Trevali releases First Quarter 2022 Results; Achieves Adjusted EBITDA of $41.4 million, an Increase of 64% Over the Prior Quarter

16.05.2022 | CNW

VANCOUVER, May 16, 2022 - Trevali Mining Corp. ("Trevali" or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREVI (Frankfurt: 4TI) today released financial and operating results for the three months ended March 31, 2022. The Compa first quarter production of 62.3 million pounds of zinc at an all-in sustaining cost[1] ("AISC") of $1.06 per pound. First qua revenues of $93.1 million were supported by the average LME zinc price of $1.70 per pound over the quarter, and cont Adjusted EBITDA[1] of $41.4 million, an increase of 64% over the prior quarter. First-quarter adjusted earnings per share All financial figures are in U.S. dollars.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- A flooding event at the Perkoa mine occurred on April 16, 2022 resulting in eight missing workers and the suspen site operations. Search efforts continue, and production and cost guidance for the Perkoa mine has been suspen assessment is completed.
- Zinc payable production of 62.3 million pounds with strong performances from the Rosh Pinah and Perkoa mines offset by production challenges at the Caribou mine.
- C1 Cash Cost[1] and AISC[1] of $1.06 and $1.22 per pound, respectively, 3% and 5% decreases from the prior quar
- 2022 production guidance is unchanged at the Caribou and Rosh Pinah mines and we expect continued volatility operating unit costs reflecting higher raw material costs, energy costs, zinc treatment charges, freight rates and th in commodity prices, that in many cases result in higher price-linked royalties at our operations.
- Q1 2022 revenues of $93.1 million, an increase of 3% over the prior quarter, supported by the average London M Exchange ("LME") zinc price of $1.70 per pound despite lower sales volumes.
- Adjusted EBITDA[1] of $41.4 million, an increase of 64% over the prior quarter, due to higher zinc prices and increa by-product credits at the Rosh Pinah mine due to a lead concentrate shipment.
- Net Debt[1] for Q1 2022 increased from $78.0 million at December 31, 2021 to $81.8 million due to the timing of sh the buildup of receivables. The majority of the $96.1 million receivables balance at March 31, 2022 is expected to between April and July 2022 and the Net Debt[1] position has reduced as of April 30, 2022 by $19.1 million to $62.
- Executed a mandate agreement to arrange a senior secured project finance facility of up to $110 million with Star towards a potential financing package to refinance existing debt and RP2.0 project funding. The Perkoa mine's st creating uncertainty around the required financing amount and timing.
- RP2.0 early works program is tracking well on cost and schedule with $2.4 million of $20 million forecast incurred April 2022 and expected to be sourced from internal cashflows.
- Proven and Probable Mineral Reserves[2] increased by 4.9 million tonnes as at December 31, 2021, a 28% increa December 31, 2020.

Ricus Grimbeek, Trevali's President and CEO stated, "The flooding event at the Perkoa Mine on April 16th has brought unprecedented challenges for the entire Trevali team. We are providing support to and are in regular communication w families of the missing workers to ensure they have what they need in these difficult times while we continue with searc rescue activities. We will continue to provide stakeholders with updates as appropriate.

In the first quarter, we produced 62.3 million pounds of payable zinc across the portfolio. Rosh Pinah and Perkoa delive quarter of strong production while Caribou focused on positioning for improving performance for the balance of the yea our financial performance is concerned, a key highlight in the first quarter was that the company generated Adjusted EE $41.4 million, an increase of 64% over the prior quarter, due to higher zinc prices.

The early works program for the RP2.0 expansion at Rosh Pinah is tracking well and is on budget and schedule. I am p announce that Trevali has executed a mandate agreement to arrange a senior secured financing facility of up to $110 r Standard Bank. This is an important step forward towards a comprehensive financing package for the company. In add have received several fulsome non-binding expressions of interest from streaming and royalty companies to support ou requirements. Finally, I would like to reiterate that RP2.0 is a prized project for us, and we believe the strong fundamen zinc market support the timing of this investment in transforming the company."

