

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
RSC 1985, C C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002, C 57, AS  
AMENDED AND THE *BUSINESS CORPORATIONS ACT*, SNB 1981, C B-9.1, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF TREVALI  
MINING CORPORATION AND TREVALI MINING (NEW BRUNSWICK) LTD.

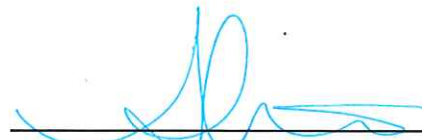
PETITIONERS

CERTIFICATE OF COMMISSIONER OF AFFIDAVIT

I, TAEK SOO SHIN, am the lawyer acting for Michael Demmer, and I advise as follows:

1. I am the commissioner of the Affidavit of Michael Demmer, affirmed August 23, 2022.
2. I certify that I am satisfied that the process was necessary because it was impossible or unsafe, for medical reasons, for the deponent and the commissioner to be physically present together.
3. I make this certification to enable the remote commissioning of the Affidavit of Michael Demmer, affirmed August 23, 2022, so as to permit it's filing and for no other or improper purpose.

Date: August 23, 2022

  
\_\_\_\_\_  
Taek Soo Shin, Lawyer (LSO #85691Q)



This is the first affidavit of Michael Demmer in this case and was made on August 23, 2022.

No. S-226670  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
RSC 1985, C C-36, AS AMENDED**

**AND**

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**AND**

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF  
TREVALI MINING CORPORATION AND TREVALI MINING (NEW BRUNSWICK)  
LTD.**

PETITIONERS

**AFFIDAVIT OF MICHAEL DEMMER  
(Affirmed on August 23, 2022)**

I, MICHAEL DEMMER, RESIDING IN SAINT JOHN, NEW BRUNSWICK, AFFIRM THAT:

1. I am a former investor in the common shares of Trevali Mining Corporation ("Trevali"). I have personal knowledge of the facts and matters to which I depose herein. Where my knowledge is based on information I have obtained from others, I have identified the source of that information, and believe it to be true.
2. No portion of this affidavit is intended to waive, nor should it be construed as a waiver of, attorney-client, litigation or other privilege.

## A. AD HOC COMMITTEE OF TREVALI SHAREHOLDERS

3. I am one of the three members of an ad hoc committee of Trevali's shareholders, which has been established to represent the interests of common shareholders of Trevali in the within CCAA Proceedings ("**Ad Hoc Committee of Trevali Shareholders**").
4. The Ad Hoc Committee of Trevali Shareholders seeks to be appointed as the representative for the shareholders of record of Trevali as of the close of trading on the Toronto Stock Exchange on August 15, 2022, or such other group of common shareholders of Trevali as this Honourable Court may approve.
5. The Ad Hoc Committee of Trevali Shareholders is represented by KND Complex Litigation.
6. I am advised by my Counsel Mr. Sage Nematollahi, a lawyer with KND Complex Litigation, and believe, that the other two members of the Ad Hoc Committee of Trevali Shareholders are:
  - a. Mr. Rodney Brunk, who resides in North Dakota, United States of America; and
  - b. Mr. Tim Kempter, who resides in Zürich, Switzerland.
7. The Ad Hoc Committee of Trevali Shareholders makes major decisions upon consultation with Counsel, based on a simple majority of votes, and bearing in mind the best interests of the common shareholders of Trevali.
8. As of the close of trading on August 15, 2022, I held approximately ~~383,000~~<sup>38,300</sup> common shares of Trevali. I sold all those shares on August 16, 2022. I have incurred approximately \$197,343 in losses in my investments in the common shares of Trevali.

9. I am advised by my Counsel Mr. Nematollahi, and believe, that Messrs. Brunk and Kempter have also incurred significant losses in their investments in the common shares of Trevali.
10. I do not have any conflicting interests with the interests of the other common shareholders of Trevali as of the close of trading on August 15, 2022.
11. I am advised by my Counsel Mr. Nematollahi, and believe, that the other two members of the Ad Hoc Committee of Trevali shareholders do not believe that they would have any conflicting interests with the interests of the other common shareholders of Trevali as of the close of trading on August 15, 2022.

#### **B. Trevali's Filings with Securities Regulators**

12. At the relevant time, Trevali was a publicly traded mining company incorporated under the laws of British Columbia and headquartered in Vancouver, B.C. Trevali is a reporting issuer in British Columbia and all other Canadian provinces and territories, and its main securities regulator is the British Columbia Securities Commission. At the relevant time, Trevali's securities traded on the Toronto Stock Exchange, the United States OTC market, and the Frankfurt Stock Exchange, the whole as appears in the profile of Trevali on SEDAR, a copy of which is attached hereto as **Exhibit "A"**.
13. After the close of trading on August 15, 2022, Trevali filed its disclosures with respect to the second quarter of fiscal year 2022 ("**Q2 2022**") announcing, among other things, that:
  - a. it had experienced production challenges and/or suspension of its operations at its major mining properties, the Perkoa mine and the Caribou mine;
  - b. its Q2 2022 revenue had declined 44% on a year-over-year basis;
  - c. it was taking a non-cash, after-tax impairment of \$23.7 million against the Perkoa and Caribou operations and/or assets;

- d. it would be unable to make a mandatory prepayment of approximately \$7.5 million on its revolving credit facility;

the whole as appears in Trevali's news release titled "Trevali Reports Second Quarter 2022 Results," dated August 15, 2022, a copy of which is attached hereto as **Exhibit "B"**.

- 14. On this announcement, the market price of Trevali's common shares on the TSX dropped by approximately 52%, from \$0.46 as of the close of trading on August 15, 2022 to \$0.22 as of the close of trading on August 16, 2022. The below chart illustrates the price of Trevali's common shares on the TSX from January 1, 2021 through to the present time. This data was retrieved by my Counsel Mr. Nematollahi from Yahoo Finance, which is a publicly accessible source that provides the historical trading data in relation to the common shares of Trevali.



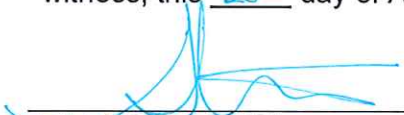
- 15. After the close of trading on August 19, 2022, Trevali announced by way of a news release, a copy of which is attached hereto as **Exhibit "C"**, that it had sought and obtained an initial order for CCAA protection.
- 16. Before the open of the market on August 22, 2022, Trevali issued a news release, a copy of which is attached hereto as **Exhibit "D"**, reporting among other things that:

- a. the trading in its common shares had been halted on the Toronto Stock Exchange, and it was expected to be halted also on the United States OTC market, the Lima Stock Exchange and the Frankfurt Stock Exchange;
  - b. the company expects that the common shares may be delisted from trading on the Toronto Stock Exchange and the other exchanges in due course; and
  - c. two of its directors, Mr. Nick Popovic and Ms. Aline Cote, had resigned from the board of directors of Trevali.
17. Please note that in commissioning this affidavit, the deponent was not physically present before the commissioner, but was linked with the commissioner utilizing video technology and the process described below was utilized to remotely commission an affidavit.
  18. While connected via video technology, the deponent showed the commissioner the front and back of the deponent's current government-issued photo identification and the commissioner compared the video image of the deponent and the information in the deponent's government issued photo identity document. The commissioner was reasonably satisfied that it was the same person and that the document was valid and current. The commissioner took a screen shot of the front and bac of the deponent's government-issued photo identify document and retained it.
  19. The commissioner and the deponent both had a copy of the affidavit, including all exhibits, before each of them while connected via video technology.
  20. The commissioner and the deponent reviewed each page of the affidavit and exhibits to verify that the pages were identical and initiated each page in the lower right corner.
  21. At the conclusion of the review, the commissioner. Administered the oath, and the deponent swore or affirmed that the deponent had read the affidavit, understood

the affidavit, and swore or affirmed the truth of the facts, and the commissioner watched the deponent sign the deponent's name to the affidavit.

- 22. The deponent sent the signed affidavit with exhibits electronically to the commissioner.
- 23. Before completing the affidavit, the commissioner compared each page of the copy received from the deponent against the initialed copy that was before the commissioner in the video conference and affixed the commissioner's name to the jurat only upon being satisfied that the two copies were identical.

AFFIRMED BEFORE ME via video )  
technology while I was able to identify the )  
witness, this 23<sup>rd</sup> day of August, 2022. )



TAEK SOO SHIN )  
LSO # 85691Q )  
A COMMISSIONER OF OATHS )

\_\_\_\_\_  
Michael Demmer )  
Saint John, New Brunswick )

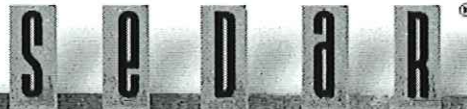
THIS IS EXHIBIT "A" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS 23<sup>rd</sup> DAY OF  
AUGUST, 2022.



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TAEK SOO SHIN  
LSO # 85691Q  
A COMMISSIONER OF OATHS





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## Trevali Mining Corporation

### P R O F I L E

<b>Mailing Address:</b> Suite 2600 - 595 Burrard Street Vancouver, BC V7X 1L3	<b>Head Office Address:</b> Suite 1900 - 999 West Hastings Street Vancouver, BC V6C 2W2
<b>Contact Name:</b> Steven Molnar	<b>Principal Regulator:</b> British Columbia
<b>Business e-mail address:</b> smolnar@trevali.com	<b>Short Form Prospectus Issuer:</b> Yes
<b>Telephone Number:</b> 604 488-1661	<b>Reporting Jurisdictions:</b> British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, North West Territories, Yukon, Nunavut
<b>Fax Number:</b> 604 629-1425	<b>Stock Exchange:</b> TSX, United States - Other, Frankfurt, Other
<b>Date of Formation:</b> Dec 31 1993	<b>Stock Symbol:</b> TV
<b>Jurisdiction Where Formed:</b> British Columbia	<b>Auditor:</b> PricewaterhouseCoopers LLP
<b>Industry Classification:</b> metals and minerals - mining	<b>General Partner:</b>
<b>CUSIP Number:</b> 895318	<b>Transfer Agent:</b> Computershare Investor Services Inc.
<b>Financial Year-End:</b> Dec 31	<b>Size of Issuer (Assets):</b> \$500,000,001 to \$1,000,000,000

**VIEW THIS COMPANY'S DOCUMENTS**

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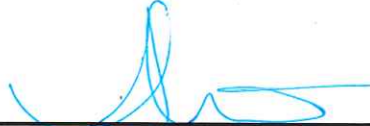
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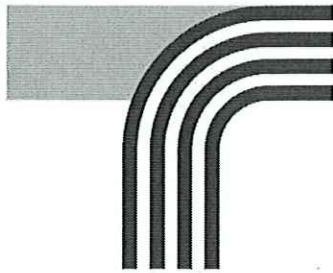
TS

THIS IS EXHIBIT "B" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS 28<sup>th</sup> DAY OF  
AUGUST, 2022.



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TAEK SOO SHIN  
LSO # 85691Q  
A COMMISSIONER OF OATHS



# TREVALI

## Trevali Reports Second Quarter 2022 Results

VANCOUVER, BC, Aug. 15, 2022 /CNW/ - Trevali Mining Corporation ("Trevali" or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREV) (Frankfurt: 4TI) today released financial and operating results for the three and six months ended June 30, 2022. All amounts herein are reported in United States dollars ("US\$") unless otherwise specified.

### FINANCIAL AND OPERATIONAL HIGHLIGHTS FOR THE SECOND QUARTER OF 2022

- **Zinc payable production of 34.5 million pounds** due to the suspension of operations at the Perkoa mine and production challenges at the Caribou mine partially offset by positive performance from Rosh Pinah.
- **C1 Cash Cost<sup>1</sup> and AISC<sup>1</sup> of \$1.19 and \$1.61 per pound, respectively**, 12% and 32% increases from the prior quarter due to a combination of factors, including higher direct operating costs from continuing inflationary pressures across the portfolio, lower payable zinc volume contribution from Perkoa and Caribou, and higher than planned sustaining capital.
- **Caribou's full-year production and cost guidance has been suspended and the operation is under review**, following continued operational performance issues due to low productivity rates and equipment and operator availability, from the mining contractor.
- **Perkoa operations remain suspended** following the April 16<sup>th</sup> flooding event that resulted in eight fatalities and the suspension of mining and milling operations. Costs related to the flooding event for Q2 amount to \$15.2 million. Operating cost and production guidance at Perkoa remain suspended.
- **A non-cash, after-tax impairment of \$23.7 million** was recorded on the Perkoa and Caribou operations and near-mine exploration asset at Perkoa.
- **Revised full-year guidance for Rosh Pinah for 2022 with production guidance of 62 – 66 million pounds of payable zinc**, a C1 Cash Cost <sup>1</sup> of \$0.84 – 0.90/lb and AISC <sup>1</sup> of \$1.22 – 1.28/ lb.
- **Q2 2022 revenues of \$52.0 million**, a decrease of 44% over the prior quarter, due to the suspension of operations at Perkoa and Caribou operational underperformance.
- **Adjusted EBITDA<sup>1</sup> of \$9.2 million**, a decrease of 78% over the prior quarter, primarily due to the Perkoa mine's suspension of operation on April 16, 2022 and Caribou operational underperformance.
- **Net Debt<sup>1</sup> for Q2 2022 decreased from \$81.8 million at March 31, 2022, to \$59.4 million** due to the timing of collection of settlement receivables built up from Q1 2022.

