MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2020

TREVALI

This Management's Discussion & Analysis ("MD&A") is dated as of November 3, 2020 and should be read in conjunction with the condensed interim consolidated financial statements and notes thereto for the three and nine months ended September 30, 2020 and the audited consolidated financial statements and notes thereto for the year ended December 31, 2019. In this MD&A, a reference to "Trevali", the "Company" or "our" refers to Trevali Mining Corporation and its subsidiaries. Additional information about Trevali, including the Annual Information Form and Management's Discussion and Analysis for the year ended December 31, 2019, is available on SEDAR at www.sedar.com.

This MD&A contains certain forward-looking information and forward-looking statements. Please refer to the cautionary language under the heading "Notes to Reader".

FINANCIAL AND OPERATIONAL HIGHLIGHTS FOR THE THIRD QUARTER 2020

(Compared to second quarter 2020, unless otherwise noted)

- **Excellent safety performance with 20% reduction to the Total Recordable Injury Frequency rate year to date** when compared to the same period in 2019.
- **Perkoa, Rosh Pinah and Santander are all producing at full capacity.** Santander restarted operations on July 15, 2020.
- **13% increase to zinc payable production and 13% decrease to costs.** Achieved zinc payable production of 74 million pounds at a C1 Cash Cost[1] of $0.81/lb and AISC[1] of $0.91/lb.
- **$17.1 million of operating cashflows before changes in working capital,** due to the implementation of T90 initiatives and the recovery in commodity prices with all operations contributing positively.
- **Adjusted EBITDA[1] of $11.2 million, an increase of $16.9 million over Q2** due to an increase in the zinc price (quarterly average of $1.06/lb) despite reduced sales volumes due to timing of shipments.
- **Revenues increased by 17% contributing to positive earnings for the quarter,** together with a reduction in operating costs, in particular freight rates.
- **Issued positive Pre-Feasibility Study ("PFS") for the RP2.0 Expansion project in August.** Increases production capacity at Rosh Pinah by 86% and significantly reduces operating costs.
- **Initiated a hedging program covering approximately 50% of zinc production (72.5Mlbs) over the period October 2020 to March 2021** through a combination of forward swaps and put options.
- **Net Debt[1] of $129.9 million as at September 30, 2020 reduced by $10.8 million as at October 31, 2020,** a result of the collection of receivables largely related to sales from Q3.
- **Updated 2020 guidance confirmed.** Zinc production for H2 2020 between 148 – 163 million pounds of payable zinc, C1 Cash Cost[1] of $0.80 – $0.88/lb and AISC[1] of $0.89 – $0.97/lb.

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Zinc payable production	Mlbs	238.8	312.6	–24%	74.1	65.8	106.8	13%	–31%
Lead payable production	Mlbs	21.5	36.5	–41%	6.1	4.7	13.6	30%	–55%
Silver payable production	Moz	0.6	1.1	–45%	0.1	0.1	0.4	0%	–75%
Revenue	$	144,798	294,644	–51%	50,157	42,689	87,135	17%	–42%
Adjusted EBITDA[1]	$	(1,141)	86,500	–101%	11,214	(5,709)	22,487	296%	–50%
Net (loss) income	$	(193,864)	(31,578)	–514%	1,122	(19,381)	(16,131)	106%	107%
(Loss) Income per share	$	(0.24)	(0.04)	–500%	0.00	(0.02)	(0.02)	100%	100%
C1 Cash Cost[1]	$/lb	0.91	0.88	3%	0.81	0.93	0.84	–13%	–4%
AISC[1]	$/lb	1.03	1.01	2%	0.91	1.05	0.96	–13%	–5%
Sustaining capital expenditure[1]	$	26,326	36,253	–27%	6,665	7,033	11,975	–5%	–44%
Exploration expenditure	$	3,728	7,607	–51%	143	421	2,576	–66%	–94%

Conversion of tonnes to pounds, 1 tonne = 2,204.62 pounds or lbs.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

(in United States dollars, tabular amounts in thousands except where noted)

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 its three operational assets: the 90%-owned Perkoa Mine in Burkina Faso, the 90%-owned Rosh Pinah mine in Namibia, and the wholly owned Santander mine in Peru. In addition, Trevali owns the Caribou mine, Halfmile and Stratmat properties and the Restigouche deposit in New Brunswick, Canada, and the past producing Ruttan mine in northern Manitoba, Canada. The Caribou mine was placed on care and maintenance on March 26, 2020. Trevali also owns an effective 44% interest in the Gergarub project in Namibia, as well as an option to acquire a 100% interest in the Heath Steele deposit located in New Brunswick, Canada. The shares of 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 (www.trevali.com) and to Canadian regulatory filings on SEDAR at www.sedar.com.