This news release should be read in conjunction with Trevali's quarterly consolidated financial statements and management's discussion and analysis for the three months ended March 31, 2022, which are available on Trevali's website and the Company's profile on SEDAR at www.sedar.com. Certain financial information is reported herein using non-IFRS measures; see Non-IFRS Financial Performance Measures below and in Trevali's accompanying management's discussion and analysis for the three months ended March 31, 2022.

		Q1'22	Q4'21	Q1'21	Q1'22 vs Q4'21	Q1'22 vs Q1'21
Revenues						
Zinc revenue	$	106,531	110,126	90,801	- 3%	17%
Lead and silver revenue		17,272	10,439	4,094	65%	322%
Smelting and refining costs		(30,692)	(29,784)	(22,939)	3%	34%
Net revenue	$	93,111	90,781	71,956	3%	29%
Average zinc LME price	$/lb	1.70	1.53	1.25	11%	36%
Average lead LME price	$/lb	1.06	1.06	0.92	0%	15%
Average silver LBMA price	$/oz	23.94	23.32	26.29	3%	- 9%
Sales quantities						
Payable zinc	Mlbs	64.1	78.6	72.5	-18%	-12%
Payable lead	Mlbs	11.5	5.3	1.4	117%	721%
Payable silver	Mozs	0.2	0.2	0.1	0%	100%

BUSINESS OVERVIEW

Trevali is a global base-metals mining company, headquartered in Vancouver, Canada. The bulk of the Company's rev generated from base-metals mining at the 90%-owned Perkoa mine in Burkina Faso, the 90%-owned Rosh Pinah mine and the wholly owned Caribou mine in New Brunswick. In addition, Trevali owns the Halfmile and Stratmat properties a Restigouche deposit in New Brunswick, Canada, and the past producing Ruttan mine in northern Manitoba, Canada. T owns an effective 44% interest in the Gergarub project in Namibia. The shares of the Company are listed on the TSX (s the OTCQX (symbol TREVF), the Lima Stock Exchange (symbol TV), and the Frankfurt Exchange (symbol 4TI). For fu on Trevali, readers are referred to the Company's website (www.trevali.com) and to Canadian regulatory filings on SED www.sedar.com.

FINANCING INITIATIVE

The Company is continuing its work to secure project financing for the Rosh Pinah Expansion ("RP2.0") project and to r both the existing Revolving Credit Facility and Glencore Facility which mature in September 2022. As previously disclos Company had been targeting a comprehensive financing package totalling approximately $200 million to refinance exis and fund the RP2.0 project. As a consequence of the recent Perkoa flooding event, the amount of the financing packag of completion is subject to a higher level of uncertainty and the $200 million target amount can no longer be relied upon other conditions, the financing package is subject to consent of the lenders under the Company's existing secured cred and the negotiation of definitive financing documents.

Trevali appointed Endeavour Financial in September 2021 to advise the Company on the formation of a lending syndica coordinate lender due diligence and negotiate financing documentation with the objective of providing a competitive fina solution for RP2.0 and refinancing the existing Revolving Credit Facility. Trevali is considering several opportunities for financing package, including project finance debt, subordinated debt, a silver stream on the Rosh Pinah mine's silver pr and other potential financing sources.

Commercial Bank Mandate

The Company has executed a mandate agreement with Standard Bank of Namibia Limited and The Standard Bank of S Limited ("Standard Bank") to arrange a senior secured project finance facility of up to $110 million (the "Mandate Agree Mandate Agreement sets out an exclusive arrangement with Standard Bank describing the activities needed to arrange secured financing facility (the "Loan Facility") for the RP2.0 expansion project at the Rosh Pinah mine. Standard Bank h to seek credit approval to provide up to 100% of the amount of the Loan Facility, and to arrange an Export Credit Agenc backed equipment finance facility for a significant portion of the $110 million Loan Facility. The proposed senior secured facility is expected to comprise most of the comprehensive funding package.