- Updated RP2.0 expansionary capital cost to \$121 million with an estimated commissioning date of Q4 2024, assuming financing is in place by the end of Q3 2022 and a full funding decision is made. Guidance on the \$20 million Early Works program included in the \$121 million, has been suspended and is under review.
- Financing Initiative to fund the RP2.0 expansion project and refinance the existing debt that matures in September of 2022, which had progressed with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company, has not sufficiently advanced in a manner that will allow for the refinancing to be completed prior to the maturity of existing Debt Facilities, if at all.
- A Strategic Review process was initiated in Q2, in parallel to the Financing Initiative, to solicit proposals for a broad range of transaction alternatives including a potential investment in Trevali and the potential sale of all or part of the business and assets of Trevali. Following recent developments, there can be no assurance that the Strategic Review process will progress in a fashion that will allow for the culmination of a transaction in a timely manner or sufficient value to refinance the Debt Facilities.
- Based on a review of its available liquidity, the Company anticipates that it will not be in a position to make a mandatory prepayment of approximately \$7.5 million on its revolving credit facility when such payment is due on August 17, 2022. The Company remains in discussions with its senior lenders regarding this anticipated breach of the terms and potential default of the Facility.

		YTD Q2'22	YTD Q2'21	YoY	Q2'22	Q1'22	Q2'21	Q2'22 vs Q1'22	Q2'22 vs Q2'21
Zinc payable production	Mlbs	96.8	162.2	-40%	34.5	62.3	87.3	-45%	-60%
Lead payable production	Mlbs	13.4	15.6	-14%	6.8	6.6	9.7	3 %	-30%
Silver payable production	Moz	0.2	0.4	-50%	0.1	0.1	0.3	0 %	-67%
Revenue	\$	145,151	173,061	-16%	52,040	93,111	101,105	-44%	-49%
Adjusted EBITDA <sup>1</sup>	\$	50,621	56,533	-10%	9,192	41,429	32,042	-78%	-71%
Operating cash flows before working capital	\$	25,088	48,982	-49%	(21,303)	46,391	33,530	-146%	-164%
Net (loss) income	\$	(42,154)	1,367	-3,184%	(62,209)	20,055	3,877	-410%	-1705%
Net (loss) income per share	\$	(0.43)	0.01	-4400%	(0.63)	0.20	0.04	-415%	-1675%
C1 Cash Cost <sup>1</sup>	\$/lb	1.10	0.86	28 %	1.19	1.06	0.84	12 %	42 %
AISC <sup>1</sup>	\$/lb	1.36	0.98	39 %	1.61	1.22	0.97	32 %	66 %
Sustaining capital expenditure <sup>1</sup>	\$	21,853	15,861	38 %	12,851	9,002	9,211	43 %	40 %
Expansionary capital <sup>1</sup>	\$	5,001	7,710	-35%	2,288	2,713	3,596	-16%	-36%
Exploration expenditure	\$	782	3,752	-79%	469	313	2,068	50 %	-77%

## BUSINESS OVERVIEW

Trevali is a global base-metals mining company, headquartered in Vancouver, Canada. The bulk of the Company's revenue is generated from base-metals mining at the 90%-owned Perkoa mine in Burkina Faso (which mine's operations are currently suspended following a flooding event that occurred April 16, 2022), the 90%-owned Rosh Pinah mine in Namibia and the wholly owned Caribou mine in New Brunswick. 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. The shares of the Company are listed on the TSX (symbol TV), the OTCQX (symbol TREV), 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).

<sup>1</sup> See "Use of Non-IFRS Financial Performance Measures".

## PERKOA MINE FLOODING EVENT INVESTIGATION, ACTIONS UNDERTAKEN AND CURRENT STATUS

Intense and unseasonal rainfall on April 16, 2022, near the Perkoa mine created a flash flood that entered the mine property and breached the mine's safety controls, flooding the underground mine, preventing eight workers from evacuating the mine. A summary of the results of Trevali's investigation of the flooding event was previously provided to the Burkina Faso Ministry of Mines and Quarries, and additional information regarding actions taken and external expert analysis was provided to the Ministry. The Company and its management team have worked closely with the Burkinabe authorities throughout the search and recovery efforts at the mine, with daily briefings at the site as well as regular inspections of the operations. In addition, pursuant to applicable Burkina Faso law, an independent investigation into the flood event was initiated by the Public Prosecutor. Trevali and its personnel have been cooperating fully with the investigation which remains ongoing. The bodies of the eight workers were recovered in May and June and returned to their families, except for the two expatriates that still need to be repatriated to their home country. All of us at Trevali grieve their loss.

By late July, more than 165 million litres of water and more than 9,000 cubic metres of solids had been removed from the mine. Perkoa is now dewatered to the lowest mine level, Level 710, all damaged equipment has been recovered, and all areas of the mine are fully accessible. A significant amount of mine rehabilitation work is already complete, including re-establishing the electrical and communication systems, ventilation, egress and entrapment infrastructure, backfilling of voids, inspecting the adequacy of ground support after the flooding event and ensuring that there are no underground stability concerns. All permits remain in good standing.

### Site investigation learnings

Trevali and various expert consultants have investigated the circumstances of the extreme rainfall event and have reached several conclusions and the Company has committed to actions to prevent the catastrophic outcome of any future potential flood from occurring at Perkoa. While we are unable to prevent an extreme weather event, the result of the investigation allows us to determine some key lessons that can prevent similar catastrophic results in the future, and which may also be applicable across the mining industry:

- **Historical climate data used for assumptions:** Floods and other extreme weather events are becoming more intense and frequent as our climate warms. Historically, we have been able to predict these extreme events by observing how often they occurred in the past. The frequency and magnitude of past extreme events are no longer a reliable indicator. We need to review and modify our plans, procedures, and designs to ensure they can counter these new risks.
- **Design criteria:** The flood protection design criteria at Perkoa did not anticipate the intensity, scale, or timing of the rainfall and flooding event. The mining industry and others are making the transition to more robust designs for facilities, especially tailings dams, by performing an analysis of consequences to provide data for the design. It is important to validate the current designs and conduct an analysis of structures and facilities in place, and challenge this against the shifts that climate change has brought.
- **Data quality:** Historically, many rainfall data collection stations provide only daily returns, leading to potential gaps in understanding of short-term intense rain events. Quality data is needed to understand the potential for weather events of short duration but of greater intensity, like the one that occurred at Perkoa.
- **Design and implementation of modern early warning and response time systems:** The flooding at the mine was caused by extreme rain falling some distance from the site. To manage this risk, early warning systems on-site that can predict off-site events are needed. Modern detection tools based upstream of all sites and connected to on-site warning systems will improve both situational awareness and emergency response times.

## Flood response actions taken to date

The investigation of the flooding event has resulted in Trevali taking several actions to minimize the impacts of future weather events at Perkoa, and prevent any future flooding of the underground operations, including:

- Raised the flood protection berm along the existing berm alignment to protect the open pit against flooding for a 1:10,000-year event. The guidance to raise the berm follows expert hydrologic modelling conclusions that indicated that the flooding event occurred following an intense rainfall over a period of approximately 45 minutes, which corresponds with a return period of approximately 300 to 500 years;
- Installed an early warning system that provides updated weather reporting, real-time weather and rain monitoring and real-time stream water level indication with automatic triggers when there is a potential flood risk;
- Improved emergency management plans with the inclusion of predictive triggers such as: predictive alerting and smart IOT sensors that detect changes in water levels and various weather parameters (wind, rain, lightning, pressure) to trigger an evacuation in advance of a significant weather event impacting the site.

The Company is also reviewing its design infrastructure at its other mine sites and will consider implementing similar measures if deemed appropriate. Insurance claims have been filed related to dewatering, rehabilitation, and the replacement of mining, electrical, ventilation, and other equipment damaged from the mine flood. Subject to approval by the Burkina Faso authorities, the Company is undertaking precursory activities to ensure operational readiness. The Ministry of Mines and Quarries is currently reviewing the Perkoa restart plan. Operating cost and production guidance at Perkoa remain suspended.

<sup>1</sup> See "Use of Non-IFRS Financial Performance Measures".

## GUIDANCE AND OUTLOOK

Although the performance of Rosh Pinah continues to be consistent, the second quarter was challenging at Perkoa and Caribou. The April 16<sup>th</sup> flooding event that triggered an evacuation of the Perkoa Mine and the suspension of mining and milling operations, global inflationary impacts and continued challenges in contract miner productivity and equipment and operator availability at Caribou have resulted in lower production results and higher costs.

The Company is experiencing significant cost inflation since initial guidance was provided in January, with the prices of key consumables remaining materially above 2021 levels. Notable examples include explosives, diesel, grinding media, and ocean freight rates.

Operating cost and production guidance at Perkoa remain suspended and Caribou's full year production and cost guidance has been suspended and the operation is under review.

Management of the Company revises Rosh Pinah production and cost guidance. Annual production guidance at Rosh Pinah Mine is now estimated at between 62 – 66 million pounds of payable zinc (previous: 58 – 66); guidance of 16 – 18 million pounds of payable lead remains unchanged; and 168 – 178 thousand ounces of payable silver (previous: 158 – 178). C1 Cash Cost<sup>1</sup> guidance is estimated between \$0.84 – \$0.90 per pound of zinc (previous: \$0.71 – \$0.78) and AISC<sup>1</sup> is expected to range between \$1.22 – \$1.28 per pound of zinc (previous: \$1.07 – \$1.17).

### Revised Consolidated 2022 Production Guidance <sup>2</sup>

Payable Production by Asset	Actuals	Revised Guidance <sup>2</sup>	Previous Guidance <sup>2</sup>
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	Q1 2022	Q2 2022	FY 2022	FY 2022
<b>Zinc Production (Million lbs)</b>				
Perkoa (100%) <sup>3</sup>	36.3	6.5	suspended	128 – 145
Rosh Pinah (100%) <sup>3</sup>	17.1	16.7	62 – 66	58 – 66
Caribou	9.0	11.3	suspended	60 – 68
<b>Total Zinc Production<sup>4</sup></b>	<b>62.4</b>	<b>34.5</b>		<b>247 – 280</b>
<b>Lead Production (Million lbs)</b>				
Rosh Pinah (100%) <sup>3</sup>	3.4	3.7	unchanged	16 – 18
Caribou	3.2	3.1	suspended	20 – 23
<b>Total Lead Production<sup>4</sup></b>	<b>6.6</b>	<b>6.8</b>		<b>36 – 41</b>
<b>Silver Production (Thousand ozs)</b>				
Rosh Pinah (100%) <sup>3</sup>	41	43	168 – 178	158 – 178
Caribou	86	78	suspended	530 – 600
<b>Total Silver Production<sup>4</sup></b>	<b>128</b>	<b>122</b>		<b>688 – 778</b>

### Revised 2022 Consolidated Operating Cost Guidance<sup>2</sup>

Production costs (US\$/lb)	Actuals		Revised Guidance <sup>2</sup>	Previous Guidance <sup>2</sup>
	Q1 2022	Q2 2022	FY 2022	FY 2022
<b>C1 Cash Cost<sup>1</sup></b>				
Perkoa <sup>3</sup>	1.10	1.44	suspended	0.93 – 1.01
Rosh Pinah <sup>3</sup>	0.59	0.69	0.84 – 0.90	0.71 – 0.78
Caribou	1.74	1.79	suspended	0.85 – 0.93
<b>Consolidated</b>	<b>1.06</b>	<b>1.19</b>		<b>0.85 – 0.93</b>
<b>AISC<sup>1</sup></b>				
Perkoa <sup>3</sup>	1.16	1.59	suspended	0.98 – 1.08
Rosh Pinah <sup>3</sup>	0.80	1.24	1.22 – 1.28	1.07 – 1.17
Caribou	2.27	2.15	suspended	1.10 – 1.20
<b>Consolidated</b>	<b>1.22</b>	<b>1.61</b>		<b>1.03 – 1.13</b>

Sustaining capital guidance at Rosh Pinah was revised to \$27 million from \$24 million and suspended at Perkoa and Caribou. Planned \$2.0 million in exploration capital is unchanged while the Early Works program at Rosh Pinah is under review and guidance suspended.

### Revised 2022 Consolidated Capital Expenditure Guidance<sup>2</sup>

Capital Expenditures (US\$m)	Revised Guidance <sup>2</sup>	Previous Guidance <sup>2</sup>
	FY 2022	FY 2022
Perkoa <sup>3</sup> - sustaining	suspended	7
Rosh Pinah <sup>3</sup> - sustaining	27	24
Caribou - sustaining	suspended	12
Expansionary	suspended	20
Exploration	2	2
<b>Consolidated</b>		<b>61 - 68</b>

## FINANCING INITIATIVE AND STRATEGIC REVIEW PROCESS

The Company appointed Endeavour Financial in September 2021 to advise the Company on the formation of a lending syndicate, coordinate lender due diligence and negotiate financing documentation with the objective of providing a competitive non-equity financing solution for the RP2.0 expansion project at Rosh Pinah and refinancing both the existing Facility and Glencore Facility which mature in September 2022. The Company is in negotiations with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company for a potential financing package (the "Financing Initiative").



