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## NEWS RELEASE

# Trevali Announces Third Quarter 2014 Financial Results

## \$6.4-million EBITDA<sup>(1)</sup> and \$5-million income from Mining Operations

TV-NR-14-22

November 14, 2014

Vancouver, British Columbia...Trevali Mining Corporation (“Trevali” or the “Company”) (TSX: TV; BVL: TV; OTCQX: TREVF; Frankfurt: 4TI) has released its financial results for the three and nine months ended September 30, 2014, posting third quarter (“Q3”) net earnings of \$1.6 million (\$0.01 per share). Santander Mine operations income for the quarter was \$5 million on concentrate sales revenue of \$28 million.

### Q3-2014 Results Highlights:

- EBITDA<sup>(1)</sup> of \$6.4 million
- Income from Santander mine operations of \$5 million (Year-to-date income of \$10.7 million)
- Net income of \$1.6 million or \$0.01 per share
- Working capital position of \$45.3 million
- Concentrate sales revenue of \$28 million
- Site cash cost<sup>(2)</sup> of US\$0.40 per pound of payable Zinc Equivalent (“ZnEq”)<sup>(3)</sup> produced
- Production of 12.6-million payable pounds of zinc, 6.3-million payable pounds of lead and 217,600 payable ounces of silver
- 2014 Santander production guidance increased
- Realized selling prices for zinc, lead and silver of US\$1.02 per pound, US\$1.00 per pound and US\$19.79 per ounce respectively

Trevali will hold a conference call on November 17, 2014, at 10:30 a.m. Eastern Time (7:30 a.m. Pacific Time) to discuss these results. Call-in details are provided at the end of this release. This release should be read in conjunction with Trevali’s unaudited condensed consolidated financial statements and management’s discussion and analysis for the three and nine months ended September 30, 2014, which is available on Trevali’s website and on SEDAR. All financial figures are in Canadian dollar unless otherwise stated.

“We are pleased to deliver successful quarterly growth in this, the Company’s maiden production year. Santander continues to perform well against our cost and guidance hurdles and we foresee further improvements ahead as we continue to implement our optimization programs,” stated Dr. Mark Cruise, Trevali’s President and CEO. “Our strong working capital position of \$45 million will enable us to successfully execute the re-start of mining operations at our Caribou Mine that remains on track for commissioning during the first half of 2015. This will enable Trevali to grow its commanding position as

one of the few global primary zinc producers in tandem with significant anticipated global zinc concentrate short falls from late 2015 onwards.”

**Summary Financial Results (\$ millions, except per-share amounts)**

	<b>Q3-2014</b>	<b>YTD-2014</b>
Revenues	\$28.0	\$71.9
Income from Santander mining operations	\$5.0	\$10.7
Net income (loss)	\$1.6	(\$2.3)
Basic Income per share	\$0.01	(\$0.01)

**Santander Mine Production Statistics**

	<b>Q3-2014</b>	<b>YTD-2014</b>
Tonnes mined	164,911	473,674
Tonnes milled	174,075	523,279
Average head grades:		
Zinc	4.40%	4.45%
Lead	2.11%	1.81%
Silver	1.61 oz/ton	1.67 oz/ton
Average recoveries:		
Zinc	88%	88%
Lead	83%	84%
Silver	74%	73%
Concentrate produced DMT (dry metric tonnes):		
Zinc	13,466	42,154
Lead-Silver	5,370	13,560
Concentrate grades		
Zinc (%)	50	50
Lead (%)	56	57
Silver (ounce/ton)	39.0	47.7
Payable metal production:		
Zinc (pounds)	12,589,624	39,232,097
Lead (pounds)	6,307,263	16,194,042
Silver (troy ounces)	217,648	673,072
Site cash cost <sup>(2)</sup> per ZnEq <sup>(3)</sup> lb Payable Produced	US\$0.40	US\$0.37
Total cash cost <sup>(2)</sup> per ZnEq <sup>(3)</sup> lb Payable Produced	US\$0.90	US\$0.82
Cash cost per tonne milled	US\$52.05	US\$49.28

**Santander Mine Sales Summary**

	<b>Q3-2014</b>	<b>YTD-2014</b>
Zinc Concentrate (DMT)	14,834	41,643
Lead Concentrate (DMT)	5,414	13,300
Payable Sold Zinc (lbs)	13,593,266	38,050,167
Payable Sold Lead (lbs)	6,381,882	15,758,145
Payable Sold Silver (ozs)	228,219	658,439
Total Concentrate Revenues	US\$25,091,543	US\$65,183,849
Average Realized Metal Price:		
Zinc (per lb)	US\$1.02	US\$0.96
Lead (per lb)	US\$1.00	US\$0.98
Silver (per oz)	US\$19.79	US\$19.94
Zinc Equivalent Payable lbs Sold <sup>(4)</sup>	24,188,778	67,712,440
Zinc Equivalent Payable lbs Produced <sup>(3)</sup>	22,898,043	69,671,338

<sup>(1)</sup> EBITDA (earnings before interest, taxes, depreciation and amortization) is calculated by considering Company's earnings before interest payments, tax, depreciation, and amortization are subtracted for any final accounting of its income and expenses. The EBITDA of a business gives an indication of its current operational profitability and is a NON-IFRS measure.