The Mandate Agreement contemplates the completion of technical, environmental, market, insurance, fiscal and legal d diligence and is subject to customary representations, warranties and conditions precedent, including agreement on fin conditions and requisite documentation for the Loan Facility and related agreements and procurement of credit approva as time frames for completing these steps.

Other Financing

In addition to the Loan Facility, the Company has received non-binding expressions of interest from streaming and roya companies in the order of $40 million to $50 million, and mining-focused alternative lenders, as well as from the Rosh P concentrate off-taker, Glencore. Glencore has indicated its support for the project by proposing an aggregate $33 millio package, which may include an extension to the existing Glencore Facility of $13 million, subordinated to traditional pro debt and contingent on the remainder of the required financing package being secured as well as negotiation of satisfac and conditions.

PRODUCTION GUIDANCE AT ROSH PINAH AND CARIBOU UNCHANGED

Due to the flooding event at the Perkoa Mine that occurred on April 16, 2022 resulting in eight missing workers and the of all site operations 2022 production and cost guidance for the Perkoa Mine has been suspended until an assessment completed.

2022 production guidance is unchanged at the Caribou and Rosh Pinah mines. As of the date of this MD&A, we anticip continued volatility in our unit operating costs due to global inflationary pressures. The annual benchmark contract treat charge for zinc concentrate was agreed to at $230 per tonne in 2022 versus $159 per tonne established in 2021. The higher-than-expected settlement also includes an escalator of +5% for an LME zinc price above $1.72 per pound. Othe pressures include, higher raw material costs, freight rates and the increase in commodity prices, that in many cases res profit-based compensation and royalties at our operations.

CONSOLIDATED FINANCIAL RESULTS

The following table summarizes the change in net income from Q1 2021 to Q1 2022:

		Q1'22 vs Q1'21
Net income (loss) for Q1 2021	$	(2,510)
Increase in revenues		21,155
Expense components:		
Increase in Mine operating expenses		(16,524)
Decrease in General and administrative		1,141
Decrease in Other items		22,409
Increase in Income tax expense		(5,616)
Net increase in net income	$	22,565
Net income for Q1 2022	$	20,055

The net income increased in Q1 2022 compared to Q1 2021 primarily due to increased revenue related to a 36% increase in the average zinc LME price and a higher volume of lead payable sold due to the timing of shipments, partially offset by 12% lower zinc payable sold.

Mine operating expenses increased in Q1 2022 compared to Q1 2021 due to higher depreciation mainly at the Perkoa mine based on the updated Mineral Reserves and Mineral Resources statement as of December 31, 2021 and an increase in production costs due to inflation.

Other items in Q1 2022 include an increase in the settlement mark-to-market gain due to higher commodity prices and a devaluation of the warrant liability. Q1 2022 income taxes increased due to increased profitability at Rosh Pinah and Perkoa due to the higher zinc prices.

Revenues

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The average zinc price in Q1 2022 as quoted on the LME of $1.70 per pound increased by 11% when compared to the previous quarter and 36% compared to Q1 2021. The price of lead was consistent with the prior quarter while 15% higher when compared to the comparative quarter in 2021. The silver price increased by 3% over the prior quarter while still 9% below the comparative quarter in 2021.

Payable zinc sales volumes decreased by 18% when compared with the prior quarter to 64.1 million pounds primarily due to the impact of no sales volumes from the Santander mine that was sold in Q4 2021 and lower sales volumes at the Caribou mine due to lower production. Smelting and refining costs increased by 3% primarily due to the increase in the annual benchmark treatment charge rate in 2022 to $230 per tonne with a 5% escalator above a zinc price of $1.72 per pound (2021 benchmark rate: $159 per tonne), partially offset by lower volumes sold. The 2022 benchmark rate applies payable zinc produced during 2022; similarly, the 2021 benchmark rate applies to 2021 production, including amounts in inventory at December 31, 2021 and sold in early 2022.

