefits to the Company resulting therefrom; the timing for the release of the Company's full 2021 financial and operating results; and the measures that the Company has put in place at its operations with respect to COVID-19 and the ability of such measures to support the health and safety of our workforce and surrounding communities.

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 assumptions underlying the Company's forecasts with respect to AISC, C1 Cash Cost, capital expenditures and production, are reasonable and that such forecasts are achievable by the Company; the Company will be successful in minimizing the effects of anticipated declining ore grades in 2022; future commodity prices; the Company will be able to secure adequate financing for the RP2.0 expansion project and that the board of directors of the Company will make a positive investment decision regarding the expansion project; that the Company will proceed with the development and construction of the expansion project as set forth in the RP2.0 feasibility study; that the expansion project will proceed on the timeline currently anticipated, including with respect to the preparatory activities and early works program; that the expansion project will yield the benefits expected by the Company; that the mine schedule for 2022 at Caribou will enhance ore availability by improving development productivity, equipment availability and ground control management; that the Rapid Oxidative Leaching pilot testing program at Caribou will be successful and the results of which will support a preliminary economic assessment; that the Company will publish the expected preliminary economic assessment on Caribou on the timeline currently anticipated; that the Company will be able to successfully extend the mine life at Caribou; the Company will complete the planned development activities at Caribou on the timelines currently expected and that these activities will have the benefits anticipated by the Company; 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; mineral resource and reserve estimates are indicative of actual mineralization; the Company will carry out its planned development and exploration activities on the timeline currently anticipated; and the Company's measures with respect to the COVID-19 pandemic will enable it to maintain operations and ensure the health and safety of its workforce and surrounding communities.

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, the risk that the assumptions underlying the Company's forecasts with respect to AISC, C1 Cash Cost, capital expenditures and production will prove to be inaccurate or not achievable and, as a result, the Company's actual results will differ materially from such forecasts; the risk that the Company's efforts to minimize the effects of anticipated declining ore grades in 2022 will not be successful; the risk that the Company will be unable to secure financing for the RP2.0 project on acceptable terms or at all; the risk that the board of directors may not ultimately approve the RP2.0 expansion project; risks with respect to the development of the RP2.0 expansion project, including that, if developed, the RP2.0 expansion project will not be developed as currently anticipated or as set forth in the feasibility study with respect thereto, or yield the anticipated benefits to the Company; the risk that the actions taken by the Company at Caribou to improve flexibility in the mine plan and increase production in 2022 will not be successful; the risk that the Company may not prepare a preliminary economic assessment on Caribou on the timeline currently anticipated or at all, including as a result of the Rapid Oxidative Leaching pilot testing program at Caribou having not been successful or having not yielded the results necessary to enable the Company to prepare a preliminary economic assessment on Caribou; the risk that the Company may not be able to extend the mine life at Caribou; the risk that the Company may not complete the planned development activities at Caribou on the timelines currently expected, or at all, and that such activities may not yield the expected benefits to the Company; 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; dependence on key personnel; potential conflicts of interest involving our directors and officers; labour pool constraints; labour disputes; availability of infrastructure required for the development of mining projects; 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; increased operating and capital costs; foreign currency exchange rate fluctuations; operating in foreign jurisdictions with risk of changes to governmental regulation; compliance with governmental decrees and regulations, including any new or ongoing decrees and regulations issued by a governmental authority in response to the COVID-19 pandemic; compliance with environmental laws and regulations; 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; our ability to integrate new acquisitions into our operations; cybersecurity threats; litigation and other risks and uncertainties that are more fully described in the Company's annual information form, interim and annual audited 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. 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.

Non-IFRS Financial Performance Measures

C1 Cash Costs and All-In Sustaining Cost are non-IFRS measures. C1 Cash Costs add mine operating costs, smelting and refining costs, distribution costs and royalty costs, excluding by-product revenues, and divides these costs by the pounds of payable zinc produced. All-In Sustaining Cost. These non-IFRS measures are not standardized measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. These measures are 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. Readers should refer to "Use of Non-IFRS Financial Performance Measures" section in the Company's Management's Discussion and Analysis for the three and nine months ended September 30, 2021, dated November 11, 2021, and filed on www.sedar.com, which section is incorporated herein by reference, for an explanation of these measures and reconciliations of these measures to the Company's reported financial results in accordance with IFRS.

SOURCE [Trevali Mining Corp.](http://www.trevali.com)

Contact

Investor and Media Relations Contact: Brendan Creaney - Chief Financial Officer, Email: bcreaney@trevali.com, Phone: +1 (778) 655-6070

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/405105--Trevali-Mining-Corp.-Announces-Preliminary-Q4-2021-Production-Results-and-Provides-2022-Production-and-Cost-Targets>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).