<sup>(2)</sup> Refer to Non-IFRS Measures in the September 30, 2014 Management Discussion and Analysis

<sup>(3)</sup> ZnEq Payable Pounds Produced = ((Zn Payable lbs Produced x Zn Price)+(Pb Payable lbs Produced x Pb Price)+(Cu Payable lbs Produced x Cu Price)+(Au oz Payable Produced x Au Price)+(Ag oz Payable Produced x Ag Price))/Zn Price.

<sup>(4)</sup> ZnEq Payable Pounds Sold = ((Zn Payable lbs Sold x Zn Price)+(Pb Payable lbs Sold x Pb Price)+(Cu Payable lbs Sold x Cu Price)+(Au oz Payable Sold x Au Price)+(Ag oz Payable Sold x Ag Price))/Zn Price. (All metal prices are the average realized metal price for the period)

**Santander Operations, Peru**

**Production:**

During the quarter the Company's contract miner, Glencore subsidiary Los Quenuales, mined 164,911 tonnes from the Magistral deposits and processed 174,075 tonnes of mineralized material through the Mill at average head grades of 4.40% zinc, 2.11% lead and 1.61 ounces per ton silver to produce 13,466 tonnes of zinc and 5,370 tonnes of lead-silver concentrate. Mill availability was approximately 97% during the period with average Mill recoveries of 88% zinc, 83% lead and 74% silver respectively.

The Company shipped and sold 14,834 tonnes of zinc concentrates containing 13,593,266 pounds of payable zinc and 5,414 tonnes of lead-silver concentrates containing 6,381,882 pounds of payable lead and 228,219 ounces of payable silver.

The Company had gross revenues of \$28 million for the quarter. Income from mining operations was \$5 million and the net income for the third quarter was \$1.6 million. It is anticipated that income from mining operations will continue to increase as the Company mines significantly thicker zones of mineralization, including the newly discovered Rosa zone. Ongoing site optimization and strengthening commodity prices, in particular Zn also has the potential to increase revenues going forward.

All concentrates are purchased by Glencore under our offtake agreement. Provisional realized commodity prices in USD were \$1.02 per pound zinc, \$1.00 per pound lead and \$19.79 per ounce silver.

Site cash operating costs during the third quarter was USD \$0.40 per zinc equivalent pound produced.

Revenues increased in Q3 compared to Q2 of this year as a result of higher metal production at Santander due primarily to completion of underground working modifications within the Magistral North Deposit, which now incorporates portions of the recently discovered Rosa Zone (higher-grade lead and silver mineralization) into production scheduling. Q3 unit costs were higher than in Q2 due to continued optimization initiatives that include: earlier scheduling of a significant Mill maintenance program (anticipated to further improve Mill performance), ongoing training, improved drill-blast practices, mining fleet availability, improved ground support installation (use of cable bolts for anticipated wider mining widths) and modification of the mining method to extract wider zones.

**Outlook:**

At Santander the Company will continue to optimize underground operations during the forthcoming quarters in order to maximize operational efficiencies. An approximate 5,000 metre, predominantly underground, drill program is in progress in order to convert inferred tonnes to a higher confidence category for addition into the Santander mine plan and to continue to define and potentially expand the newly discovered Magistral North-Rosa and Magistral Central-Fatima lead-silver-zinc zones to depth.

**Guidance:**

Given the performance of the mine year-to-date, Trevali has increased its 2014 full-year Santander production guidance estimate to approximately 47-50 million pounds of payable zinc, 20-23 million pounds of payable lead and 820,000 to 850,000 ounces of payable silver. (Please see Cautionary Note on Forward Looking Statements at the end of this document).

**Caribou Mine and Mill, New Brunswick**

The Company accelerated surface, underground and mill construction and refurbishment activities at its Caribou Mine and Mill during the third quarter. The operation remains on schedule and budget for start-up commissioning during the first half of 2015.

Rehabilitation of the mine service accesses, raises, portal and ramp continued on schedule during the quarter. The SAG mill replacement is progressing well with the old SAG mill now removed and new unit in place with installation underway. The Paste Backfill Study continues to advance, which contingent on positive results has the potential to significantly increase the life-of-mine, in addition to decreasing mine dilution (boosts head-grade) and lower operating costs.

**Q3-2014 Financial Results**

During the three months ended September 30, 2014, the Company recorded a net income of \$1,589,000 compared to a loss of \$1,874,000 in the same period of the prior year, or a profit of \$0.01 per share (2013 - loss of \$0.01).

Revenues of \$27,959,000 (2013 - \$Nil) in Q3 were due to the sale of 14,834 tonnes of zinc concentrates containing 13.6 million pounds of payable zinc sold and 5,414 tonnes of lead-silver concentrates

containing 6.4 million pounds of payable lead and 228,200 ounces of payable silver sold. Provisional realized commodity prices in USD were \$1.02 per pound zinc, \$1.00 per pound lead and \$19.79 per ounce silver.