T90 PROGRAM

In November 2019, Trevali launched the T90 business improvement program which originally targeted a reduction in AISC[1] to $0.90 per payable pound of zinc by the beginning of 2022 through achieving annual sustainable efficiencies of $50 million. In response to market conditions as a result of the COVID-19 pandemic, the scope of cost benefits under the T90 business improvement program have been accelerated and expanded.

During Q3 2020, the Company continued on its path to transform the business through the implementation and acceleration of the T90 program and additional one-time cost reduction initiatives. The result supports the acceleration of the T90 business improvement program to reach an AISC[1] of $0.90 per pound by the beginning of 2021, a full year earlier than originally planned. As of the date of this MD&A, the program is forecast to deliver $43 million of recurring annualized efficiencies in 2020, of which $41 million has already been delivered.

Improvements delivered by the T90 program during Q3 2020 reduced AISC[1] by approximately $0.08 per pound and increased revenues and Adjusted EBITDA[1] by approximately $0.9 million and $6.8 million, respectively.

FINANCIAL AND OPERATIONAL SUMMARY

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Production									
Ore mined	t	1,832,860	2,359,496	–22%	558,044	513,462	824,935	9%	–32%
Ore milled	t	1,815,931	2,412,079	–25%	532,033	504,144	838,543	6%	–37%
Zinc head grade		8.1%	8.1%	0%	8.5%	7.9%	7.9%	8%	8%
Lead head grade		1.2%	1.4%	–14%	1.1%	0.0%	1.5%	100%	–27%
Silver head grade	(ozs/t)	1.0	1.4	–29%	0.9	0.8	1.3	13%	–31%
Zinc recovery		88.0%	86.8%	1%	88.3%	88.5%	87.1%	0%	1%
Lead recovery		72.5%	66.4%	9%	77.3%	75.9%	69.6%	2%	11%
Silver recovery		48.8%	45.8%	7%	49.9%	54.6%	45.9%	–9%	9%
Zinc payable	Mlbs	238.8	312.6	–24%	74.1	65.8	106.8	13%	–31%
Lead payable	Mlbs	21.5	36.5	–41%	6.1	4.7	13.6	30%	–55%
Silver payable	Moz	0.6	1.1	–45%	0.1	0.1	0.4	0%	–75%
Cost per unit									
C1 Cash Cost[1]	$/lb	0.91	0.88	3%	0.81	0.93	0.84	–13%	–4%
AISC[1]	$/lb	1.03	1.01	2%	0.91	1.05	0.96	–13%	–5%

[1] *See "Use of Non-IFRS Financial Performance Measures".*

(in United States dollars, tabular amounts in thousands except where noted)

Consolidated quarterly production increased by 13% in Q3 2020 to 74.1 million pounds of payable zinc as compared to 65.8 million pounds in Q2 2020 primarily due to the lower zinc head grades in Q2 2020 at Perkoa as lower grade stopes were mined in accordance with the mine plan. Zinc payable production reduced by 31% compared to Q3 2019 as Caribou's operations were on care and maintenance during 2020.

C1 Cash Cost[1] of $0.81 per pound in Q3 2020 as compared to $0.93 per pound in Q2 2020 benefited from the cost savings and efficiencies of the T90 program, a reduction in freight rates and an increase in zinc payable production described above. These benefits have been offset by a reduction in by-product credits as there were no lead concentrate sales at Rosh Pinah as per plan. Similar to C1 Cash Cost[1], AISC[1] has decreased by the same 13% when compared to Q2 2020 while the impact of the increase in capital expenditures was fully offset by the increase in production.

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Revenues	$	144,798	294,644	–51%	50,157	42,689	87,135	17%	–42%
Zinc payable sales	Mlbs	228.7	329.6	–31%	65.3	72.3	111.1	–10%	–41%
Average zinc LME price	$/lb	0.97	1.18	–18%	1.06	0.89	1.06	19%	0%
EBITDA[1]	$	(163,832)	52,176	–414%	15,368	(4,312)	12,945	456%	19%
Adjusted EBITDA[1]		(1,141)	86,500	–101%	11,214	(5,709)	22,487	296%	–50%
Net (loss) income		(193,864)	(31,578)	–514%	1,122	(19,381)	(16,131)	106%	107%
(Loss) Income per share basic and diluted		(0.24)	(0.04)	–500%	0.00	(0.02)	(0.02)	100%	100%
Adjusted (loss) earnings per share[1]	$	(0.04)	0.00	–100%	0.00	(0.03)	(0.01)	100%	100%

The increase in revenues in Q3 2020 to $50.2 million is attributable to the 19% increase in zinc price as compared to Q2 2020 as well as the decrease in freight rates, which is partially offset by the decrease in sales volumes as a direct result of the timing of shipments.