Following recent developments, the Financing Initiative which had progressed with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company, has not sufficiently advanced in a manner that will allow for the refinancing to be completed prior to the maturity of existing Debt Facilities, if at all.

In May 2022, in parallel with the Financing Initiative, the Company engaged a financial advisor to conduct a strategic review process (the "Strategic Review") in order to solicit proposals for a broad range of transaction alternatives including a potential investment in Trevali and the potential sale of all or part of the business and assets of Trevali. Following recent developments, there can be no assurance that the Strategic Review process will progress in a fashion that will allow for the culmination of a transaction in a timely manner or sufficient value to refinance the Debt Facilities.

<sup>1</sup> See "Use of Non-IFRS Financial Performance Measures"

<sup>2</sup> 2022 guidance constitutes forward-looking information; see "Cautionary Note Regarding Forward-Looking Statements".

<sup>3</sup> Trevali's ownership interest is 90% of Perkoa mine and 90% of Rosh Pinah mine.

<sup>4</sup> Totals may not add due to rounding.

## GOING CONCERN IMPLICATIONS

As at June 30, 2022, the Company had \$64.7 million of available liquidity, comprised of cash and cash equivalents of \$41.7 million and \$23.0 million of available liquidity from the revolving credit facility (the "Facility"). As both the Facility and a second lien secured facility agreement with Glencore of \$13.0 million (the "Glencore Facility") (together, the "Debt Facilities") are due for repayment at maturity on September 18, 2022, a period of less than twelve months, these balances are classified as current liabilities.

Continuation as a going concern is dependent upon the Company's ability to generate sufficient cash flows from operations to sustain working capital requirements, and to source external capital to refinance the Debt Facilities in order to avoid default on maturity. Alternatively, sufficient funding will be required until a strategic alternative can be arranged, if at all. As at June 30, 2022, the Company's total current liabilities exceeded its current assets by \$41.4 million.

The Company appointed an external advisor in September 2021, with the objective of providing a competitive non-equity financing solution for the RP2.0 expansion project at Rosh Pinah and refinance the existing Debt Facilities (the "Financing Initiative"). The Company has been considering several opportunities for the financing package, including project finance debt, subordinated debt, and a silver stream on Rosh Pinah's silver production.

On April 16, 2022, a flash flood occurred at the Perkoa mine in Burkina Faso following a period of intense unseasonal rainfall. After dewatering and search efforts all eight workers' bodies that were trapped in the underground mine due to the flooding were recovered. The Company incurred \$15.2 million of direct and indirect costs between April 16 and June 30, 2022 related to dewatering efforts, infrastructure refurbishment and construction linked to repairs and rehabilitation at the mine. Additional costs related to the flooding event subsequent to June 30, 2022, continue to be incurred.

As a result of the flooding event at Perkoa, the previously announced targeted financing amount of \$200 million could no longer be relied upon and the total financing target was suspended as of May 16, 2022. In addition, the Caribou operation is under review following continued operational and financial performance issues due to low productivity rates and equipment and operator availability, from the mining contractor. The financing requirement is expected to exceed the previously targeted financing amount of \$200 million.

Following recent developments, the Financing Initiative which had progressed with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company, has not sufficiently advanced in a manner that will allow for the refinancing to be completed prior to the maturity of existing Debt Facilities, if at all.

In May 2022, in parallel with the Financing Initiative, the Company engaged a financial advisor to conduct a strategic review process (the "Strategic Review") in order to solicit proposals for a broad range of transaction alternatives including a potential investment in Trevali and the potential sale of all or part of the business and assets of Trevali. Following recent developments, there can be no assurance that the Strategic Review process will progress in a fashion that will allow for the culmination of a transaction in a timely manner or sufficient value to refinance the Debt Facilities.

Based on a review of its available liquidity, the Company anticipates that it will not be in a position to make the mandatory prepayment of approximately \$7.5 million on its revolving credit facility when such payment is due on August 17, 2022. The Company remains in discussions with its senior lenders regarding this anticipated breach of the terms of the Facility.

The Company's ability to continue as a going concern is dependent upon its ability to generate cash flows from operations and to secure a financing package consisting of debt financing, equity financing and/or the sale of all or part of the business and assets of Trevali. While the Company has been successful in arranging financing in the past, it cannot be assured that the current Financing Initiative will be successful and there is no guarantee that the Company will ultimately be able to generate sufficient positive cash flow from operations or that the Company will find an acceptable strategic alternative. These circumstances indicate the existence of material uncertainties that create significant doubt as to the Company's ability to meet its obligations when due, and accordingly, continue as a going concern.

## CONSOLIDATED FINANCIAL RESULTS

The following table summarizes the change in net income (loss) YTD and Q2 2022 quarter:

	YTD Q2'22 vs YTD Q2'21	Q2'22 vs Q2'21
<b>Net income for the 2021 period</b>	\$ 1,367	\$ 3,877
Decrease in revenues	(27,910)	(49,065)
Expense components:		
Decrease in Mine operating expenses	18,084	34,608
Decrease in General and administrative	856	(285)
Increase in Impairment	(23,698)	(23,698)
Increase in Other items	(4,929)	(27,338)
Increase in Income tax expense	(5,924)	(308)
<b>Net loss for the 2022 period</b>	\$ (42,154)	\$ (62,209)

There was a net loss YTD Q2 2022 compared to a positive net income in the corresponding period of 2021 due to a combination of factors, including decreased revenue related to the suspension of mining operations at Perkoa following the flood incident on April 16, 2022 and no revenue from Santander following the sale of the Santander mine in December 2021. These were partially offset by a 37% increase in the average zinc LME price and a higher volume of lead payable sold due to the timing of shipments.

The decrease in mine operating expenses in YTD Q2 2022 compared to the corresponding period of 2021 is primarily due to the suspension of operations at Perkoa resulting in lower variable mining and milling costs and lower units of production depreciation, as well as no costs from Santander following

the sale of the Santander mine in December 2021 and partially offset by Caribou which was restarted in Q1 2021 and incurred partial mine operating expenses.

The increase in impairment is a result of the flooding event of the Perkoa underground mine on April 16, 2022, upon which the operations at the site were immediately suspended. The flooding event triggered an impairment indicator as of June 30, 2022, and, accordingly, the recoverable amounts of the Perkoa cash generating unit ("CGU") were estimated and compared against its carrying values. In addition, the carrying values of exploration and evaluation assets that would be dependent on processing ore at the Perkoa mill, and the T3 deposit, were reviewed for impairment. A non-cash impairment charge of \$17.5 million was recognized at Perkoa (\$13.5 million related to property, plant and equipment and \$4.0 million related to near-mine exploration assets). A non-cash impairment was also recognized at Caribou following the negative cash flow for consecutive quarters.

Other items in YTD Q2 2022 include an increase in the settlement mark-to-market loss on open invoices between February and May 2022 with a quotational period between June and September, due to a significant decline in the commodity prices and Perkoa flood-related costs of \$15.2 million.

There was a net loss Q2 2022 compared to a positive net income in the corresponding period of 2021 primarily due to decreased revenue related to the suspension of mining operations at Perkoa following the flood incident on April 16, 2022 as well as no revenue from Santander following the sale of the Santander mine in December 2021.

Mine operating expenses decreased in Q2 2022 compared to Q2 2021 due to the suspension of operations at Perkoa resulting in lower variable mining costs and lower units of production depreciation, and no costs from Santander following the sale of the Santander mine in December 2021.

Other items in Q2 2022 include an increase in the settlement mark-to-market loss on open invoices between February and May 2022 with a quotational period between June and September due to a significant decline in the commodity prices, the Perkoa flood-related costs of \$15.2 million and the related non-cash impairment of \$17.5 million and unrelated non-cash impairment of \$6.2 million at Caribou.

## Revenues

		YTD	YTD					Q2'22	Q2'22
		Q2'22	Q2'21	YoY	Q2'22	Q1'22	Q2'21	vs	vs
								Q1'22	Q2'21
<b>Revenues</b>									
Zinc revenue	\$	162,955	202,700	-20%	56,424	106,531	111,899	-47%	-50%
Lead and silver revenue		32,304	26,410	22 %	15,032	17,272	22,316	-13%	-33%
Smelting and refining costs		(50,108)	(56,049)	-11%	(19,416)	(30,692)	(33,110)	-37%	-41%
Net revenue	\$	145,151	173,061	-16%	52,040	93,111	101,105	-44%	-49%
Average zinc LME price	\$/lb	1.74	1.27	37 %	1.78	1.70	1.32	5 %	35 %
Average lead LME price	\$/lb	1.03	0.93	11 %	1.00	1.06	0.96	-6%	4 %
Average silver LBMA price	\$/oz	23.29	26.39	-12%	22.64	23.94	26.70	-5%	-15%
<b>Sales quantities</b>									
Payable zinc	Mlbs	99.7	158.9	-37%	35.6	64.1	86.4	-44%	-59%
Payable lead	Mlbs	20.9	15.2	38 %	9.3	11.5	13.9	-19%	-33%
Payable silver	Mozs	0.3	0.4	-25%	0.1	0.2	0.3	-50%	-67%

The average zinc price in Q2 2022 as quoted on the LME of \$1.78 per pound increased by 5% when compared to the previous quarter and 35% compared to Q2 2021. The price of lead decreased by 6% when compared to the prior quarter while it was 4% higher when compared to the comparative quarter in 2021. The silver price decreased by 5% over the prior quarter while still 15% below the comparative quarter in 2021.

Payable zinc sales volumes decreased by 44% when compared with the prior quarter to 35.6 million pounds primarily due to the impact of limited production at Perkoa caused by the flood incident that led to the suspension of operations for the majority of the current quarter. Smelting and refining costs decreased by 37% primarily due to 44% lower zinc volumes sold, partially offset by 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). The 2022 benchmark rate applies to 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 limited production at Perkoa caused by the flood incident that led to the suspension of operations for a major part of the current quarter, no sales from Santander mine in 2022 as it was sold on December 3, 2021 and lower sales volumes at Caribou and Rosh Pinah due to lower production.

Lead revenues of \$9.3 million decreased by 19% from the prior quarter as a result of the smaller shipment that could be arranged and the 6% decrease in the lead price. The YTD 2022 increased lead sales quantities 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 2021 and the second occurred in Q2 2022. By-product revenues decreased compared to the corresponding quarter in the prior year due to the sale of Santander mine in December 2021 and lower lead production at the Rosh Pinah mine and the Caribou mine during the current quarter.

## Market Outlook

Although challenged by negative market sentiment, rising interest rates, inflationary pressures and recession risk, management of the Company believes that the outlook for the zinc market is positive. The base metals sector performed poorly in the second quarter. As measured by the LME Index, the base metal complex declined by 25%. Despite headwinds, backlogs of work for manufacturers in many parts of the world remain substantial and for the year-to-date zinc demand has been robust according to Wood Mackenzie. As highlighted in past quarters, management of the Company believes 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 opportunities to further develop the business.

Global manufacturing output has turned lower in recent months as higher interest rates and business confidence wanes in the western economies. Euro area manufacturing sector conditions continued to disappoint at the end of the second quarter. The final reading of the S&P Global Eurozone Manufacturing Purchasing Managers' Index ("PMI") for June of 52.1, fell from 54.6 in May, its lowest reading since August 2020 while the indicator of sentiment as measured by business confidence slid to a 25-month low. The manufacturing PMI for Japan came in at 52.7 in June, a decrease from 53.3 in May and marking the seventeenth consecutive improvement in the health of the manufacturing sector. Recall that a PMI reading above 50 indicates growth or expansion. The Chinese manufacturing sector registered the first expansion of output since February. Thus, at 51.7 in June, the headline seasonally adjusted general manufacturing PMI was up from 48.1 posted in the prior month; the rate of increase was the strongest since May 2021. Chinese business confidence regarding the 12-month outlook for output improved to a four-month high in June. Finally, in the US, the seasonally adjusted US Manufacturing PMI posted 52.7 in June, down from 57.0 in May. Notably, this is the lowest level since July 2020 as factory output stagnates and new orders fall. The decrease in client demand was the first in over two years. Firms stated that inflationary pressures, weak client confidence in the outlook and supply-chain disruption drove the decline.

As reported in the media in April, 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 June is \$235 per tonne cost, insurance and freight into China, higher than \$175 per tonne observed in March, and within the range of Chinese spot averages of \$285 and \$209 per tonne in 2019 and 2020, respectively.

The zinc price began the quarter at \$1.96 per pound and ended the quarter at \$1.47 per pound and traded in a very wide \$0.58 per pound range. During Q2 2022, the LME zinc price averaged \$1.78 per pound, maintaining its improvement from its pandemic low of \$0.82 per pound reached back in March 2020. LME exchange inventories decreased to 81,075 tonnes by the end of Q2 2022 versus 139,950 tonnes on March 31, 2022. Shanghai Futures Exchange zinc stocks decreased to 112,959 tonnes versus 176,177 tonnes at the end of Q1 2022. Total exchange stocks decreased into quarter end, and now stand at the equivalent of just 5 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 refined zinc stocks and strong demand continue to put upward pressure on spot zinc premiums which remain elevated. In the US high freight costs and shortages of trucking capacity have pushed spot premiums as high as 35 to 40 cents per pound, meanwhile in Europe they are in the territory of \$450 to \$500 per tonne (20.4 to 22.7 cents per pound).