Total mine operating expenses of \$22,988,000 (2013 - \$Nil) is related to the sale of concentrates to Glencore. Costs consisted of direct site production costs of \$9,914,000 related to mining, milling and camp, lab and surface maintenance facilities. Smelting, refining and freight costs were \$9,553,000 and royalty expense were \$790,000. The Company also charged \$2,731,000 of depreciation and amortization. There were no such operating costs in the 2013 corresponding comparable period.

### **Q3-2014 Financial Results Conference Call**

The Company will host a conference call and audio webcast at 10:30 a.m. Eastern Time on Monday, November 17, 2014 to review the financial results. Participants are advised to dial in 5-to-10 minutes prior to the scheduled start time of the call.

Conference call dial-in details:

Toll-free (North America): 1-800-769-8320

Toronto and international: 1-416-340-8530

Audio Webcast: <http://www.gowebcasting.com/5939>

### **Qualified Person and Quality Control/Quality Assurance**

EurGeol Dr. Mark D. Cruise, Trevali's President and CEO, and Paul Keller, P.Eng, Trevali's Chief Operating Officer, are qualified persons as defined by NI 43-101, have supervised the preparation of the scientific and technical information that forms the basis for this news release. Dr. Cruise is not independent of the Company as he is an officer, director and shareholder. Mr. Keller is not independent of the Company as he is an officer and shareholder.

### **ABOUT TREVALI MINING CORPORATION**

Trevali is a zinc-focused, base metals mining company with one producing operation currently in Peru and an advanced-stage mine under development in Canada.

In Peru, the Company is actively producing zinc and lead-silver concentrates from its Santander mine and 2,000-tonne-per-day metallurgical plant.

In Canada, Trevali owns the Caribou mine and mill, Halfmile mine and Stratmat deposit all located in the Bathurst Mining Camp of northern New Brunswick. The Company is currently advancing its 3,000-tonne-per-day Caribou Mill Complex and mine towards scheduled 2015 production.

All of the Company's deposits remain open for expansion.

The common shares of Trevali are listed on the TSX (symbol TV), the OTCQX (symbol TREVF) and on the Lima Stock Exchange (symbol TV). For further details on Trevali, 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 MINING CORPORATION**

*“Mark D. Cruise” (signed)*

Mark D. Cruise, President

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This news release contains “forward-looking statements” within the meaning of the United States private securities litigation reform act of 1995 and “forward-looking information” within the meaning of applicable Canadian securities legislation. Statements containing forward-looking information express, as at the date of this news release, the Company’s plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and the company does not intend, and does not assume any obligation to, update such statements containing the forward-looking information. Such forward-looking statements and information include, but are not limited to statements as to: the accuracy of estimated mineral reserves and resources, anticipated results of future exploration, and forecast future metal prices, anticipated results of future electrical sales and expectations that environmental, permitting, legal, title, taxation, socio-economic, political, marketing or other issues will not materially affect estimates of mineral reserves. These statements reflect the Company’s current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.

These statements reflect the Company’s current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained in this news release and the company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in spot and forward markets for silver, zinc, base metals and certain other commodities (such as natural gas, fuel oil and electricity); fluctuations in currency markets (such as the Peruvian sol versus the U.S. dollar); risks related to the technological and operational nature of the Company’s business; changes in national and local government, legislation, taxation, controls or regulations and political or economic developments in Canada, the United States, Peru or other countries where the Company may carry on business in the future; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected geological or structural formations, pressures, cave-ins and flooding); risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; employee relations; relationships with and claims by local communities and indigenous populations; availability and increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses and permits and the presence of laws and regulations that may impose restrictions on mining.; diminishing quantities or grades of mineral reserves as properties are mined; global financial conditions; business opportunities that may be presented to, or pursued by, the Company; the Company’s ability to complete and successfully integrate acquisitions and to mitigate other business combination risks; challenges to, or difficulty in maintaining, the Company’s title to properties and continued ownership thereof; the actual results of current exploration activities, conclusions of economic evaluations, and changes in project parameters to deal with unanticipated economic or other factors; increased competition in the mining industry for properties, equipment, qualified personnel, and their costs. Investors are cautioned against attributing undue certainty or reliance on forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.

Trevali's production plans at Caribou-Halfmile-Stratmat and Santander are based only on Indicated and Inferred Mineral Resources and not Mineral Reserves and do not have demonstrated economic viability. Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is therefore no certainty that the conclusions of the production plans and Preliminary Economic Assessment (PEA) will be realized. Additionally where Trevali discusses exploration/expansion

potential, any potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

We advise US investors that while the terms "measured resources", "indicated resources" and "inferred resources" are recognized and required by Canadian regulations, the US Securities and Exchange Commission does not recognize these terms. US investors are cautioned not to assume that any part or all of the material in these categories will ever be converted into reserves.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state and may not be offered or sold within the United States, absent such registration or an applicable exemption from such registration requirements.

The TSX has not approved or disapproved of the contents of this news release.