Adjusted EBITDA[1] of $11.2 million improved from negative $5.7 million in Q2 2020 due to the increase in revenues discussed above and operating cost savings realizing the benefits of the T90 program. The $4.2 million difference between EBITDA[1] and Adjusted EBITDA[1] during Q3 2020 is primarily due to the positive settlement mark-to-market adjustment of $9.9 million, partially offset by other expense items which consist primarily of a non-cash loss on extinguishment of debt as a result of the Company renegotiating its revolving credit facility (the "Facility").

Market Outlook

The short-term outlook for the zinc market continues to be volatile as 2020 advances. At the start of the year and prior to COVID-19 being declared a pandemic, it was expected that the concentrate market would be in surplus over the coming years with demand for refined metal growing slightly in 2020 and refined stocks remaining below historic levels, lending support to zinc prices. Since the outbreak of COVID-19 the concentrate market is forecast to be in deficit for the full year 2020.

The rapid rise of the COVID-19 pandemic in Asia resulted in extended shutdowns of smelters and Chinese mine production. As Q1 2020 progressed, Chinese smelting production and economic activity increased from lows reached in February, while mine production curtailments resulting from measures to combat the spread of COVID-19 in Europe and the Americas accelerated and reached an estimated peak in April of 25% of global mine production.

[1] See "Use of Non-IFRS Financial Performance Measures".

(in United States dollars, tabular amounts in thousands except where noted)

While global smelting production was materially impacted in the first quarter of 2020, production capacity largely recovered to pre-COVID-19 levels early in the second quarter while mining operations were slower to restart. It was not until the end of June that the majority of mining operations that were suspended to control the spread of COVID-19 were in the process of restarting, however, flare-ups of COVID-19 at individual mines are ongoing and continue to put strain on the concentrate supply chain. This has led to a significant reduction in spot zinc concentrate treatment charges which have remained significantly below the annual benchmark reported in March at $300 per tonne. Trevali's concentrate off-take agreements reference the annual benchmark treatment charges. In September, the average imported zinc spot treatment charge for the month was reported to be $115 per tonne and is an important indicator as annual benchmark negotiations begin for 2021.

During Q3 2020, the London Metals Exchange ("LME") zinc price averaged $1.06 per pound for the quarter, continuing its recovery from its year low of $0.82 per pound reached back in March. The continued disruption to mine production should continue to provide fundamental support for zinc prices in the midterm as management believes demand will outweigh supply as global economic activity accelerates.

At the end of Q3 2020, total global exchange inventories increased by 61,000 tonnes to 281,000 tonnes or an estimated 7 days of global consumption, compared to Q2 2020. This inventory level is well below historical averages of 18 days of global consumption and is also supportive of higher zinc prices.

CORPORATE DEVELOPMENTS

In Q2 2020 and on July 31, 2020, the Company obtained waivers under the terms of its Facility to August 31, 2020. On August 6, 2020, further amendments to the Facility and a new credit facility with Glencore Canada Corporation, an affiliate of the Company's largest shareholder, Glencore plc (collectively "Glencore") were announced. See "Liquidity and Capital Resources".

On August 25, 2020, the Company announced a positive PFS for Rosh Pinah Mine Expansion ("RP2.0") which would increase production capacity at Rosh Pinah by 86% and significantly reduce operating costs.

On August 28, 2020, the Company announced that Matthew Quinlan was departing as Trevali's Interim Chief Financial Officer ("CFO") and Brendan Creaney, the then Vice President of Investor Relations, had been appointed Interim CFO. The Company has engaged a search firm and the process to retain a permanent CFO is progressing.

On September 4, 2020, the Company announced the appointments of Nick Popovic and Aline Cote to the board of directors of the Company, replacing Chris Eskdale and Dan Myerson as Glencore nominees.

On October 9, 2020, the Company filed a preliminary short form base shelf prospectus related to the sale of up to C$100.0 million in aggregate, in one or more series or issuances of: common shares, debt securities, subscription receipts, share purchase contracts, warrants or units.