## **CORPORATE DEVELOPMENTS**

On January 20, 2022, the Company announced that Trevali was working toward securing project financing for the RP2.0 expansion project and refinancing both the existing corporate revolving credit facility (the "Facility") and the secured facility agreement with Glencore (the "Glencore Facility"), maturing in September 2022. In parallel, an early works program commenced for RP2.0.

On January 24, 2022, the Company announced preliminary 2021 full year and Q4 production results and 2022 operating, capital and exploration expenditure guidance.

On January 24, 2022 and February 4, 2022, the Company announced that the Perkoa mine in Burkina Faso was unaffected by, and continued to closely monitor, the ongoing political situation.

On March 31, 2022, the Company reported its Mineral Reserves and Mineral Resources statements as of December 31, 2021. Proven and Probable Mineral Reserves increased 50% at the Rosh Pinah mine and there was a 4.9 million tonne increase in the Company's consolidated Proven and Probable Mineral Reserves, which was a 28% increase over the year ended 2020. For further 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 effective immediately.

On April 16, 2022, the Company reported a flooding event at the Perkoa mine in Burkina Faso following intense and unseasonal rainfall. The mine was evacuated, and mine rescue efforts were immediately initiated and continue to be incurred.

On April 21, 2022, the Company provided an update on search and rescue efforts at the Perkoa mine and announced the suspension of production and cost guidance at the Perkoa mine.

During May and June, the Company provided multiple updates on the dewatering progress and search efforts at the Perkoa mine, culminating with a final update on June 20, 2022, when the Company reported that the remaining missing workers were found with no survivors.

On June 28, 2022, the Company published its 2021 Sustainability Report.

On June 29, 2022, the Company announced the results of the Annual General and Special Meeting of Shareholders.

On August 3, 2022 the Company announced that it had received credit approval from Standard Bank of Namibia Limited and The Standard Bank of South Africa Limited for a Senior Secured Financing Facility of \$110 million to fund the expansion of the Company's Rosh Pinah Mine in Namibia. Closing of the Senior Secured Financing Facility is subject to a number of conditions, including the negotiation and settlement of definitive loan facility and security documentation, the execution and delivery of definitive documentation in respect of the other elements of the comprehensive financing package, including an intercreditor agreement between Standard Bank and the various subordinated secured lenders, and the consent of and release of existing security by Trevali's existing senior secured lenders. While the Company is progressing these various workstreams, there is no certainty that the conditions set out in the Standard Bank credit approval will be satisfied in a timely manner or at all. Negotiations for other components of the comprehensive funding package for RP2.0 and the refinancing of both the existing corporate revolving credit facility and Glencore loan facility, which mature in September 2022, are ongoing.

## **Q2-2022 FINANCIAL AND OPERATIONAL RESULTS CONFERENCE CALL AND WEBCAST CANCELLED**

The Company has cancelled a conference call and webcast presentation regarding the second quarter financial and operational results. For additional detail, please see Trevali's quarterly consolidated financial statements and management's discussion and analysis for the three and six months ended June 30, 2022, which are available on Trevali's website and the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## **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 TREV), 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).

## **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 including, but not limited to, statements with respect to the Company's revised financial and operational guidance for fiscal 2022, including the Company's forecast AISC, C1 Cash Costs, production and capital expenditures, growth strategies, expected annual savings from capital projects, anticipated supply, demand and market outlook for commodities, future commodity prices, anticipated effects of commodity prices on revenues, estimation of Mineral Reserves and Mineral Resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production and capital expenditures, success and restart of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, future anticipated property acquisitions, the content, cost, timing and results of future exploration programs and life of mine expectancies, the approval of up to 100% of the amount of a new financing package, the completion and satisfaction of the condition precedent to receive a new financing package, the securing of additional financing from mining-focused alternative lenders, including Standard Bank, an Export Credit Agency, Glencore and a metal streaming company, before the maturity of the Debt Facilities, if at all, the timing of the release of the PEA, the proposed mining methods at Caribou and their anticipated effects on recoveries and mining flexibility, the Company's planned development activities at Caribou and their ability to extend the Caribou mine life, the restart of processing operations at the Perkoa and Caribou mines and the anticipated timing thereof, the efficacy of the Company's implemented recommendations following the incident investigation, the Company's assessment of the effect of the flooding on the safety and structural integrity of the Perkoa mine's underground areas, the delivery of critical mining equipment to replace equipment damaged in the flooding incident, the Company's expectations to fund its current liabilities from cash flows generated by operating activities and to renegotiate the Debt Facilities with current and new prospective lenders and the Company's belief that it may default on the mandatory prepayment and therefore breach the terms of the Facility. 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. 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 fact that the Company's cost, expenditure and production guidance may not accurately estimate the Company's actual costs, expenditures or production at the Company's projects; securing additional financing and the timing thereof; the anticipated default on a mandatory prepayment and therefore breach of the Facility; actual results of current exploration activities; the flooding of the Perkoa mine may have a material adverse effect on the mine and Trevali; the Company's implemented recommendations following the incident investigation may not guarantee sufficient protection; the timing of the delivery of critical mining equipment to replace equipment damaged in the flooding incident; changes in project parameters as plans continue to be refined; the suspension of the Caribou mine's full-year production and cost guidance; the review of the Caribou mine's operations; the review of the Early Works Program; the suspension of capital spending guidance of the Early Works Program; 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; results of current and planned exploration activities; 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, including the restart of operations at the Perkoa and Caribou mines, 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 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](http://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").

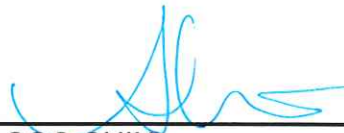
These measures are not recognized under IFRS as they do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Trevali uses these measures internally to evaluate the underlying operating performance of the Company 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.

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



THIS IS EXHIBIT "C" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS 23<sup>rd</sup> DAY OF  
AUGUST, 2022.



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LSO # 85691Q  
A COMMISSIONER OF OATHS



TREVALI

## Trevali Receives Initial Order for CCAA Protection and Provides Operations Update

VANCOUVER, BC, Aug. 19, 2022 /CNW/ - **Trevali Mining Corporation** ("Trevali Corp." or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREVF) (Frankfurt: 4TI) announces today that the Company as well as its wholly-owned subsidiary Trevali Mining (New Brunswick) Ltd. ("Trevali NB" and, together with Trevali Corp., "Trevali") have received an Initial Order for creditor protection (the "Initial Order") from the British Columbia Supreme Court (the "Court") under the *Companies' Creditors Arrangement Act* (the "CCAA"). Trevali made its application to Court for the Initial Order on August 19, 2022.

After careful consideration of Trevali's cash position, scheduled debt payments, forecast revenue and expenses, all available alternatives to an application for creditor protection, and following thorough consultation with legal and financial advisors, the board of directors of the Company determined that it is in the best interests of Trevali and all of its stakeholders to file an application for creditor protection under the CCAA.

The Initial Order being sought includes, among other things: (i) a stay of creditor claims and proceedings in favour of Trevali Corp. and Trevali NB; and (ii) the appointment of FTI Consulting Canada Inc. as court-appointed monitor of Trevali (in such capacity, the "Monitor"). While under creditor protection, Trevali will consider all available transactional and restructuring options with a goal of maximizing value for the Company and its stakeholders.

Following receipt of the Initial Order, Trevali intends to continue to operate throughout the CCAA proceedings. Management of Trevali is expected to remain responsible for the day-to-day operations, under the general oversight of the Monitor.

Trevali will continue to fund itself during the CCAA proceedings through cash on hand and cash flow generated at the Rosh Pinah Mine.

Information about the marketing process and other materials filed in connection with the CCAA can be found on the Monitor's website at: <http://cfcanada.fticonsulting.com/trevali/>.

### **Caribou Mine to be placed on care and maintenance**

Following review of its operations at the Caribou Mine ("Caribou") in New Brunswick, the Company has suspended operations due to operational and financial challenges.

"The decision to suspend operations is a difficult but necessary step to address challenges at the Caribou Mine," said Ricus Grimbeek, President and CEO. "This was not an action taken lightly and we are aware of the uncertainty created and impacts this decision has on the community and on our team. The Trevali team have worked hard to improve the mine's position and Trevali appreciates their dedication."

The mine will be put on a care and maintenance program immediately to preserve the value of the mineral resource and mine assets and protect the environment in the mine's vicinity. While mining

and milling activities have been wound down, those employees dedicated to environmental compliance and general maintenance activities at the mine site will continue. No timeline for a potential restart of operations has been defined.

### **Senior Credit Facility Update**

As previously indicated on August 15, 2022 in its second quarter results filing, the Company did not make a mandatory prepayment of approximately \$7.5 million on its senior secured revolving credit facility when payment came due on August 17, 2022.

The Company remains in discussions with its senior lenders regarding this event of default under the credit facility.

### **State of other mining operations**

In addition to the update provided above on Caribou and financing, the Company provides a status update on its two other primary assets:

Rosh Pinah – On August 15, the Company revised full-year production and cost guidance for the Rosh Pinah Mine for 2022 with production guidance of 62 – 66 million pounds of payable zinc, a C1 Cash Cost<sup>1</sup> of \$0.84 – 0.90/lb and AISC<sup>1</sup> of \$1.22 – 1.28/ lb. The Early Works program at Rosh Pinah is under review and the expansion project has been suspended while the Company pursues a financing initiative.

Perkoa – Perkoa mining and milling operations remain suspended following the April 16th flooding event. Operating cost and production guidance at the Perkoa Mine remain suspended.

### **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. Trevali is committed to socially responsible mining, working safely, ethically, and with integrity.

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](http://www.trevali.com)) and to Canadian regulatory filings on SEDAR at [www.sedar.com](http://www.sedar.com). All amounts herein are reported in United States dollars ("US\$") unless otherwise specified.

### **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 including, but not limited to, statements with respect to the Company's intention to continue to operate throughout the CCAA proceedings, the Company's expectations to remain responsible for the day-to-day operations, under the general oversight of the Monitor, the Company's expectations to fund its operations from cash flows generated by the Rosh Pinah Mine. 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. 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 CCAA proceedings and the impact of the same on the Company's operations; securing financing or undertaking a restructuring transaction and the timing thereof; the transition of the Caribou mine to care and maintenance; ; the suspension of capital spending guidance of the Early Works Program; 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; results of current and planned exploration activities; 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, including the restart of operations at the Perkoa and Caribou mines, 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 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](http://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: 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.

SOURCE Trevali Mining Corporation

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<http://www.newswire.ca/en/releases/archive/August2022/19/c7341.html>

%SEDAR: 00008301E

**For further information:** Investor Relations Contact: Jason Mercier - Director, Investor Relations, Email: [jmercier@trevali.com](mailto:jmercier@trevali.com), Phone: +1 (778) 655-6084

CO: Trevali Mining Corporation

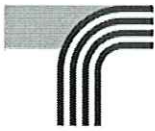
CNW 20:40e 19-AUG-22

THIS IS EXHIBIT "D" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS 23<sup>rd</sup> DAY OF  
AUGUST, 2022.



---

TAEK SOO SHIN  
LSO # 85691Q  
A COMMISSIONER OF OATHS



TREVALI

## Trevali Announces Trading Halt for Common Shares and Provides Corporate Update

VANCOUVER, BC, Aug. 22, 2022 /CNW/ - **Trevali Mining Corporation** ("Trevali" or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREVF) (Frankfurt: 4TI) announces that, following receipt of the initial order (the "Initial Order") from the Supreme Court of British Columbia under the *Companies' Creditors Arrangement Act* ("CCAA"), trading of the common shares of the Company (the "Common Shares") on the Toronto Stock Exchange (the "TSX") have been halted. The trading of the Common Shares is also expected to be halted on the Lima Stock Exchange, OTCQX and Frankfurt Stock Exchange. The Company expects that as a result of having filed for protection under the CCAA, the Common Shares may be delisted from trading on the TSX and other exchanges in due course.

A comeback hearing in respect of the relief granted pursuant to the Initial Order (the "Comeback Hearing") has been scheduled for Monday, August 29, 2022. Interested parties that wish to bring a motion at the Comeback Hearing are required to provide notice to the affected parties prior to the Comeback Hearing pursuant to the requirements set forth in the Initial Order.

A copy of the Initial Order and other materials filed in connection with the CCAA can be found on the Monitor's website at: <http://cfcanda.fticonsulting.com/trevali/>.

### Resignation of Directors

The Company also announces that Nick Popovic and Aline Cote have resigned from the board of directors of the Company. The Company thanks Mr. Popovic and Ms. Cote for their many valuable contributions to the board.

### Perkoa Mine Update

In addition, Trevali confirms media reports that a Perkoa Mine ("Perkoa") manager as well as a manager from Byrnegut, the Company's mining contractor, are being detained by authorities near the mine site in west-central Burkina Faso pending a trial on charges relating to the April 16, 2022 flooding event at Perkoa. Charges relating to this matter have also been filed against Nantou Mining (Burkina Faso) S.A. ("Nantou"), Trevali's 90% owned subsidiary and the operator of Perkoa. The Company is working with its legal representatives to seek the release of the detained individuals.