Payable zinc sales declined compared to the corresponding quarter in the prior year due to no sales from Santander mine in Q1 2022 as it was sold on December 3, 2021. This was partially offset by increased sales from the Caribou mine when compared to the corresponding quarter of 2021 when the operation was being restarted from care and maintenance.

Lead and silver revenues of $17.3 million increased by 65% from the prior quarter as a result of increased lead sales quantities and increased silver prices. The increased lead sales quantities in Q1 2022 were a result of the timing of lead shipments from the Rosh Pinah mine, which typically has two lead shipments annually, one which occurred in Q1 2022 relating to lead produced in Q4 2021. By-product revenues increased compared to the corresponding quarter in the prior year due to no lead sales at the Rosh Pinah mine in Q1 2021 and the Caribou mine on care and maintenance during Q1 2021.

MARKET OUTLOOK

Management of the Company believes that the outlook for the zinc market is robust. Excluding the out-performance of nickel, the base metals sector rose on average 13% in Q1 2022. The pace of expected U.S. interest rate increases has recently weighed on positive market sentiment; however, this has been overshadowed by uncertainty related to economic sanctions connected to the conflict in Ukraine. Risks of higher energy prices, supply chain disruptions and associated manufacturing and production shortages remain a challenge from a global growth perspective. Growth could be further hindered by potential demand destruction because of higher commodity prices. Notwithstanding these concerns, the positive zinc market outlook from Management remains unchanged from prior quarters. The ongoing structural changes related to "green energy" initiatives, combined with underinvestment in the mining sector and a positive global capex cycle, provide the Company with many opportunities to further develop the business.

The zinc price began the quarter at $1.63 per pound and ended the quarter at $1.93 per pound and traded in a very wide $0.33 per pound range. After Q1 2022 closed, in the early days of April, the LME cash zinc price rallied and then closed at $2.03 per pound on the back of dwindling available supply and soaring electricity prices. LME zinc stocks closed March 2022 at 139,950 tonnes, having peaked in April 2021 at 298,025 tonnes and down from the January 2022 open of 199,575 tonnes.

Global manufacturing, though expanding, has witnessed a marked slowdown in China in March 2022 and weakness in the Eurozone. Euro area manufacturing sector conditions continued to disappoint at the end of the first quarter. The final reading of the S&P Global Eurozone Manufacturing PMI for March 2022 of 56.5, fell from 58.2 in February 2022 and signaled the slowest improvement in operating conditions by goods producers since the beginning of 2021. Cost pressures intensified as supply issues were compounded by rising commodity, fuel, and energy prices. The manufacturing PMI for Japan came in at 54.1 in March 2022, an increase from 52.7 in February 2022 and marking the 14th consecutive improvement in the health of the manufacturing sector. The Chinese manufacturing sector registered the quickest fall in output and new business since the initial onset of the pandemic in February 2020. Thus, at 48.1 in March 2022, the headline seasonally adjusted general manufacturing PMI was down from 50.4 posted in the prior month. Covid-19 flared up in several regions across China, disrupting manufacturing supply chains and impacting production. The growth in prices of energy and metals was steep, with the high cost partly passed to downstream producers. Finally, in the U.S., the seasonally adjusted U.S. Manufacturing PMI posted 58.8 in March 2022, up from 57.3 in February 2022. Notably, output expectations regarding the year ahead strengthened in March. Confidence was the most upbeat since November 2020 and stemmed from hopes of further improvements in supply chains.

The annual benchmark contract treatment charge for zinc concentrate was agreed to at $230 per tonne in 2022 versus $159 per tonne established in 2021. Unlike last year however, the 2022 settlement includes an escalator of +5% for an LME zinc price above $1.72 per pound. Trevali's concentrate off-take agreements reference the annual benchmark treatment charges. According to Wood Mackenzie, the indicative spot treatment charge for March is $175 per tonne CIF into China, sharply higher than $85 per tonne as recently as December 2021, but below the Chinese spot averages of $285 and $209 per tonne in 2019 and 2020, respectively.