CONSOLIDATED FINANCIAL RESULTS

The following table summarizes the change in net loss YTD and the quarterly net (loss) income:

		YTD Q3'20 vs YTD Q3'19	Q3'20 vs Q3'19
Net loss for the 2019 period	$	(31,578)	(16,131)
Decrease in revenues		(149,846)	(36,978)
Expense components:			
Decrease in Mine operating expenses		92,908	38,401
(Increase) decrease in General and administrative		(328)	522
Increase in Impairment		(149,757)	–
Decrease in Other items		20,402	12,814
Decrease in Income tax expense		24,335	2,494
Net (decrease) increase	$	(162,286)	17,253
Net (loss) income for the 2020 period	$	(193,864)	1,122

(in United States dollars, tabular amounts in thousands except where noted)

The net loss increased YTD Q3 2020 compared to the corresponding period of 2019 primarily because of lower revenues due to the lower zinc price and lower sales volumes, as well as the impairment of property, plant and equipment (net of a related deferred tax recovery) related to the Caribou and Santander mines and the Canadian, Peruvian and Namibian exploration properties that was recorded in Q1 2020, partially offset by the benefits of the T90 program being realized as a decrease in mine operating expenses.

The net income increased in Q3 2020 compared to the corresponding quarter of 2019 primarily due to the decrease in mine operating expenses discussed above and the decrease in other items which is a result of a positive $20.8 million increase in the settlement mark-to-market. This increase in net income was partially offset by a decrease in revenues due to lower sales volumes resulting from operational stoppages at Santander and continuing care and maintenance at Caribou.

Revenues

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Revenues									
Zinc revenue	$	225,300	379,754	–41%	70,530	66,331	116,771	6%	–40%
Lead and silver revenue		23,335	49,061	–52%	5,704	9,241	17,198	–38%	–67%
Smelting and refining costs		(103,837)	(134,171)	–23%	(26,077)	(32,883)	(46,834)	–21%	–44%
Net revenue	$	144,798	294,644	–51%	50,157	42,689	87,135	17%	–42%
Average zinc LME price	$/lb	0.97	1.18	–18%	1.06	0.89	1.06	19%	0%
Average lead LME price	$/lb	0.82	0.90	–9%	0.85	0.77	0.92	10%	–8%
Average silver LBMA price	$/oz	19.22	15.83	21%	24.39	16.33	17.02	49%	43%
Sales quantities									
Payable zinc	Mlbs	228.7	329.6	–31%	65.3	72.3	111.1	–10%	–41%
Payable lead	Mlbs	16.2	32.8	–51%	3.0	7.4	10.6	–59%	–72%
Payable silver	Mozs	0.6	1.1	–45%	0.1	0.2	0.3	–50%	–67%

The average zinc price in Q3 2020 as quoted on the LME of $1.06 per pound increased by 19% when compared to the previous quarter and the same as Q3 2019. The price of lead increased by 10% and decreased 8% over the comparative periods, respectively.

Payable zinc sales declined by 10% over the prior quarter to 65.3 million pounds, while smelting and refining costs decreased by 21% due to lower freight rates, when combined with the increase in zinc prices resulted in a net 17% increase in zinc revenues to $50.2 million in Q3 2020 when compared to Q2 2020.

Payable zinc sales declined compared to the corresponding quarter in the prior year due to three months less production from Caribou following the transition to care and maintenance at the end of March 2020 and the COVID-19 related operational disruptions at Santander which resulted in the temporary suspension of milling in July.

Lead and silver revenues of $5.7 million decreased by 38% from the prior quarter as a result of reduced sales quantities, more than offsetting the higher prices of lead and silver in the quarter. The lower sales quantities of lead in Q3 2020 was a result of the timing of lead shipments from Rosh Pinah, which typically has two lead shipments annually, the first of which occurred during Q2 2020 and the second which is expected during Q4 2020. By-product revenues declined compared to the corresponding quarter in the prior year due the transition of Caribou to care and maintenance at the end of March 2020 and the COVID-19 related operational disruptions at Santander during July.

(in United States dollars, tabular amounts in thousands except where noted)

Settlement Mark-to-Market

		Zinc	Lead
Spot 3-month future price as at June 30, 2020	$/lb	0.94	0.82
Provisionally priced metal – June 30, 2020	Mlbs	67.7	0.7
Average 3-month future price for June 2020	$/lb	0.92	0.80
Average Q3 LME price	$/lb	1.06	0.85
Provisionally priced metal – September 30, 2020	Mlbs	25.0	0.6
Average 3-month future price for September 2020	$/lb	1.12	0.86
Spot 3-month future price as at September 30, 2020	$/lb	1.10	0.83

All of the Company's zinc and lead concentrate sales contracts provide for final commodity pricing in a future month nominated at the time of shipment and based on quoted LME monthly average zinc and lead prices. The Company recognizes revenues at the time of shipment based on estimated final pricing, with mark-to-market adjustments made each subsequent period until final pricing on the date of settlement. Concentrate smelting and refining charges and freight from the loading port to the receiving smelter are included within smelting and refining costs.