Intense and unseasonal rainfall on April 16, 2022 near Perkoa created a flash flood that entered the mine property and breached the mine's safety controls, flooding the underground mine and resulting in the deaths of eight workers. Perkoa mining and milling operations remain suspended following the April 16th flooding event.

### 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. Trevali is committed to socially responsible mining, working safely, ethically, and with integrity.

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### ***Cautionary Note Regarding Forward-Looking Information and Statements***

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SOURCE Trevali Mining Corporation

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%SEDAR: 00008301E



**For further information:** Investor Relations Contact: Jason Mercier - Director, Investor Relations,  
Email: [jmercier@trevali.com](mailto:jmercier@trevali.com), Phone: +1 (778) 655-6084

CO: Trevali Mining Corporation

CNW 08:31e 22-AUG-22

This is the first affidavit of Michael Demmer in this case and was made on August \_\_\_\_\_, 2022.

No. S-226670  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
RSC 1985, C C-36, AS AMENDED**

**AND**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002, C 57, AS  
AMENDED AND THE *BUSINESS CORPORATIONS ACT*, SNB 1981, C B-9.1, AS  
AMENDED**

**AND**

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF  
TREVALI MINING CORPORATION AND TREVALI MINING (NEW BRUNSWICK)  
LTD.**

PETITIONERS

**AFFIDAVIT OF MICHAEL DEMMER  
(Affirmed on August \_\_\_\_\_, 2022)**

I, MICHAEL DEMMER, RESIDING IN SAINT JOHN, NEW BRUNSWICK, AFFIRM THAT:

1. I am a former investor in the common shares of Trevali Mining Corporation ("Trevali"). I have personal knowledge of the facts and matters to which I depose herein. Where my knowledge is based on information I have obtained from others, I have identified the source of that information, and believe it to be true.
2. No portion of this affidavit is intended to waive, nor should it be construed as a waiver of, attorney-client, litigation or other privilege.



**A. AD HOC COMMITTEE OF TREVALI SHAREHOLDERS**

3. I am one of the three members of an ad hoc committee of Trevali's shareholders, which has been established to represent the interests of common shareholders of Trevali in the within CCAA Proceedings ("**Ad Hoc Committee of Trevali Shareholders**").
4. The Ad Hoc Committee of Trevali Shareholders seeks to be appointed as the representative for the shareholders of record of Trevali as of the close of trading on the Toronto Stock Exchange on August 15, 2022, or such other group of common shareholders of Trevali as this Honourable Court may approve.
5. The Ad Hoc Committee of Trevali Shareholders is represented by KND Complex Litigation.
6. I am advised by my Counsel Mr. Sage Nematollahi, a lawyer with KND Complex Litigation, and believe, that the other two members of the Ad Hoc Committee of Trevali Shareholders are:
  - a. Mr. Rodney Brunk, who resides in North Dakota, United States of America; and
  - b. Mr. Tim Kempter, who resides in Zürich, Switzerland.
7. The Ad Hoc Committee of Trevali Shareholders makes major decisions upon consultation with Counsel, based on a simple majority of votes, and bearing in mind the best interests of the common shareholders of Trevali.
8. As of the close of trading on August 15, 2022, I held approximately ~~383,000~~<sup>383,300</sup> common shares of Trevali. I sold all those shares on August 16, 2022. I have incurred approximately \$197,343 in losses in my investments in the common shares of Trevali.

9. I am advised by my Counsel Mr. Nematollahi, and believe, that Messrs. Brunk and Kempter have also incurred significant losses in their investments in the common shares of Trevali.
10. I do not have any conflicting interests with the interests of the other common shareholders of Trevali as of the close of trading on August 15, 2022.
11. I am advised by my Counsel Mr. Nematollahi, and believe, that the other two members of the Ad Hoc Committee of Trevali shareholders do not believe that they would have any conflicting interests with the interests of the other common shareholders of Trevali as of the close of trading on August 15, 2022.

#### **B. Trevali's Filings with Securities Regulators**

12. At the relevant time, Trevali was a publicly traded mining company incorporated under the laws of British Columbia and headquartered in Vancouver, B.C. Trevali is a reporting issuer in British Columbia and all other Canadian provinces and territories, and its main securities regulator is the British Columbia Securities Commission. At the relevant time, Trevali's securities traded on the Toronto Stock Exchange, the United States OTC market, and the Frankfurt Stock Exchange, the whole as appears in the profile of Trevali on SEDAR, a copy of which is attached hereto as **Exhibit "A"**.
13. After the close of trading on August 15, 2022, Trevali filed its disclosures with respect to the second quarter of fiscal year 2022 ("**Q2 2022**") announcing, among other things, that:
  - a. it had experienced production challenges and/or suspension of its operations at its major mining properties, the Perkoa mine and the Caribou mine;
  - b. its Q2 2022 revenue had declined 44% on a year-over-year basis;
  - c. it was taking a non-cash, after-tax impairment of \$23.7 million against the Perkoa and Caribou operations and/or assets;

- d. it would be unable to make a mandatory prepayment of approximately \$7.5 million on its revolving credit facility;

the whole as appears in Trevali's news release titled "Trevali Reports Second Quarter 2022 Results," dated August 15, 2022, a copy of which is attached hereto as **Exhibit "B"**.

14. On this announcement, the market price of Trevali's common shares on the TSX dropped by approximately 52%, from \$0.46 as of the close of trading on August 15, 2022 to \$0.22 as of the close of trading on August 16, 2022. The below chart illustrates the price of Trevali's common shares on the TSX from January 1, 2021 through to the present time. This data was retrieved by my Counsel Mr. Nematollahi from Yahoo Finance, which is a publicly accessible source that provides the historical trading data in relation to the common shares of Trevali.

☐

15. After the close of trading on August 19, 2022, Trevali announced by way of a news release, a copy of which is attached hereto as **Exhibit "C"**, that it had sought and obtained an initial order for CCAA protection.
16. Before the open of the market on August 22, 2022, Trevali issued a news release, a copy of which is attached hereto as **Exhibit "D"**, reporting among other things that:

- a. the trading in its common shares had been halted on the Toronto Stock Exchange, and it was expected to be halted also on the United States OTC market, the Lima Stock Exchange and the Frankfurt Stock Exchange;
  - b. the company expects that the common shares may be delisted from trading on the Toronto Stock Exchange and the other exchanges in due course; and
  - c. two of its directors, Mr. Nick Popovic and Ms. Aline Côté, had resigned from the board of directors of Trevali.
17. Please note that in commissioning this affidavit, the deponent was not physically present before the commissioner, but was linked with the commissioner utilizing video technology and the process described below was utilized to remotely commission an affidavit.
18. While connected via video technology, the deponent showed the commissioner the front and back of the deponent's current government-issued photo identification and the commissioner compared the video image of the deponent and the information in the deponent's government issued photo identity document. The commissioner was reasonably satisfied that it was the same person and that the document was valid and current. The commissioner took a screen shot of the front and bac of the deponent's government-issued photo identify document and retained it.
19. The commissioner and the deponent both had a copy of the affidavit, including all exhibits, before each of them while connected via video technology.
20. The commissioner and the deponent reviewed each page of the affidavit and exhibits to verify that the pages were identical and initiated each page in the lower right corner.
21. At the conclusion of the review, the commissioner. Administered the oath, and the deponent swore or affirmed that the deponent had read the affidavit, understood

the affidavit, and swore or affirmed the truth of the facts, and the commissioner watched the deponent sign the deponent's name to the affidavit.

- 22. The deponent sent the signed affidavit with exhibits electronically to the commissioner.
- 23. Before completing the affidavit, the commissioner compared each page of the copy received from the deponent against the initialed copy that was before the commissioner in the video conference and affixed the commissioner's name to the jurat only upon being satisfied that the two copies were identical.

AFFIRMED BEFORE ME via video )  
technology while I was able to identify the )  
witness, this \_\_\_\_ day of August, 2022. )  
)  
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)  
)  
)

\_\_\_\_\_  
TAEK SOO SHIN  
LSO # 85691Q  
A COMMISSIONER OF OATHS



\_\_\_\_\_  
Michael Demmer  
Saint John, New Brunswick



THIS IS EXHIBIT "A" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS \_\_\_\_\_ DAY OF  
AUGUST, 2022.

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TAEK SOO SHIN  
LSO # 85691Q  
A COMMISSIONER OF OATHS



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## Trevali Mining Corporation

### P R O F I L E

<b>Mailing Address:</b> Suite 2600 - 595 Burrard Street Vancouver, BC V7X 1L3	<b>Head Office Address:</b> Suite 1900 - 999 West Hastings Street Vancouver, BC V6C 2W2
<b>Contact Name:</b> Steven Molnar	<b>Principal Regulator:</b> British Columbia
<b>Business e-mail address:</b> smolnar@trevali.com	<b>Short Form Prospectus Issuer:</b> Yes
<b>Telephone Number:</b> 604 488-1661	<b>Reporting Jurisdictions:</b> British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, North West Territories, Yukon, Nunavut
<b>Fax Number:</b> 604 629-1425	<b>Stock Exchange:</b> TSX, United States - Other, Frankfurt, Other
<b>Date of Formation:</b> Dec 31 1993	<b>Stock Symbol:</b> TV
<b>Jurisdiction Where Formed:</b> British Columbia	<b>Auditor:</b> PricewaterhouseCoopers LLP
<b>Industry Classification:</b> metals and minerals - mining	<b>General Partner:</b>
<b>CUSIP Number:</b> 895318	<b>Transfer Agent:</b> Computershare Investor Services Inc.
<b>Financial Year-End:</b> Dec 31	<b>Size of Issuer (Assets):</b> \$500,000,001 to \$1,000,000,000

**VIEW THIS COMPANY'S DOCUMENTS**

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**HOME** **SITE MAP**

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Visit the **XBRL Voluntary Filing Program** for information about XBRL and the voluntary program.  
for information about XBRL software and viewing XBRL financial statements.

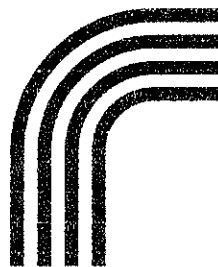


THIS IS EXHIBIT "B" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS \_\_\_\_\_ DAY OF  
AUGUST, 2022.

---

TAEK SOO SHIN  
LSO # 85691Q  
A COMMISSIONER OF OATHS

A handwritten signature in black ink, appearing to be the name 'TAEK SOO SHIN' written in a cursive style.



# TREVALI

## Trevali Reports Second Quarter 2022 Results

VANCOUVER, BC, Aug. 15, 2022 /CNW/ - **Trevali Mining Corporation** ("Trevali" or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREVF) (Frankfurt: 4TI) today released financial and operating results for the three and six months ended June 30, 2022. All amounts herein are reported in United States dollars ("US\$") unless otherwise specified.

### FINANCIAL AND OPERATIONAL HIGHLIGHTS FOR THE SECOND QUARTER OF 2022

- **Zinc payable production of 34.5 million pounds** due to the suspension of operations at the Perkoa mine and production challenges at the Caribou mine partially offset by positive performance from Rosh Pinah.
- **C1 Cash Cost<sup>1</sup> and AISC<sup>1</sup> of \$1.19 and \$1.61 per pound, respectively**, 12% and 32% increases from the prior quarter due to a combination of factors, including higher direct operating costs from continuing inflationary pressures across the portfolio, lower payable zinc volume contribution from Perkoa and Caribou, and higher than planned sustaining capital.
- **Caribou's full-year production and cost guidance has been suspended and the operation is under review**, following continued operational performance issues due to low productivity rates and equipment and operator availability, from the mining contractor.
- **Perkoa operations remain suspended** following the April 16<sup>th</sup> flooding event that resulted in eight fatalities and the suspension of mining and milling operations. Costs related to the flooding event for Q2 amount to \$15.2 million. Operating cost and production guidance at Perkoa remain suspended.
- **A non-cash, after-tax impairment of \$23.7 million was recorded on the Perkoa and Caribou operations and near-mine exploration asset at Perkoa.**
- **Revised full-year guidance for Rosh Pinah for 2022 with production guidance of 62 ± 66 million pounds of payable zinc, a C1 Cash Cost<sup>1</sup> of \$0.84 – 0.90/lb and AISC<sup>1</sup> of \$1.22 – 1.28/ lb.**
- **Q2 2022 revenues of \$52.0 million, a decrease of 44% over the prior quarter**, due to the suspension of operations at Perkoa and Caribou operational underperformance.
- **Adjusted EBITDA<sup>1</sup> of \$9.2 million, a decrease of 78% over the prior quarter**, primarily due to the Perkoa mine's suspension of operation on April 16, 2022 and Caribou operational underperformance.
- **Net Debt<sup>1</sup> for Q2 2022 decreased from \$81.8 million at March 31, 2022, to \$59.4 million** due to the timing of collection of settlement receivables built up from Q1 2022.

