



Trevali to Restart Caribou Mine with Improved Economics; Continues Studies on Longer Term Value Potential

January 15, 2021

Vancouver, British Columbia: Trevali Mining Corporation (“Trevali” or the “Company”) (TSX: TV, BVL: TV; OTCQX: TREVF, Frankfurt: 4TI) today announced the planned restart of operations at its Caribou mine near Bathurst, New Brunswick. The mine has been on a care and maintenance program since March 2020.

With the implementation of several operational and commercial enhancements, as well as improved zinc market conditions, the Company expects to return to mining in early February 2021, with first payable zinc production expected by the end of March 2021.

Ricus Grimbeek, Trevali’s President and CEO stated, “Our team has worked diligently to reduce the overall cost structure of the Caribou mine, and I am pleased that we are in a position to restart mine operations in a manner that we expect will generate positive cash flow. Our initial two-year plan includes several enhancements which are designed to improve the mine’s economics, including the involvement of a contracted mining operator and the entry into fixed-pricing arrangements for a significant portion of the mine’s forecasted production. We have benefited from the engagement of the provincial government, and with the recall of employees and the restart of production we look forward to being a more significant part of the New Brunswick economy. Looking ahead, we will continue to study the potential to extend our initial mine plan, as well as explore further potential in the Bathurst mining camp.”

Enhanced Caribou Mine Economics

Trevali’s production plan at Caribou is anchored on operational and commercial enhancements that improve the mine’s fundamental economics and support enhanced value for Trevali shareholders:

- **Improved cost performance and mining efficiency** – Following ramp-up in 2021, the All-in Sustaining Cost (“AISC”)¹ for Caribou is forecast to be between \$0.84 – \$0.90 per pound of zinc in 2022, well under the overall \$0.90 per pound of zinc target in Trevali’s T90 business improvement program. This cost performance will be supported by a partnership with Redpath Mining Inc. as underground mining contractor at Caribou. Redpath is a leading global mining service provider with the operational experience to safely and efficiently mine Caribou’s narrow mineralization. Redpath is able to mobilize people and equipment quickly, and combined with Trevali’s management team, will support a timely ramp-up of efficient mining activities.

- **Enhanced revenue certainty from hedged production** – Trevali has reduced its exposure to commodity price fluctuations by entering into 21-month fixed pricing arrangements for a significant portion of the forecasted zinc production from the mine. Pursuant to existing offtake agreements, an affiliate of Glencore plc has agreed to purchase 115 million pounds of payable zinc, which represents approximately 80% of the forecasted zinc production from Caribou, at an average price of \$1.25 per pound. These agreements are for the period from March 2021 to December 2022 and are in addition to Trevali’s existing hedging program which covers the period from October 2020 to December 2021. The Company is also looking to enter into fixed-pricing arrangements for both lead and silver at meaningful levels of forecasted production from Caribou.
- **Future value potential** – During the initial 21-month operating period, Trevali will continue to study metallurgical and operational opportunities to extend the current two-year mine plan, as well as other longer-term value enhancing initiatives in the Bathurst mining camp.

Caribou Production and Cost Guidance

Production guidance for 2021 is estimated at between 60 – 65 million pounds of payable zinc, 21 – 23 million pounds of payable lead and 585 – 650 thousand ounces of payable silver. First payable zinc production is expected by the end of March 2021. Zinc payable production is expected to increase to 72 – 77 million pounds of payable zinc in 2022 as the mine receives the benefit of a full year of production.

Cost guidance for 2021 for C1 Cash Cost¹ is estimated between \$0.79 – \$0.84 per pound of zinc and AISC¹ is expected to range between \$0.91 – \$0.97 per pound of zinc. Capital expenditures are forecast at \$9 million for 2021 and \$2 million for 2022. In the event the mine plan is extended beyond the initial two-year period, further sustaining capital investment will be required.

Table 1: Caribou Production and Costs Guidance

	Units	FY 2021	FY 2022
Payable Production			
Zinc	Mlbs	60 – 65	72 – 77
Lead	Mlbs	21 – 23	23 – 25
Silver	Koz’s	585 – 650	575 – 635
Cost			
C1 Cash Cost ¹	\$/lb	0.79 – 0.84	0.83 – 0.89
AISC ¹	\$/lb	0.91 – 0.97	0.84 – 0.90
Restart costs	\$m	7	–
Sustaining Capital	\$m	9	2

(1) See “Non-IFRS Financial Performance Measures”.

The investment to restart the operation for the period January to February 2021 is estimated to be approximately \$7 million and consists of both capital and operating costs which are excluded from our C1 cash cost¹ and AISC¹.

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 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.

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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 statement 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 including, but not limited to, statements with respect to the resumption of operations at Caribou, including the anticipated costs associated therewith and the dates upon which the Company begins to expect resuming mining and production at Caribou, the Company's expectations with respect to the economics of Caribou after the re-start, including the Company's forecasted AISC, C1 Cash Cost, sustaining cost and production for fiscal year 2021 and 2022, the Company's ability to generate positive cash flow from the operation of Caribou, the benefits the Company expects from its fixed price offtake agreements and hedging program and the efficiencies the Company expects from its partnership with Redpath Mining Inc., the Company's operations, , the Company's growth strategies and planned development activities, anticipated effects of commodity prices on

revenues, the timing and amount of estimated future production, hedging activities, success of mining operations, environmental risks, and the impact on the Company's operations of current and future actions taken by governmental authorities, counterparties and others to the COVID-19 pandemic,. 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 the resumption of operations at Caribou, including that the Company may not be able to restart Caribou on the expected timeline and at the expected costs, or at all; that the economics of Caribou after restart may not accord with the Company's forecasts, including that the Company's cost and production guidance may not accurately estimate actual post-restart costs and production at Caribou; that the Company's fixed price offtake agreements may not be economic; that the Company may not realize the benefits that it expects from its partnership with Redpath Mining Inc.; 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

The items marked with a “1” are non-IFRS measures and readers should refer to “Use of Non-IFRS Financial Performance Measures” in the Company’s Management’s Discussion and Analysis for the three and nine months ended September 30, 2020.

Source: Trevali Mining Corporation