The $9.9 million settlement mark-to-market gain for Q3 2020 primarily reflects the increase in the estimated final zinc pricing from $0.92 per pound to $1.12 per pound at September 30, 2020 compared to the average zinc prices during Q2 2020 and Q3 2020 of $0.89 and $1.06 per pound, respectively. This is also impacted by the quantity of provisionally priced metal at various stages during the quarter and the timing of sales weighted towards the end of the quarter with 54% of Q3 2020 sales occurring during the month of September.

Each $0.05 change in the zinc price per pound realized from the provisional price recorded of $1.12 per pound as at September 30, 2020 is estimated to result in a change of approximately $1.3 million on the 2020 settlement mark-to-market and EBITDA[1].

Other Items

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Settlement mark-to-market loss (gain)	$	2,581	23,174	89%	(9,891)	(3,101)	10,868	219%	191%
Loss (gain) on foreign exchange		483	1,137	58%	850	3,469	(1,280)	75%	166%
Interest expense		7,454	6,466	–15%	3,038	2,872	2,156	–6%	–41%
Restructuring expenses		5,428	7,550	28%	–	–	718	0%	100%
Impairment		153,419	3,662	–4089%	–	–	–	0%	0%
Other expense (income)		780	(1,199)	–165%	4,887	(1,765)	(764)	–377%	–740%
	$	170,145	40,790	–317%	(1,116)	1,475	11,698	176%	110%

The decrease in other items during Q3 2020, compared to the comparative quarters is primarily due to the positive settlement mark-to-market adjustments due to the increase of the forward zinc price at the end of Q3 2020, where the adjustments were lower in Q2 2020 and negative in Q3 2019. A foreign exchange loss was recognized in Q3 2020 as a result of the increase in the exchange rate of the Canadian dollar, West African franc and Namibian dollar as at September 30, 2020 compared to the U.S. dollar exchange rate at June 30, 2020. Other expenses during Q3 are comprised primarily as a result of the non-cash loss on extinguishment of debt resulting from the renegotiated Facility on August 6, 2020, while the prior quarter included other income related to the financial settlement of the fixed pricing arrangement at Santander.

Income Taxes

Current income tax expense of $0.3 million in Q3 2020 reflects withholding taxes and minimal corporate income taxes, similar to the prior quarter expense of $0.2 million but significantly less than the comparative quarter of the prior year of $2.8 million as a result of lower sales volumes.

Deferred income tax expense of $1.5 million for Q3 2020 is lower than the $1.5 million recovery in the prior quarter and $1.6 million recovery in the comparative quarter of the prior year, also a result of the lower sales volumes in Q3 2020.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

(in United States dollars, tabular amounts in thousands except where noted)

PERKOA MINE, BURKINA FASO

		YTD Q3'20	YTD Q3'19	YoY	Q3'20	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Production									
Ore mined	t	587,539	570,516	3%	202,248	192,258	195,058	5%	4%
Ore milled	t	560,911	550,108	2%	187,000	187,757	189,445	0%	–1%
Zinc head grade		12.0%	14.4%	–17%	12.7%	10.7%	14.9%	19%	–15%
Zinc recovery		89.5%	90.8%	–1%	89.1%	88.2%	92.1%	1%	–3%
Zinc concentrate grade		52.3%	50.0%	5%	51.5%	52.1%	50.8%	–1%	1%
Zinc payable	Mlbs	112.8	133.5	–16%	39.3	32.9	48.3	19%	–19%
Sales									
Zinc payable	Mlbs	108.4	144.1	–25%	34.2	35.4	48.5	–3%	–29%
C1 Cash Cost[1]	$/lb	0.94	0.89	6%	0.88	1.06	0.77	–17%	14%
AISC[1]	$/lb	1.04	0.95	9%	0.97	1.18	0.82	–18%	18%
FINANCE									
Revenues, net	$	60,869	118,615	–49%	23,411	17,410	34,861	34%	–33%
Mine operating expenses		60,615	81,404	–26%	18,415	21,581	22,116	–15%	–17%
Adjusted EBITDA[1]		254	37,211	–99%	4,996	(4,171)	12,745	220%	–61%
Other expense (income)		6,826	19,176	–64%	(6,162)	(3,633)	8,972	–70%	–169%
EBITDA[1]		(6,572)	18,035	–136%	11,158	(541)	3,773	2162%	196%
Depreciation, depletion & amortization		15,427	27,933	–45%	4,937	5,103	9,954	–3%	–50%
EBIT[1]	$	(21,999)	(9,898)	–122%	6,221	(5,644)	(6,181)	210%	201%