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- **Updated RP2.0 expansionary capital cost to \$121 million with an estimated commissioning date of Q4 2024**, assuming financing is in place by the end of Q3 2022 and a full funding decision is made. Guidance on the \$20 million Early Works program included in the \$121 million, has been suspended and is under review.
- **Financing Initiative to fund the RP2.0 expansion project and refinance the existing debt that matures in September of 2022**, which had progressed with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company, has not sufficiently advanced in a manner that will allow for the refinancing to be completed prior to the maturity of existing Debt Facilities, if at all.
- **A Strategic Review process was initiated in Q2, in parallel to the Financing Initiative**, to solicit proposals for a broad range of transaction alternatives including a potential investment in Trevali and the potential sale of all or part of the business and assets of Trevali. Following recent developments, there can be no assurance that the Strategic Review process will progress in a fashion that will allow for the culmination of a transaction in a timely manner or sufficient value to refinance the Debt Facilities.
- **Based on a review of its available liquidity, the Company anticipates that it will not be in a position to make a mandatory prepayment of approximately \$7.5 million on its revolving credit facility when such payment is due on August 17, 2022.** The Company remains in discussions with its senior lenders regarding this anticipated breach of the terms and potential default of the Facility.

		YTD Q2'22	YTD Q2'21	YoY	Q2'22	Q1'22	Q2'21	Q2'22 vs Q1'22	Q2'22 vs Q2'21
Zinc payable production	Mlbs	96.8	162.2	-40%	34.5	62.3	87.3	-45%	-60%
Lead payable production	Mlbs	13.4	15.6	-14%	6.8	6.6	9.7	3 %	-30%
Silver payable production	Moz	0.2	0.4	-50%	0.1	0.1	0.3	0 %	-67%
Revenue	\$	145,151	173,061	-16%	52,040	93,111	101,105	-44%	-49%
Adjusted EBITDA <sup>1</sup>	\$	50,621	56,533	-10%	9,192	41,429	32,042	-78%	-71%
Operating cash flows before working capital	\$	25,088	48,982	-49%	(21,303)	46,391	33,530	-146%	-164%
Net (loss) income	\$	(42,154)	1,367	-3,184%	(62,209)	20,055	3,877	-410%	-1705%
Net (loss) income per share	\$	(0.43)	0.01	-4400%	(0.63)	0.20	0.04	-415%	-1675%
C1 Cash Cost <sup>1</sup>	\$/lb	1.10	0.86	28 %	1.19	1.06	0.84	12 %	42 %
AISC <sup>1</sup>	\$/lb	1.36	0.98	39 %	1.61	1.22	0.97	32 %	66 %
Sustaining capital expenditure <sup>1</sup>	\$	21,853	15,861	38 %	12,851	9,002	9,211	43 %	40 %
Expansionary capital <sup>1</sup>		5,001	7,710	-35%	2,288	2,713	3,596	-16%	-36%
Exploration expenditure	\$	782	3,752	-79%	469	313	2,068	50 %	-77%

## BUSINESS OVERVIEW

Trevali is a global base-metals mining company, headquartered in Vancouver, Canada. The bulk of the Company's revenue is generated from base-metals mining at the 90%-owned Perkoa mine in Burkina Faso (which mine's operations are currently suspended following a flooding event that occurred April 16, 2022), the 90%-owned Rosh Pinah mine in Namibia and the wholly owned Caribou mine in New Brunswick. 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. The shares of the Company 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 ( ) and to Canadian regulatory filings on SEDAR at

<sup>1</sup> See "Use of Non-IFRS Financial Performance Measures".

## PERKOA MINE FLOODING EVENT INVESTIGATION, ACTIONS UNDERTAKEN AND CURRENT STATUS

Intense and unseasonal rainfall on April 16, 2022, near the Perkoa mine created a flash flood that entered the mine property and breached the mine's safety controls, flooding the underground mine, preventing eight workers from evacuating the mine. A summary of the results of Trevali's investigation of the flooding event was previously provided to the Burkina Faso Ministry of Mines and Quarries, and additional information regarding actions taken and external expert analysis was provided to the Ministry. The Company and its management team have worked closely with the Burkinabe authorities throughout the search and recovery efforts at the mine, with daily briefings at the site as well as regular inspections of the operations. In addition, pursuant to applicable Burkina Faso law, an independent investigation into the flood event was initiated by the Public Prosecutor. Trevali and its personnel have been cooperating fully with the investigation which remains ongoing. The bodies of the eight workers were recovered in May and June and returned to their families, except for the two expatriates that still need to be repatriated to their home country. All of us at Trevali grieve their loss.

By late July, more than 165 million litres of water and more than 9,000 cubic metres of solids had been removed from the mine. Perkoa is now dewatered to the lowest mine level, Level 710, all damaged equipment has been recovered, and all areas of the mine are fully accessible. A significant amount of mine rehabilitation work is already complete, including re-establishing the electrical and communication systems, ventilation, egress and entrapment infrastructure, backfilling of voids, inspecting the adequacy of ground support after the flooding event and ensuring that there are no underground stability concerns. All permits remain in good standing.

### Site investigation learnings

Trevali and various expert consultants have investigated the circumstances of the extreme rainfall event and have reached several conclusions and the Company has committed to actions to prevent the catastrophic outcome of any future potential flood from occurring at Perkoa. While we are unable to prevent an extreme weather event, the result of the investigation allows us to determine some key lessons that can prevent similar catastrophic results in the future, and which may also be applicable across the mining industry:

- **Historical climate data used for assumptions:** Floods and other extreme weather events are becoming more intense and frequent as our climate warms. Historically, we have been able to predict these extreme events by observing how often they occurred in the past. The frequency and magnitude of past extreme events are no longer a reliable indicator. We need to review and modify our plans, procedures, and designs to ensure they can counter these new risks.
- **Design criteria:** The flood protection design criteria at Perkoa did not anticipate the intensity, scale, or timing of the rainfall and flooding event. The mining industry and others are making the transition to more robust designs for facilities, especially tailings dams, by performing an analysis of consequences to provide data for the design. It is important to validate the current designs and conduct an analysis of structures and facilities in place, and challenge this against the shifts that climate change has brought.
- **Data quality:** Historically, many rainfall data collection stations provide only daily returns, leading to potential gaps in understanding of short-term intense rain events. Quality data is needed to understand the potential for weather events of short duration but of greater intensity, like the one that occurred at Perkoa.
- **Design and implementation of modern early warning and response time systems:** The flooding at the mine was caused by extreme rain falling some distance from the site. To manage this risk, early warning systems on-site that can predict off-site events are needed. Modern detection tools based upstream of all sites and connected to on-site warning systems will improve both situational awareness and emergency response times.

## Flood response actions taken to date

The investigation of the flooding event has resulted in Trevali taking several actions to minimize the impacts of future weather events at Perkoa, and prevent any future flooding of the underground operations, including:

- Raised the flood protection berm along the existing berm alignment to protect the open pit against flooding for a 1:10,000-year event. The guidance to raise the berm follows expert hydrologic modelling conclusions that indicated that the flooding event occurred following an intense rainfall over a period of approximately 45 minutes, which corresponds with a return period of approximately 300 to 500 years;
- Installed an early warning system that provides updated weather reporting, real-time weather and rain monitoring and real-time stream water level indication with automatic triggers when there is a potential flood risk;
- Improved emergency management plans with the inclusion of predictive triggers such as: predictive alerting and smart IOT sensors that detect changes in water levels and various weather parameters (wind, rain, lightning, pressure) to trigger an evacuation in advance of a significant weather event impacting the site.

The Company is also reviewing its design infrastructure at its other mine sites and will consider implementing similar measures if deemed appropriate. Insurance claims have been filed related to dewatering, rehabilitation, and the replacement of mining, electrical, ventilation, and other equipment damaged from the mine flood. Subject to approval by the Burkina Faso authorities, the Company is undertaking precursory activities to ensure operational readiness. The Ministry of Mines and Quarries is currently reviewing the Perkoa restart plan. Operating cost and production guidance at Perkoa remain suspended.

<sup>1</sup> See "Use of Non-IFRS Financial Performance Measures".

## GUIDANCE AND OUTLOOK

Although the performance of Rosh Pinah continues to be consistent, the second quarter was challenging at Perkoa and Caribou. The April 16<sup>th</sup> flooding event that triggered an evacuation of the Perkoa Mine and the suspension of mining and milling operations, global inflationary impacts and continued challenges in contract miner productivity and equipment and operator availability at Caribou have resulted in lower production results and higher costs.

The Company is experiencing significant cost inflation since initial guidance was provided in January, with the prices of key consumables remaining materially above 2021 levels. Notable examples include explosives, diesel, grinding media, and ocean freight rates.

Operating cost and production guidance at Perkoa remain suspended and Caribou's full year production and cost guidance has been suspended and the operation is under review.

Management of the Company revises Rosh Pinah production and cost guidance. Annual production guidance at Rosh Pinah Mine is now estimated at between 62 – 66 million pounds of payable zinc (previous: 58 – 66); guidance of 16 – 18 million pounds of payable lead remains unchanged; and 168 – 178 thousand ounces of payable silver (previous: 158 – 178). C1 Cash Cost<sup>1</sup> guidance is estimated between \$0.84 – \$0.90 per pound of zinc (previous: \$0.71 – \$0.78) and AISC<sup>1</sup> is expected to range between \$1.22 – \$1.28 per pound of zinc (previous: \$1.07 – \$1.17).

### Revised Consolidated 2022 Production Guidance <sup>2</sup>

Payable Production by Asset	Actuals	Revised Guidance <sup>2</sup>	Previous Guidance <sup>2</sup>
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	Q1 2022	Q2 2022	FY 2022	FY 2022
<b>Zinc Production (Million lbs)</b>				
Perkoa (100%) <sup>3</sup>	36.3	6.5	suspended	128 – 145
Rosh Pinah (100%) <sup>3</sup>	17.1	16.7	62 – 66	58 – 66
Caribou	9.0	11.3	suspended	60 – 68
<b>Total Zinc Production<sup>4</sup></b>	<b>62.4</b>	<b>34.5</b>		<b>247 – 280</b>
<b>Lead Production (Million lbs)</b>				
Rosh Pinah (100%) <sup>3</sup>	3.4	3.7	unchanged	16 – 18
Caribou	3.2	3.1	suspended	20 – 23
<b>Total Lead Production<sup>4</sup></b>	<b>6.6</b>	<b>6.8</b>		<b>36 – 41</b>
<b>Silver Production (Thousand ozs)</b>				
Rosh Pinah (100%) <sup>3</sup>	41	43	168 – 178	158 – 178
Caribou	86	78	suspended	530 – 600
<b>Total Silver Production<sup>4</sup></b>	<b>128</b>	<b>122</b>		<b>688 – 778</b>

## Revised 2022 Consolidated Operating Cost Guidance<sup>2</sup>

Production costs (US\$/lb)	Actuals		Revised Guidance <sup>2</sup>		Previous Guidance <sup>2</sup>	
	Q1 2022	Q2 2022	FY 2022		FY 2022	
<b>C1 Cash Cost<sup>1</sup></b>						
Perkoa <sup>3</sup>	1.10	1.44	suspended	0.93	–	1.01
Rosh Pinah <sup>3</sup>	0.59	0.69	0.84 – 0.90	0.71	–	0.78
Caribou	1.74	1.79	suspended	0.85	–	0.93
<b>Consolidated</b>	<b>1.06</b>	<b>1.19</b>		<b>0.85</b>	–	<b>0.93</b>
<b>AISC<sup>1</sup></b>						
Perkoa <sup>3</sup>	1.16	1.59	suspended	0.98	–	1.08
Rosh Pinah <sup>3</sup>	0.80	1.24	1.22 – 1.28	1.07	–	1.17
Caribou	2.27	2.15	suspended	1.10	–	1.20
<b>Consolidated</b>	<b>1.22</b>	<b>1.61</b>		<b>1.03</b>	–	<b>1.13</b>

Sustaining capital guidance at Rosh Pinah was revised to \$27 million from \$24 million and suspended at Perkoa and Caribou. Planned \$2.0 million in exploration capital is unchanged while the Early Works program at Rosh Pinah is under review and guidance suspended.

## Revised 2022 Consolidated Capital Expenditure Guidance<sup>2</sup>

Capital Expenditures (US\$m)	Revised Guidance <sup>2</sup>		Previous Guidance <sup>2</sup>	
	FY 2022		FY 2022	
Perkoa <sup>3</sup> - sustaining	suspended		7	
Rosh Pinah <sup>3</sup> - sustaining	27		24	
Caribou - sustaining	suspended		12	
Expansionary	suspended		20	
Exploration	2		2	
<b>Consolidated</b>			<b>61 - 68</b>	

## FINANCING INITIATIVE AND STRATEGIC REVIEW PROCESS

The Company appointed Endeavour Financial in September 2021 to advise the Company on the formation of a lending syndicate, coordinate lender due diligence and negotiate financing documentation with the objective of providing a competitive non-equity financing solution for the RP2.0 expansion project at Rosh Pinah and refinancing both the existing Facility and Glencore Facility which mature in September 2022. The Company is in negotiations with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company for a potential financing package (the "Financing Initiative").



Following recent developments, the Financing Initiative which had progressed with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company, has not sufficiently advanced in a manner that will allow for the refinancing to be completed prior to the maturity of existing Debt Facilities, if at all.

