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## NEWS RELEASE

# Trevalli declares commercial production at Caribou Zinc Mine following record June performance

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Vancouver, British Columbia...Trevalli Mining Corporation (“Trevalli” or the “Company”) (TSX: TV; BVL: TV; OTCQX: TREVF; Frankfurt: 4TI) announces that effective as of July 1, 2016 it has achieved commercial production at its Caribou Zinc Mine in the Bathurst Mining Camp of northern New Brunswick. Following a successful commissioning period, Caribou is now operating consistently in a manner intended by the Company and as demonstrated in the June results with mill and underground operations delivering the strongest monthly performance to date with record mine and mill tonnage and throughput, zinc recoveries and concentrate production. A detailed description and discussion is provided below and progress highlights are as follows:

### Caribou Mill - key commissioning & preliminary production statistics (figures rounded)

	Q1-2016	April 2016	May 2016	June 2016
Tonnes Mined	191,005	58,564	57,103	72,686
Tonnes Milled	200,670	60,032	53,038	73,176
Average Mill Tonnes-per-day* (TPD)	2,675	2,636	2,874	2,867
Average Head Grades %				
Zinc	5.9%	6.1%	5.7%	5.9%
Lead	2.6%	3.0%	2.6%	2.4%
Silver - Oz (ounces)/ton	2.0 oz/t	2.7 oz/t	2.3 oz/t	2.4 oz/t
Average Recoveries %				
Zinc	71%	74%	78%	80%
Lead	58%	57%	58%	55%
Silver (in Lead concentrate)	38%	32%	31%	30%
Concentrate Produced DMT (dry metric tonnes):				
Zinc	17,732	5,832	5,041	7,282
Lead	7,586	2,634	1,968	2,446
Concentrate Grades %				
Zinc	48%	46%	47%	47%
Silver - Oz (ounces)/ton	4.0 oz/t	5.3 oz/t	5.1 oz/t	4.7 oz/t
Lead	39%	40%	40%	43%
Silver - Oz (ounces)/ton	20.3 oz/t	19.5 oz/t	19.9 oz/t	21.5 oz/t

\* Exclusive of downtime for scheduled mill servicing and maintenance cycle days.

“Declaring Commercial Production at Caribou represents a major milestone for Trevali’s second operating zinc mine and strengthens the Company’s position as the only current primary zinc producer on the TSX poised to benefit from the forecast zinc commodity price rally,” states Dr. Mark Cruise, Trevali’s President and CEO. “This achievement, during a time of challenging market conditions, is a testament to the professionalism, dedication, attitude and hard work of our Caribou team including our valued contractors and partners. Based on our experience at the Santander mine, I remain extremely confident ongoing optimizations at Caribou will continue to build upon these foundations during the remainder of 2016, exemplified by Caribou zinc recoveries in early July already averaging 82%.”

With the achievement of this key milestone, Trevali will continue to implement its business initiatives in order to continue to optimize operations and ramp-up production at the Caribou Zinc Mine to further boost efficiencies, recovery rates and ultimately metal concentrate production.

### **Caribou Mill**

During June the Caribou metallurgical team made further improvements on increasing zinc recoveries into entitlement ranges as outlined in the Caribou PEA report (see Technical Report on Preliminary Economic Assessment for the Caribou Massive Sulphide Zinc-Lead-Silver Project, Bathurst, New Brunswick, Canada prepared by SRK Consulting (Canada) Inc., on the Company’s website or on SEDAR).

The Company continues to focus on highlighted areas for metallurgical improvement with modifications to be implemented during ongoing scheduled maintenance periods. Modifications completed during June and which are ongoing include:

- Increase in the number of sample stations for the on-stream sample analyzer – in progress.
- SAG mill modifications, installation of newly designed lifters and shell liners – in progress and will continue during scheduled shut downs throughout the summer period.
- Pumping infrastructure including capacity and electrical upgrades are in progress. Approximately 55% of pumps are either changed and/or upgraded with the remaining works to be completed during the summer period. The upgrades are designed to result in improved circuit stability (and consequently recoveries) when handling the finely-ground process feed.
- Trial of Zn and Pb circuit modifications to recycle cleaner streams to feed streams to potentially boost recoveries – in progress.
- Plant water chemistry investigations – in progress.
- Cu circuit test work using plant feed is ongoing with additional work to be implemented following final upgrades and improvements to both the Zn and Pb circuits.

### **Caribou Mining**

With the zinc circuit essentially de-risked, site continues to focus on underground operations in particular de-bottlenecking initiatives. Work is ongoing, however June successfully delivered the largest amount of stope tonnes to the mill to date with monthly production increasing to an average of 2,423-tpd. From July onwards mining will start reintroducing development feed tonnage, which in conjunction with other planned improvements, is anticipated to further boost production rates upwards of 2,700-tpd.

Geologically, year-to-date reconciliation to the block model is very high at 97% correlation and dilution remains below design levels resulting in underground delivering increased metal units to the mill. A 10,000-metre resource conversation drill program is in progress and will be ongoing to year-end.

Mineralization remains open for expansion at depth and to the NW, and the Company classifies the exploration potential as good to excellent.

**Caribou production guidance (July 1-December 31, 2016) in payable metals is approximately:**

- Zinc – 37-41 million pounds
- Lead – 14-15 million pounds
- Silver – 380,000 to 420,000 ounces

Head grades are anticipated to range from 5.9-6.2% Zn, 2.5-2.7% Pb and 65-70 grams/tonne Ag.

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

EurGeol Dr. Mark D. Cruise, Trevali's President and CEO, 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 two commercially producing operations.

The Company is actively producing zinc and lead-silver concentrates from its 2,000-tonne-per-day Santander mine in Peru and its 3,000-tonne-per-day Caribou mine in the Bathurst Mining Camp of northern New Brunswick. Trevali also owns the Halfmile and Stratmat base metal deposits, located in New Brunswick, that are currently undergoing a Preliminary Economic Assessment reviewing their potential development.

The common 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](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 Company's plan to prepare a new PEA for its Halfmile and Stratmat properties, the accuracy of estimated mineral resources, anticipated results of future exploration, and forecast future metal prices, expectations that environmental, permitting, legal, title, taxation, socio-economic, political,

marketing or other issues will not materially affect estimates of mineral resources. 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 Canadian dollar and 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 resources 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 plan at the Caribou Mine is based only on measured, indicated and inferred resources, and not mineral reserves, and does not have demonstrated economic viability. Trevali's production plan at the Santander Mine is based only on indicated and inferred mineral resources, and not mineral reserves, and does 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.