Payable zinc production for Q3 2020 was 39.3 million pounds, a 19% increase over the prior quarter due to improved zinc head grades as higher grade stopes were mined in accordance with the revised mine plan that resulted in the deferral of the 310-Level sill recovery to August. The payable zinc production was a 19% reduction over the corresponding quarter in 2019 due to lower zinc head grades mined.

Payable zinc volumes sold for Q3 2020 decreased by 3% and 29% over the prior quarter and corresponding quarter in 2019, respectively. The decrease of 14.3 million pounds of zinc payable from the corresponding quarter in 2019 is due to the 19% decrease in production and timing of shipments.

C1 Cash Cost[1] and AISC[1] in Q3 2020 improved by 17% and 18%, respectively, compared to the prior quarter due to higher head grades that led to higher zinc production in the current quarter. The C1 Cash Cost[1] and AISC[1] increased by 14% and 18% compared to the corresponding quarter in 2019 as a result of the decrease in head grade that led to lower zinc production as well as increased treatment charges and freight costs, partially offset by T90 business improvement savings.

Adjusted EBITDA[1] in Q3 2020 increased compared to the prior quarter due to higher revenues related to higher payable zinc sales and improved zinc prices while it reduced in comparison to the corresponding quarter in 2019 primarily as a result of the decrease in revenues due to decreased payable zinc sales.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

(in United States dollars, tabular amounts in thousands except where noted)

ROSH PINAH MINE, NAMIBIA

		YTD Q3'20	YTD Q3'19	YoY	Q3'20	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Production									
Ore mined	t	533,978	517,633	3%	186,566	172,312	179,289	8%	4%
Ore milled	t	539,175	524,243	3%	177,733	178,405	181,490	0%	–2%
Zinc head grade		7.6%	8.5%	–11%	7.3%	7.2%	7.2%	1%	1%
Lead head grade		1.3%	1.1%	18%	1.8%	1.2%	1.2%	50%	50%
Silver head grade	(ozs/t)	0.6	0.4	50%	0.9	0.5	0.5	80%	80%
Zinc recovery		87.2%	86.3%	1%	86.0%	88.3%	83.8%	–3%	3%
Lead recovery		74.2%	58.6%	27%	77.3%	73.9%	74.4%	5%	4%
Silver recovery		46.8%	40.9%	15%	42.0%	44.5%	49.8%	–6%	–16%
Zinc concentrate grade		50.9%	49.4%	3%	52.6%	51.1%	49.8%	3%	6%
Lead concentrate grade		49.2%	41.1%	20%	57.1%	48.1%	49.4%	19%	16%
Zinc payable	Mlbs	66.2	71.1	–7%	20.9	20.9	20.3	0%	3%
Lead payable	Mlbs	11.1	6.8	63%	5.0	3.3	3.2	52%	56%
Silver payable	Moz	0.1	0.1	0%	0.1	–	–	100%	100%
Sales									
Zinc payable	Mlbs	60.5	78.8	–23%	17.4	23.5	24.2	–26%	–28%
Lead payable	Mlbs	5.5	3.2	72%	–	5.5	–	–100%	0%
Silver payable	Moz	0.1	–	100%	–	0.1	–	–100%	0%
C1 Cash Cost[1]	$/lb	0.72	0.85	–15%	0.72	0.68	1.01	6%	–29%
AISC[1]	$/lb	0.88	1.04	–15%	0.90	0.82	1.25	10%	–28%
FINANCE									
Revenues, net	$	37,682	65,400	–42%	13,216	15,542	16,030	–15%	–18%
Mine operating expenses		27,382	37,252	–26%	8,314	9,950	11,425	–16%	–27%
Adjusted EBITDA[1]		10,300	28,148	–63%	4,902	5,592	4,605	–12%	6%
Impairment		31,524	–	100%	–	–	–	0%	0%
Other (income) expense		(8,534)	239	n/a	(1,014)	3,141	(3,269)	–132%	69%
EBITDA[1]		(12,690)	27,909	–145%	5,916	2,451	7,874	141%	–25%
Depreciation, depletion & amortization		13,460	17,895	–25%	3,136	6,379	5,995	–51%	–48%
EBIT[1]	$	(26,150)	10,014	–361%	2,780	(3,928)	1,879	171%	48%

