



#1920 – 1188 West Georgia Street  
Vancouver, British Columbia, CANADA V6E 4A2  
Telephone: (604) 488-1661 ♦ Facsimile: (604) 408-7499  
[www.trevali.com](http://www.trevali.com)

## NEWS RELEASE

# Trevali and Glencore finalize legal agreement for development of Santander zinc-lead-silver mine project

## Trevali draws down US\$1.5 million from Glencore debenture facility

TRC-NR-10-12

September 7, 2010

Vancouver, British Columbia...Trevali Resources Corp. (“Trevali” or the “Company”) (CNSX: TV, Frankfurt: 4TI, Pink Sheets: TREVF) is pleased to announce it has signed the definitive legal agreement with Glencore International AG’s Peruvian subsidiary, Empresa Minera Los Quenuales S.A (“Glencore”), for the development, construction and operation of Trevali’s 100%-owned Santander zinc-lead-silver mine project in Peru.

*"We are extremely pleased to finalize the legal agreement with our valued-partners Glencore, which represents another major milestone in the development of our Santander Mine,"* stated Trevali president and CEO Dr. Mark Cruise. *"The dedicated and proven teams of mining professionals from both companies are very anxious to break-ground and commence construction of what will be one of the few new supplies of zinc and lead- silver concentrates in South America, and globally, in the near-future."*

The comprehensive legal agreement covers all aspects of the future development of the Santander Mine Project. Key terms of the agreement are as follows:

- Trevali retains 100% ownership of the Santander Project.
- Glencore to provide, construct and operate a modern, efficient, 2,000-tonne-per-day mill and flotation plant (Figure 1) to produce saleable zinc and lead-silver concentrates.
- Glencore to provide their world-class project management and operational expertise on a contractor-basis to design, develop and operate the future mine using an anticipated combination of open-pit and underground mining techniques thereby enabling the Santander project to reach and maintain optimum concentrate product levels in an efficient manner.
- Trevali will acquire the plant and associated infrastructure over a 4-year period following commercial concentrate production thereby securing full ownership of the new mill and processing complex. Trevali has the right, at any time, to pre-pay the outstanding cost of the plant subject to payment plus 10%.

- Trevali will provide their proven exploration, permitting and community relations expertise on behalf of the partnership in order to fast-track development of the project and expand the known resources that remain open.
- Trevali has secured a Life-Of-Mine concentrate off-take agreement whereby Glencore will buy 100% of the Santander mine production at Benchmark terms.



Figure 1. Glencore's mill and processing plant (inset, flotation cells) to be mobilized to Santander mine project.

## Debenture Facility

Glencore has also provided a US\$2-million credit debenture facility to Trevali of which US\$500,000 was previously advanced to help fund the recently completed resource expansion programme. Upon closing the definitive legal agreement as documented above, Trevali elected to draw down the remaining funds that will be utilized to advance exploration and development of the Santander project in addition to fulfilling the Company's 18-month budgetary requirements for its Toronto Stock Exchange (TSX) listing application.

The terms of the debenture facility are as follows: Interest payable on an annual basis at LIBOR plus 2.5%; following the second anniversary of the fund draw down, Glencore has the right to convert any outstanding indebtedness into common shares of the Company priced using a trailing 30-day volume weighted average and with a minimum conversion price of Cdn\$0.64 per share.

The Company recently received the conditional approval of the Toronto Stock Exchange to list its common shares on the TSX. Listing of its common shares is subject to compliance with all of the TSX requirements, including receipt by the TSX of all required documentation by October 26th, 2010. The Company will notify its shareholders as soon as the date for trading on the TSX has been confirmed. Once listed, the Company's common shares will continue to trade under the symbol TV and will be delisted from the Canadian National Stock Exchange (CNSX). The Company's shares will continue to trade on the US-OTCBB Pinksheets and Frankfurt stock exchanges.

### **About Glencore International A.G.**

The Glencore Group of Companies (“Glencore”) is one of the world's largest suppliers of commodities and raw materials to industrial consumers. Customers around the world, in industries such as automotive, power generation, steel production and food processing, rely upon Glencore’s established global network of operations as a source of Metals and Minerals, Crude Oil and Oil Products, Coal and Agricultural Products. These commodities originate either from Glencore's owned production assets, are secured from third parties, or benefit from the refining, processing or marketing expertise of Glencore. The Group also provides financing, logistics and other supply chain services to producers and consumers of commodities.

Glencore, founded in 1974, is a privately held Group owned by its management and employees. Headquartered in Baar, Switzerland, Glencore employs over 2,000 people in its global marketing operations in some 50 offices in over 40 countries. In its industrial operations, Glencore employs over 50,000 people at 15 plants in 13 countries. On a consolidated basis, Glencore reported turnover for the 2009 fiscal year of US\$106.4 billion, with total assets of US\$66.3 billion and Total Glencore Shareholders’ Funds of US\$16.7 billion as of December 31, 2009. Glencore also recently reported First-Half-2010 revenues of US\$70 billion and net income of US\$1.56 billion.

### **About Trevali Resources Corp.**

The Company in conjunction with its prospective partner, Glencore International A.G., has entered into a definitive development agreement for the Santander silver-lead-zinc project in west-central Peru that will see Glencore provide and operate on the property, a 2,000-tonne-per-day concentrate plant, undertake mining operations on a ‘contractor/toll basis’ and enter into a long-term concentrate offtake agreement with the Company for 100% of the Santander project’s production at benchmark terms.

Additionally, through its wholly owned subsidiary Trevali Renewable Energy Inc., the Company is undertaking a significant upgrade of the Tingo run-of-river hydroelectric generating facility along with transmission line upgrades and extensions to allow, in addition to supplying power to the mining operation on the property, the potential sale of surplus power into the Peruvian National Energy Grid.

The common shares of the Company are currently listed on the CNSX (symbol TV). For further details on the Company, readers are referred to the Company's web site ([www.trevali.com](http://www.trevali.com)) and to Canadian regulatory filings on SEDAR at [www.sedar.com](http://www.sedar.com).

On Behalf of the Board of Directors of  
**TREVALI RESOURCES CORP.**

*"Mark D. Cruise" (signed)*  
Mark D. Cruise, President

**Contact Information:** Steve Stakiw, Manager – Corporate Communications  
[Email: sstakiw@trevali.com](mailto:ssakiw@trevali.com)  
Phone: (604) 488-1661 / Fax: (604) 408-7499

The CNSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.