During Q1 2022, the LME zinc price averaged $1.70 per pound, maintaining its improvement from its pandemic low of $0.82 per pound reached back in March 2020. We see fundamental support for zinc prices in the medium term as Management believes demand will outweigh supply as global economic activity expands and infrastructure spending and green energy initiatives make an impact.

LME exchange inventories decreased to 139,955 tonnes by the end of Q1 2022 versus 199,575 tonnes on December 31, 2021. Shanghai Futures Exchange zinc stocks increased to 176,177 tonnes versus 57,917 tonnes at the end of Q4 2021. This seasonal influx of refined zinc appears to be coming to an end with stocks hitting the highest level since February 2017. Total exchange stocks rose into quarter end, and now stand at the equivalent of just 8 days of global consumption, very low by historical standards, and do not provide much of a buffer against any further supply disruptions to smelter production.

Relatively low stocks and robust demand continue to put upward pressure on spot zinc premiums which are moving higher. In the U.S., high freight costs and shortages of trucking capacity have pushed spot premiums as high as $570 per tonne ($0.26 per pound) in some cases, meanwhile in Europe they are in the region of $450 per tonne.

CORPORATE DEVELOPMENTS

- On December 3, 2021, the Company finalized the sale of the Santander mine to Cerro de Pasco Resources Inc. (
Under the terms of the share purchase agreement, Trevali received 10 million common shares of CDPR, $0.8 mil
(subject to a working capital adjustment), and a 1% net smelter return royalty on certain areas of the Santander m
sale was originally announced on November 8, 2021.
- On December 3, 2021, the Company completed a share consolidation on the basis of one post-consolidation com
for every 10 pre-consolidation common shares. The consolidation reduced the number of common shares issued
outstanding from 989,464,731 common shares to 98,946,187 common shares. The approval for share consolidat
originally announced on November 8, 2021.
- On December 16, 2021, the Company announced that David Schummer, the Company's Chief Operating Officer,
and Derek du Preez, the Chief Technology Officer was appointed as Interim Chief Operating Officer.
- On January 20, 2022, the Company announced that Trevali is currently working toward securing project financing
RP2.0 expansion project and refinancing both the existing corporate revolving credit facility (the "Facility") and the
facility agreement with Glencore (the "Glencore Facility"), maturing in September 2022. In parallel, an early works
has commenced for RP2.0.
- On January 24, 2022, the Company announced preliminary 2021 full year and Q4 production results and 2022 op
capital and exploration expenditure guidance.
- On January 24, 2022 and February 4, 2022, the Company announced that the Perkoa mine in Burkina Faso was
by, and was continuing to closely monitor, the ongoing political situation.
- On March 31, 2022, the Company reported its Mineral Reserves and Mineral Resources statements as of Decem
2021. Proven and Probable Mineral Reserves have increased 50% at the Rosh Pinah mine and a 4.9 million tonn
our consolidated Proven and Probable Mineral Reserves, which is a 28% increase over the year ended 2020. For
information, refer to the March 31, 2022 press release.
- On April 7, 2022, the Company announced the appointment of Derek du Preez as Chief Operating Officer effectiv
immediately.
- On April 16, 2022, the Company reported a flooding event at the Perkoa mine in Burkina Faso following heavy ra
mine was evacuated and mine rescue efforts were immediately initiated and are ongoing.
- On April 21, 2022, the Company provided an update on search and rescue efforts at the Perkoa mine and annou
suspension of production and cost guidance at the Perkoa mine.
- On April 25, 2022, the Company provided an update on mine rehabilitation and dewatering progress at the Perko
response to the flooding event and provided an update on logistics regarding search efforts.
- On May 9, 2022, the Company provided an update on dewatering progress and search efforts which are ongoing
- On May 12, 2022, the Company provided an update on dewatering progress and search efforts at the Perkoa mi

Q1-2022 Financial and Operational Results Conference Call and Webcast

The Company will host a conference call and webcast presentation at 1:00PM Eastern Time (10:00AM PT) on Monday, May 16, 2022 to review the operating and financial results. Participants are advised to dial-in five minutes prior to the scheduled start time of the call. A presentation will be made available on the Company's website prior to the conference call.