Payable zinc production for Q3 2020 was 20.9 million pounds, in line with the prior quarter and 3% higher than the corresponding quarter in 2019. Payable zinc production was in line with the prior quarter due to 1% higher zinc head grades offset by 3% lower zinc recovery rates due to higher dilution. The increase compared to the same period in 2019 is due to improved grades and zinc recovery rates. Focus continues on improving metal production through dilution control utilizing our digitization investments to enhance our integrated planning solutions to improve grade and optimize the blended feed to the mill.

Payable zinc volumes sold for Q3 2020 reduced compared to the prior quarter and the corresponding quarter in 2019 due to challenges with the zinc filter press that resulted in insufficient dry material for dispatches. Due to COVID-19 restrictions, the overseas supplier of the filter press could not visit the mine to assist with resolving ongoing performance issues. Progress has been made during October 2020 to improve performance and zinc sales volumes are expected to increase in Q4 2020.

C1 Cash Cost[1] and AISC[1] increased by 6% and 10%, respectively, compared to the prior quarter, as a result of no by-product credits from lead concentrate shipments offset by lower offsite costs associated with lower sales volumes as well as realised cost saving initiatives as part of the T90 business improvement program. Sustaining capital expenditure was higher during the quarter due to the timing of projects. When compared to the corresponding quarter in 2019, C1 Cash Cost[1] and AISC[1] improved by 29% and 28%, respectively, due to lower mining and maintenance costs, reduced offsite costs associated with lower sales volumes, the weakening in the quarterly average Namibian dollar exchange rate and cash preservation initiatives that were implemented on capital projects as part of the T90 business improvement program.

Adjusted EBITDA[1] in Q3 2020 reduced compared to the prior quarter due to the reduction in revenues driven by lower payable zinc sales and no lead shipment during the current quarter, that was partially offset by an improved zinc price. The improvement compared to the corresponding quarter in 2019 is mainly due to lower mining, processing and maintenance operating costs.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

During Q1 2020, the Company performed an impairment review of its interest in the Gergarub project following the suspension of operations by the nearby Skorpion Zinc mine, which is the holder of a 51% interest in the Gergarub project. As a result, the Company recorded a non-cash impairment charge of exploration and evaluation assets of $31.5 million (excluding an $11.8 million deferred tax recovery).

(in United States dollars, tabular amounts in thousands except where noted)

SANTANDER MINE, PERU

		YTD Q3'20	YTD Q3'19	YoY	Q3'20	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Production									
Ore mined	t	519,526	601,162	–14%	169,230	148,892	205,881	14%	–18%
Ore milled	t	520,539	656,605	–21%	167,300	137,982	218,898	21%	–24%
Zinc head grade		5.2%	4.9%	6%	5.1%	5.2%	5.1%	–2%	0%
Lead head grade		0.6%	0.8%	–25%	0.4%	0.6%	0.8%	–33%	–50%
Silver head grade	oz/t	1.1	1.2	–8%	0.9	1.2	1.1	–25%	–18%
Zinc recovery		89.5%	87.5%	2%	89.7%	90.0%	87.5%	0%	3%
Lead recovery		81.8%	82.8%	–1%	77.3%	80.9%	83.6%	–4%	–8%
Silver recovery		60.8%	62.1%	–2%	58.1%	59.8%	60.9%	–3%	–5%
Zinc concentrate grade		47.7%	46.9%	2%	47.7%	48.1%	46.1%	–1%	3%
Lead concentrate grade		50.5%	50.2%	1%	46.6%	49.1%	49.2%	–5%	–5%
Zinc payable	Mlbs	44.4	51.9	–14%	14.0	12.0	17.9	17%	–22%
Lead payable	Mlbs	5.3	9.0	–41%	1.1	1.4	2.8	–21%	–61%
Silver payable	Moz	0.3	0.5	–40%	0.1	0.1	0.1	0%	0%
Sales									
Zinc payable	Mlbs	43.7	50.9	–14%	13.7	13.3	17.9	3%	–23%
Lead payable	Mlbs	5.3	8.8	–40%	1.1	1.9	2.9	–42%	–62%
Silver payable	Moz	0.3	0.5	–40%	0.1	0.1	0.1	0%	0%
C1 Cash Cost[1]	$/lb	0.90	0.75	20%	0.89	1.02	0.71	–13%	25%
AISC[1]	$/lb	1.01	0.95	6%	0.92	1.12	0.92	–18%	0%
FINANCE									
Revenues, net	$	34,331	52,494	–35%	11,679	9,794	17,009	19%	–31%
Mine operating expenses		29,183	31,185	–6%	9,169	9,540	11,265	–4%	–19%
Adjusted EBITDA[1]		5,148	21,309	–76%	2,510	254	5,744	888%	–56%
Impairment		23,201	–	100%	–	–	–	0%	0%
Other (income) expense		614	675	–9%	(768)	(1,066)	1,021	–28%	–175%
EBITDA[1]		(18,667)	20,634	–190%	3,278	1,320	4,723	148%	–31%
Depreciation, depletion & amortization		4,157	7,894	–47%	1,039	1,368	1,674	–24%	–38%
EBIT[1]	$	(22,824)	12,740	-279%	2,239	(48)	3,049	4765%	–27%