In May 2022, in parallel with the Financing Initiative, the Company engaged a financial advisor to conduct a strategic review process (the "Strategic Review") in order to solicit proposals for a broad range of transaction alternatives including a potential investment in Trevali and the potential sale of all or part of the business and assets of Trevali. Following recent developments, there can be no assurance that the Strategic Review process will progress in a fashion that will allow for the culmination of a transaction in a timely manner or sufficient value to refinance the Debt Facilities.

<sup>1</sup> See "Use of Non-IFRS Financial Performance Measures"

<sup>2</sup> 2022 guidance constitutes forward-looking information; see "Cautionary Note Regarding Forward-Looking Statements".

<sup>3</sup> Trevali's ownership interest is 90% of Perkoa mine and 90% of Rosh Pinah mine.

<sup>4</sup> Totals may not add due to rounding.

## GOING CONCERN IMPLICATIONS

As at June 30, 2022, the Company had \$64.7 million of available liquidity, comprised of cash and cash equivalents of \$41.7 million and \$23.0 million of available liquidity from the revolving credit facility (the "Facility"). As both the Facility and a second lien secured facility agreement with Glencore of \$13.0 million (the "Glencore Facility") (together, the "Debt Facilities") are due for repayment at maturity on September 18, 2022, a period of less than twelve months, these balances are classified as current liabilities.

Continuation as a going concern is dependent upon the Company's ability to generate sufficient cash flows from operations to sustain working capital requirements, and to source external capital to refinance the Debt Facilities in order to avoid default on maturity. Alternatively, sufficient funding will be required until a strategic alternative can be arranged, if at all. As at June 30, 2022, the Company's total current liabilities exceeded its current assets by \$41.4 million.

The Company appointed an external advisor in September 2021, with the objective of providing a competitive non-equity financing solution for the RP2.0 expansion project at Rosh Pinah and refinance the existing Debt Facilities (the "Financing Initiative"). The Company has been considering several opportunities for the financing package, including project finance debt, subordinated debt, and a silver stream on Rosh Pinah's silver production.

On April 16, 2022, a flash flood occurred at the Perkoa mine in Burkina Faso following a period of intense unseasonal rainfall. After dewatering and search efforts all eight workers' bodies that were trapped in the underground mine due to the flooding were recovered. The Company incurred \$15.2 million of direct and indirect costs between April 16 and June 30, 2022 related to dewatering efforts, infrastructure refurbishment and construction linked to repairs and rehabilitation at the mine. Additional costs related to the flooding event subsequent to June 30, 2022, continue to be incurred.

As a result of the flooding event at Perkoa, the previously announced targeted financing amount of \$200 million could no longer be relied upon and the total financing target was suspended as of May 16, 2022. In addition, the Caribou operation is under review following continued operational and financial performance issues due to low productivity rates and equipment and operator availability, from the mining contractor. The financing requirement is expected to exceed the previously targeted financing amount of \$200 million.



Following recent developments, the Financing Initiative which had progressed with several capital providers, including Standard Bank, an Export Credit Agency, Glencore, and a metal streaming company, has not sufficiently advanced in a manner that will allow for the refinancing to be completed prior to the maturity of existing Debt Facilities, if at all.

In May 2022, in parallel with the Financing Initiative, the Company engaged a financial advisor to conduct a strategic review process (the "Strategic Review") in order to solicit proposals for a broad range of transaction alternatives including a potential investment in Trevali and the potential sale of all or part of the business and assets of Trevali. Following recent developments, there can be no assurance that the Strategic Review process will progress in a fashion that will allow for the culmination of a transaction in a timely manner or sufficient value to refinance the Debt Facilities.

Based on a review of its available liquidity, the Company anticipates that it will not be in a position to make the mandatory prepayment of approximately \$7.5 million on its revolving credit facility when such payment is due on August 17, 2022. The Company remains in discussions with its senior lenders regarding this anticipated breach of the terms of the Facility.

The Company's ability to continue as a going concern is dependent upon its ability to generate cash flows from operations and to secure a financing package consisting of debt financing, equity financing and/or the sale of all or part of the business and assets of Trevali. While the Company has been successful in arranging financing in the past, it cannot be assured that the current Financing Initiative will be successful and there is no guarantee that the Company will ultimately be able to generate sufficient positive cash flow from operations or that the Company will find an acceptable strategic alternative. These circumstances indicate the existence of material uncertainties that create significant doubt as to the Company's ability to meet its obligations when due, and accordingly, continue as a going concern.

## CONSOLIDATED FINANCIAL RESULTS

The following table summarizes the change in net income (loss) YTD and Q2 2022 quarter:

	YTD Q2'22 vs YTD Q2'21	Q2'22 vs Q2'21
<b>Net income for the 2021 period</b>	\$ 1,367	\$ 3,877
Decrease in revenues	(27,910)	(49,065)
Expense components:		
Decrease in Mine operating expenses	18,084	34,608
Decrease in General and administrative	856	(285)
Increase in Impairment	(23,698)	(23,698)
Increase in Other items	(4,929)	(27,338)
Increase in Income tax expense	(5,924)	(308)
<b>Net loss for the 2022 period</b>	\$ (42,154)	\$ (62,209)

There was a net loss YTD Q2 2022 compared to a positive net income in the corresponding period of 2021 due to a combination of factors, including decreased revenue related to the suspension of mining operations at Perkoa following the flood incident on April 16, 2022 and no revenue from Santander following the sale of the Santander mine in December 2021. These were partially offset by a 37% increase in the average zinc LME price and a higher volume of lead payable sold due to the timing of shipments.

The decrease in mine operating expenses in YTD Q2 2022 compared to the corresponding period of 2021 is primarily due to the suspension of operations at Perkoa resulting in lower variable mining and milling costs and lower units of production depreciation, as well as no costs from Santander following

the sale of the Santander mine in December 2021 and partially offset by Caribou which was restarted in Q1 2021 and incurred partial mine operating expenses.

The increase in impairment is a result of the flooding event of the Perkoa underground mine on April 16, 2022, upon which the operations at the site were immediately suspended. The flooding event triggered an impairment indicator as of June 30, 2022, and, accordingly, the recoverable amounts of the Perkoa cash generating unit ("CGU") were estimated and compared against its carrying values. In addition, the carrying values of exploration and evaluation assets that would be dependent on processing ore at the Perkoa mill, and the T3 deposit, were reviewed for impairment. A non-cash impairment charge of \$17.5 million was recognized at Perkoa (\$13.5 million related to property, plant and equipment and \$4.0 million related to near-mine exploration assets). A non-cash impairment was also recognized at Caribou following the negative cash flow for consecutive quarters.

Other items in YTD Q2 2022 include an increase in the settlement mark-to-market loss on open invoices between February and May 2022 with a quotational period between June and September, due to a significant decline in the commodity prices and Perkoa flood-related costs of \$15.2 million.

There was a net loss Q2 2022 compared to a positive net income in the corresponding period of 2021 primarily due to decreased revenue related to the suspension of mining operations at Perkoa following the flood incident on April 16, 2022 as well as no revenue from Santander following the sale of the Santander mine in December 2021.

Mine operating expenses decreased in Q2 2022 compared to Q2 2021 due to the suspension of operations at Perkoa resulting in lower variable mining costs and lower units of production depreciation, and no costs from Santander following the sale of the Santander mine in December 2021.

Other items in Q2 2022 include an increase in the settlement mark-to-market loss on open invoices between February and May 2022 with a quotational period between June and September due to a significant decline in the commodity prices, the Perkoa flood-related costs of \$15.2 million and the related non-cash impairment of \$17.5 million and unrelated non-cash impairment of \$6.2 million at Caribou.

## Revenues

		YTD	YTD					Q2'22	Q2'22
		Q2'22	Q2'21	YoY	Q2'22	Q1'22	Q2'21	vs	vs
								Q1'22	Q2'21
<b>Revenues</b>									
Zinc revenue	\$	162,955	202,700	-20%	56,424	106,531	111,899	-47%	-50%
Lead and silver revenue		32,304	26,410	22%	15,032	17,272	22,316	-13%	-33%
Smelting and refining costs		(50,108)	(56,049)	-11%	(19,416)	(30,692)	(33,110)	-37%	-41%
Net revenue	\$	145,151	173,061	-16%	52,040	93,111	101,105	-44%	-49%
Average zinc LME price	\$/lb	1.74	1.27	37%	1.78	1.70	1.32	5%	35%
Average lead LME price	\$/lb	1.03	0.93	11%	1.00	1.06	0.96	-6%	4%
Average silver LBMA price	\$/oz	23.29	26.39	-12%	22.64	23.94	26.70	-5%	-15%
<b>Sales quantities</b>									
Payable zinc	Mlbs	99.7	158.9	-37%	35.6	64.1	86.4	-44%	-59%
Payable lead	Mlbs	20.9	15.2	38%	9.3	11.5	13.9	-19%	-33%
Payable silver	Mozs	0.3	0.4	-25%	0.1	0.2	0.3	-50%	-67%

The average zinc price in Q2 2022 as quoted on the LME of \$1.78 per pound increased by 5% when compared to the previous quarter and 35% compared to Q2 2021. The price of lead decreased by 6% when compared to the prior quarter while it was 4% higher when compared to the comparative quarter in 2021. The silver price decreased by 5% over the prior quarter while still 15% below the comparative quarter in 2021.

Payable zinc sales volumes decreased by 44% when compared with the prior quarter to 35.6 million pounds primarily due to the impact of limited production at Perkoa caused by the flood incident that led to the suspension of operations for the majority of the current quarter. Smelting and refining costs decreased by 37% primarily due to 44% lower zinc volumes sold, partially offset by 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). The 2022 benchmark rate applies to 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 limited production at Perkoa caused by the flood incident that led to the suspension of operations for a major part of the current quarter, no sales from Santander mine in 2022 as it was sold on December 3, 2021 and lower sales volumes at Caribou and Rosh Pinah due to lower production.

Lead revenues of \$9.3 million decreased by 19% from the prior quarter as a result of the smaller shipment that could be arranged and the 6% decrease in the lead price. The YTD 2022 increased lead sales quantities 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 2021 and the second occurred in Q2 2022. By-product revenues decreased compared to the corresponding quarter in the prior year due to the sale of Santander mine in December 2021 and lower lead production at the Rosh Pinah mine and the Caribou mine during the current quarter.

## Market Outlook

Although challenged by negative market sentiment, rising interest rates, inflationary pressures and recession risk, management of the Company believes that the outlook for the zinc market is positive. The base metals sector performed poorly in the second quarter. As measured by the LME Index, the base metal complex declined by 25%. Despite headwinds, backlogs of work for manufacturers in many parts of the world remain substantial and for the year-to-date zinc demand has been robust according to Wood Mackenzie. As highlighted in past quarters, management of the Company believes 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 opportunities to further develop the business.

Global manufacturing output has turned lower in recent months as higher interest rates and business confidence wanes in the western economies. Euro area manufacturing sector conditions continued to disappoint at the end of the second quarter. The final reading of the S&P Global Eurozone Manufacturing Purchasing Managers' Index ("PMI") for June of 52.1, fell from 54.6 in May, its lowest reading since August 2020 while the indicator of sentiment as measured by business confidence slid to a 25-month low. The manufacturing PMI for Japan came in at 52.7 in June, a decrease from 53.3 in May and marking the seventeenth consecutive improvement in the health of the manufacturing sector. Recall that a PMI reading above 50 indicates growth or expansion. The Chinese manufacturing sector registered the first expansion of output since February. Thus, at 51.7 in June, the headline seasonally adjusted general manufacturing PMI was up from 48.1 posted in the prior month; the rate of increase was the strongest since May 2021. Chinese business confidence regarding the 12-month outlook for output improved to a four-month high in June. Finally, in the US, the seasonally adjusted US Manufacturing PMI posted 52.7 in June, down from 57.0 in May. Notably, this is the lowest level since July 2020 as factory output stagnates and new orders fall. The decrease in client demand was the first in over two years. Firms stated that inflationary pressures, weak client confidence in the outlook and supply-chain disruption drove the decline.

As reported in the media in April, 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 June is \$235 per tonne cost, insurance and freight into China, higher than \$175 per tonne observed in March, and within the range of Chinese spot averages of \$285 and \$209 per tonne in 2019 and 2020, respectively.

The zinc price began the quarter at \$1.96 per pound and ended the quarter at \$1.47 per pound and traded in a very wide \$0.58 per pound range. During Q2 2022, the LME zinc price averaged \$1.78 per pound, maintaining its improvement from its pandemic low of \$0.82 per pound reached back in March 2020. LME exchange inventories decreased to 81,075 tonnes by the end of Q2 2022 versus 139,950 tonnes on March 31, 2022. Shanghai Futures Exchange zinc stocks decreased to 112,959 tonnes versus 176,177 tonnes at the end of Q1 2022. Total exchange stocks decreased into quarter end, and now stand at the equivalent of just 5 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 refined zinc stocks and strong demand continue to put upward pressure on spot zinc premiums which remain elevated. In the US high freight costs and shortages of trucking capacity have pushed spot premiums as high as 35 to 40 cents per pound, meanwhile in Europe they are in the territory of \$450 to \$500 per tonne (20.4 to 22.7 cents per pound).