Conference call dial-in details:

Date: Monday, May 16, 2022 at 1:00 PM Eastern Time
Dial-in: Toll-free (North America): +1 (877) 291-4570
International: +1 (647) 788-4919
Conference ID 3747868
Webcast: https://www.gowebcasting.com/11789

About Trevali Mining Corporation

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. 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 including, but not limited to, statements with respect to the suspension of mining and milling operations at Perkoa, the rescue and recovery efforts at Perkoa, including the Company's plans with respect thereto, the efficacy of the Company's pumping, decline ramp rehabilitation and de-watering activities and its efforts to restore electrical power and communications at the lower levels of Perkoa, the Company's ability to effectively dewater the mine and restore access to the lower levels of Perkoa, the results of any investigation of the flooding incident, the Company's assessment of the effect of the flooding on the safety and structural integrity of Perkoa's underground areas, the effect of the flooding on the cost of production at Perkoa, the length of time before underground mining operations can be recommenced safely at Perkoa and the effect of the suspension on the Company's results of operations and metal production; financial and operational guidance for the fiscal year 2022, including the Company's forecasted AISC1, C1 Cash Cost1, 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; expectations with respect to refinancing the Company's existing credit facilities and the securing of financing for the RP2.0 expansion; estimates of ore grades and the Company's ability to minimize the effects of anticipated declining ore grades in 2022; supply, demand and market outlook for commodities, including, but not limited to, 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; the Rapid Oxidative Leaching pilot testing program at Caribou; the Company's growth strategies and planned exploration and development activities, including the Company's planned development and exploration activities at Rosh Pinah, the timing and nature of these activities and expected benefits to the Company resulting therefrom; the timing and amount of estimated future production, costs of production and capital expenditures; success of mining operations; future anticipated property acquisitions; and the content, cost, timing and results of future exploration programs.

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[1], C1 Cash Cost[1], 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[1], C1 Cash Cost[1], 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 will be unable to secure financing for the RP2.0 project on acceptable terms or at all, and whether as part of a comprehensive financing package whereby the Company repays its outstanding debt or not; 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 a feasibility study with respect thereto, or yield the anticipated benefits to the Company; the risk that the Rapid Oxidative Leaching pilot testing program at Caribou is not successful or not having yielded the results necessary to enable the Company to prepare a preliminary economic assessment on Caribou; risks related to the actual results of current exploration activities; 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; increases to interest rates that may adversely affect the Company's growth, profitability and ability to secure financing; the Company's ability to raise capital by obtaining equity or debt financing in the future on terms favourable to the Company or at all; 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 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 governmental regulations; 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 of the mining industry including, without limitation, 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

The items marked with a "1" are non-IFRS measures. This press release may refer to the following non-IFRS financial performance measures: Earnings before interest, taxes, depreciation and amortization ("EBITDA"), Earnings before interest and taxes ("EBIT"), Adjusted EBITDA, Adjusted Earnings per Share, Net Debt, C1 Cash Cost and All-In Sustaining Cost ("AISC").

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. Trevali uses these measures internally to evaluate the underlying operating performance of the Company for the reporting periods presented. The use of these measures enables the Company to assess performance trends and to evaluate the results of the underlying business. Trevali understands that certain investors, and others who follow the Company's performance, also assess performance in this way.

The Company believes that these measures reflect our performance and are useful indicators of our 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.

[1] See "Non-IFRS Financial Performance Measures".

[2] On March 31, 2022, the Company reported its Mineral Reserves and Mineral Resources statements as of December 31, 2021. For further information, refer to the March 31, 2022 press release.

SOURCE Trevali Mining Corp.

Contact
Investor Relations Contact: Jason Mercier - Director, Investor Relations, Email: jmercier@trevali.com, Phone: +1 (778) 655-6084