## **CORPORATE DEVELOPMENTS**

On January 20, 2022, the Company announced that Trevali was working toward securing project financing for the RP2.0 expansion project and refinancing both the existing corporate revolving credit facility (the "Facility") and the secured facility agreement with Glencore (the "Glencore Facility"), maturing in September 2022. In parallel, an early works program commenced for RP2.0.

On January 24, 2022, the Company announced preliminary 2021 full year and Q4 production results and 2022 operating, capital and exploration expenditure guidance.

On January 24, 2022 and February 4, 2022, the Company announced that the Perkoa mine in Burkina Faso was unaffected by, and continued to closely monitor, the ongoing political situation.

On March 31, 2022, the Company reported its Mineral Reserves and Mineral Resources statements as of December 31, 2021. Proven and Probable Mineral Reserves increased 50% at the Rosh Pinah mine and there was a 4.9 million tonne increase in the Company's consolidated Proven and Probable Mineral Reserves, which was a 28% increase over the year ended 2020. For further 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 effective immediately.

On April 16, 2022, the Company reported a flooding event at the Perkoa mine in Burkina Faso following intense and unseasonal rainfall. The mine was evacuated, and mine rescue efforts were immediately initiated and continue to be incurred.

On April 21, 2022, the Company provided an update on search and rescue efforts at the Perkoa mine and announced the suspension of production and cost guidance at the Perkoa mine.

During May and June, the Company provided multiple updates on the dewatering progress and search efforts at the Perkoa mine, culminating with a final update on June 20, 2022, when the Company reported that the remaining missing workers were found with no survivors.

On June 28, 2022, the Company published its 2021 Sustainability Report.



On June 29, 2022, the Company announced the results of the Annual General and Special Meeting of Shareholders.

On August 3, 2022 the Company announced that it had received credit approval from Standard Bank of Namibia Limited and The Standard Bank of South Africa Limited for a Senior Secured Financing Facility of \$110 million to fund the expansion of the Company's Rosh Pinah Mine in Namibia. Closing of the Senior Secured Financing Facility is subject to a number of conditions, including the negotiation and settlement of definitive loan facility and security documentation, the execution and delivery of definitive documentation in respect of the other elements of the comprehensive financing package, including an intercreditor agreement between Standard Bank and the various subordinated secured lenders, and the consent of and release of existing security by Trevali's existing senior secured lenders. While the Company is progressing these various workstreams, there is no certainty that the conditions set out in the Standard Bank credit approval will be satisfied in a timely manner or at all. Negotiations for other components of the comprehensive funding package for RP2.0 and the refinancing of both the existing corporate revolving credit facility and Glencore loan facility, which mature in September 2022, are ongoing.

## **Q2-2022 FINANCIAL AND OPERATIONAL RESULTS CONFERENCE CALL AND WEBCAST CANCELLED**

The Company has cancelled a conference call and webcast presentation regarding the second quarter financial and operational results. For additional detail, please see Trevali's quarterly consolidated financial statements and management's discussion and analysis for the three and six months ended June 30, 2022, which are available on Trevali's website and the Company's profile on SEDAR at

## **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 TREV), 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

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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 Company's revised financial and operational guidance for fiscal 2022, including the Company's forecast AISC, C1 Cash Costs, production and capital expenditures, growth strategies, expected annual savings from capital projects, anticipated supply, demand and market outlook for commodities, future commodity prices, anticipated effects of commodity prices on revenues, estimation of Mineral Reserves and Mineral Resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production and capital expenditures, success and restart of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, future anticipated property acquisitions, the content, cost, timing and results of future exploration programs and life of mine expectancies, the approval of up to 100% of the amount of a new financing package, the completion and satisfaction of the condition precedent to receive a new financing package, the securing of additional financing from mining-focused alternative lenders, including Standard Bank, an Export Credit Agency, Glencore and a metal streaming company, before the maturity of the Debt Facilities, if at all, the timing of the release of the PEA, the proposed mining methods at Caribou and their anticipated effects on recoveries and mining flexibility, the Company's planned development activities at Caribou and their ability to extend the Caribou mine life, the restart of processing operations at the Perkoa and Caribou mines and the anticipated timing thereof, the efficacy of the Company's implemented recommendations following the incident investigation, the Company's assessment of the effect of the flooding on the safety and structural integrity of the Perkoa mine's underground areas, the delivery of critical mining equipment to replace equipment damaged in the flooding incident, the Company's expectations to fund its current liabilities from cash flows generated by operating activities and to renegotiate the Debt Facilities with current and new prospective lenders and the Company's belief that it may default on the mandatory prepayment and therefore breach the terms of the Facility. 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. 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 fact that the Company's cost, expenditure and production guidance may not accurately estimate the Company's actual costs, expenditures or production at the Company's projects; securing additional financing and the timing thereof; the anticipated default on a mandatory prepayment and therefore breach of the Facility; actual results of current exploration activities; the flooding of the Perkoa mine may have a material adverse effect on the mine and Trevali; the Company's implemented recommendations following the incident investigation may not guarantee sufficient protection; the timing of the delivery of critical mining equipment to replace equipment damaged in the flooding incident; changes in project parameters as plans continue to be refined; the suspension of the Caribou mine's full-year production and cost guidance; the review of the Caribou mine's operations; the review of the Early Works Program; the suspension of capital spending guidance of the Early Works Program; 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; results of current and planned exploration activities; 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, including the restart of operations at the Perkoa and Caribou mines, 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 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](http://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.

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





THIS IS EXHIBIT "C" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS \_\_\_\_\_ DAY OF  
AUGUST, 2022.

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LSO # 85691Q  
A COMMISSIONER OF OATHS





TREVALI

## **Trevali Receives Initial Order for CCAA Protection and Provides Operations Update**

VANCOUVER, BC, Aug. 19, 2022 /CNW/ - **Trevali Mining Corporation** ("Trevali Corp." or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREVF) (Frankfurt: 4TI) announces today that the Company as well as its wholly-owned subsidiary Trevali Mining (New Brunswick) Ltd. ("Trevali NB" and, together with Trevali Corp., "Trevali") have received an Initial Order for creditor protection (the "Initial Order") from the British Columbia Supreme Court (the "Court") under the *Companies' Creditors Arrangement Act* (the "CCAA"). Trevali made its application to Court for the Initial Order on August 19, 2022.

After careful consideration of Trevali's cash position, scheduled debt payments, forecast revenue and expenses, all available alternatives to an application for creditor protection, and following thorough consultation with legal and financial advisors, the board of directors of the Company determined that it is in the best interests of Trevali and all of its stakeholders to file an application for creditor protection under the CCAA.

The Initial Order being sought includes, among other things: (i) a stay of creditor claims and proceedings in favour of Trevali Corp. and Trevali NB; and (ii) the appointment of FTI Consulting Canada Inc. as court-appointed monitor of Trevali (in such capacity, the "Monitor"). While under creditor protection, Trevali will consider all available transactional and restructuring options with a goal of maximizing value for the Company and its stakeholders.

Following receipt of the Initial Order, Trevali intends to continue to operate throughout the CCAA proceedings. Management of Trevali is expected to remain responsible for the day-to-day operations, under the general oversight of the Monitor.

Trevali will continue to fund itself during the CCAA proceedings through cash on hand and cash flow generated at the Rosh Pinah Mine.

Information about the marketing process and other materials filed in connection with the CCAA can be found on the Monitor's website at:

### **Caribou Mine to be placed on care and maintenance**

Following review of its operations at the Caribou Mine ("Caribou") in New Brunswick, the Company has suspended operations due to operational and financial challenges.

"The decision to suspend operations is a difficult but necessary step to address challenges at the Caribou Mine," said Ricus Grimbeek, President and CEO. "This was not an action taken lightly and we are aware of the uncertainty created and impacts this decision has on the community and on our team. The Trevali team have worked hard to improve the mine's position and Trevali appreciates their dedication."

The mine will be put on a care and maintenance program immediately to preserve the value of the mineral resource and mine assets and protect the environment in the mine's vicinity. While mining

and milling activities have been wound down, those employees dedicated to environmental compliance and general maintenance activities at the mine site will continue. No timeline for a potential restart of operations has been defined.

### **Senior Credit Facility Update**

As previously indicated on August 15, 2022 in its second quarter results filing, the Company did not make a mandatory prepayment of approximately \$7.5 million on its senior secured revolving credit facility when payment came due on August 17, 2022.

The Company remains in discussions with its senior lenders regarding this event of default under the credit facility.

### **State of other mining operations**

In addition to the update provided above on Caribou and financing, the Company provides a status update on its two other primary assets:

**Rosh Pinah** – On August 15, the Company revised full-year production and cost guidance for the Rosh Pinah Mine for 2022 with production guidance of 62 – 66 million pounds of payable zinc, a C1 Cash Cost<sup>1</sup> of \$0.84 – 0.90/lb and AISC<sup>1</sup> of \$1.22 – 1.28/ lb. The Early Works program at Rosh Pinah is under review and the expansion project has been suspended while the Company pursues a financing initiative.

**Perkoa** – Perkoa mining and milling operations remain suspended following the April 16th flooding event. Operating cost and production guidance at the Perkoa Mine remain suspended.

### **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. Trevali is committed to socially responsible mining, working safely, ethically, and with integrity.

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 4T1). For further details on Trevali, readers are referred to the Company's website ( ) and to Canadian regulatory filings on SEDAR at . All amounts herein are reported in United States dollars ("US\$") unless otherwise specified.

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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 Company's intention to continue to operate throughout the CCAA proceedings, the Company's expectations to remain responsible for the day-to-day operations, under the general oversight of the Monitor, the Company's expectations to fund its operations from cash flows generated by the Rosh Pinah Mine. 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. 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 CCAA proceedings and the impact of the same on the Company's operations; securing financing or undertaking a restructuring transaction and the timing thereof; the transition of the Caribou mine to care and maintenance; ; the suspension of capital spending guidance of the Early Works Program; 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; results of current and planned exploration activities; 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, including the restart of operations at the Perkoa and Caribou mines, 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 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 <https://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.

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**For further information:** Investor Relations Contact: Jason Mercier - Director, Investor Relations,  
Email: [jmercier@trevali.com](mailto:jmercier@trevali.com), Phone: +1 (778) 655-6084

CO: Trevali Mining Corporation

CNW 20:40e 19-AUG-22

THIS IS EXHIBIT "D" MENTIONED AND REFERRED TO  
IN THE AFFIDAVIT OF MICHAEL DEMMER AFFIRMED  
BEFORE ME VIA VIDEO TECHNOLOGY WHILE I WAS  
ABLE TO IDENTIFY THE WITNESS, THIS \_\_\_\_\_ DAY OF  
AUGUST, 2022.

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LSO # 85691Q  
A COMMISSIONER OF OATHS





TREVALI

## Trevali Announces Trading Halt for Common Shares and Provides Corporate Update

VANCOUVER, BC, Aug. 22, 2022 /CNW/ - **Trevali Mining Corporation** ("Trevali" or the "Company") (TSX: TV) (BVL: TV) (OTCQX: TREVF) (Frankfurt: 4TI) announces that, following receipt of the initial order (the "Initial Order") from the Supreme Court of British Columbia under the *Companies' Creditors Arrangement Act* ("CCAA"), trading of the common shares of the Company (the "Common Shares") on the Toronto Stock Exchange (the "TSX") have been halted. The trading of the Common Shares is also expected to be halted on the Lima Stock Exchange, OTCQX and Frankfurt Stock Exchange. The Company expects that as a result of having filed for protection under the CCAA, the Common Shares may be delisted from trading on the TSX and other exchanges in due course.

A comeback hearing in respect of the relief granted pursuant to the Initial Order (the "Comeback Hearing") has been scheduled for Monday, August 29, 2022. Interested parties that wish to bring a motion at the Comeback Hearing are required to provide notice to the affected parties prior to the Comeback Hearing pursuant to the requirements set forth in the Initial Order.

A copy of the Initial Order and other materials filed in connection with the CCAA can be found on the Monitor's website at: <http://cfcanada.fticonsulting.com/trevali/>.

### Resignation of Directors

The Company also announces that Nick Popovic and Aline Cote have resigned from the board of directors of the Company. The Company thanks Mr. Popovic and Ms. Cote for their many valuable contributions to the board.

### Perkoa Mine Update

In addition, Trevali confirms media reports that a Perkoa Mine ("Perkoa") manager as well as a manager from Byrnegut, the Company's mining contractor, are being detained by authorities near the mine site in west-central Burkina Faso pending a trial on charges relating to the April 16, 2022 flooding event at Perkoa. Charges relating to this matter have also been filed against Nantou Mining (Burkina Faso) S.A. ("Nantou"), Trevali's 90% owned subsidiary and the operator of Perkoa. The Company is working with its legal representatives to seek the release of the detained individuals.

Intense and unseasonal rainfall on April 16, 2022 near Perkoa created a flash flood that entered the mine property and breached the mine's safety controls, flooding the underground mine and resulting in the deaths of eight workers. Perkoa mining and milling operations remain suspended following the April 16th flooding event.

### 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. Trevali is committed to socially responsible mining, working safely, ethically, and with integrity.

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