Payable zinc production of 14.0 million pounds in Q3 2020 was 17% above the prior quarter and 22% below the corresponding quarter in 2019. On June 26, 2020 operations were temporarily suspended as a result of workers testing positive for COVID-19; operations restarted on July 15, 2020. The Santander mine operations have resumed to normal levels of production although production was negatively impacted by the temporary shutdown at the start of the current quarter compared to the corresponding quarter in 2019.

Payable zinc volumes sold for Q3 2020 improved when compared to the prior quarter while it is still below the normal levels of sales volume compared to the corresponding quarter in 2019 due to production interruptions discussed above.

C1 Cash Cost[1] and AISC[1] in Q3 2020 improved by 13% and 18%, respectively, compared to the prior quarter primarily due to lower zinc concentrate smelting and refining charges and increased payable zinc volumes while sustaining capital expenditures were significantly reduced to preserve cash. C1 Cash Cost[1] increased by 25% compared to the corresponding quarter in 2019 due to lower payable zinc production, higher benchmark zinc concentrate smelting and refining charges and lower by-product credits from lead concentrate sales while AISC[1] is in line with the same quarter in 2019 due to significantly reduced sustaining capital expenditures during the current quarter.

Adjusted EBITDA[1] in Q3 2020 increased compared to the prior quarter due to higher revenue from improved zinc prices and slightly better zinc volumes while it reduced compared to the corresponding quarter in 2019 primarily as a result of the reduced revenues due to zinc volumes sold as a result of the temporary shutdown in July.

During Q1 2020, the Company recorded a non-cash impairment charge of the property, plant and equipment at the Santander mine of $23.2 million (which includes exploration and evaluation assets of $7.7 million and excludes $4.2 million deferred tax recovery), as a result of the adverse change to the business environment caused by COVID-19.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

(in United States dollars, tabular amounts in thousands except where noted)

CARIBOU MINE, CANADA

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Production									
Ore mined	t	191,817	670,185	–71%	–	–	244,707	0%	–100%
Ore milled	t	195,305	681,123	–71%	–	–	248,710	0%	–100%
Zinc head grade		5.5%	5.7%	–4%	–	–	5.6%	0%	–100%
Lead head grade		2.1%	2.4%	–13%	–	–	2.3%	0%	–100%
Silver head grade	(ozs/t)	1.9	2.2	–14%	–	–	2.1	0%	–100%
Zinc recovery		78.1%	78.7%	–1%	–	–	79.5%	0%	–100%
Lead recovery		62.2%	63.8%	–3%	–	–	63.9%	0%	–100%
Silver recovery		33.0%	38.3%	–14%	–	–	37.8%	0%	–100%
Zinc concentrate grade		45.6%	47.0%	–3%	–	–	47.7%	0%	–100%
Lead concentrate grade		36.0%	38.8%	–7%	–	–	38.6%	0%	–100%
Zinc payable	Mlbs	15.4	56.1	–73%	–	–	20.3	0%	–100%
Lead payable	Mlbs	5.0	20.8	–76%	–	–	7.5	0%	–100%
Silver payable	Moz	0.1	0.6	–83%	–	–	0.2	0%	–100%
Sales									
Zinc payable	Mlbs	16.1	55.8	–71%	–	–	20.5	0%	–100%
Lead payable	Mlbs	5.4	20.7	–74%	1.9	–	7.8	100%	–76%
Silver payable	Moz	0.1	0.6	–83%	–	–	0.2	0%	–100%
C1 Cash Cost[1]	$/lb	1.42	1.02	39%	–	–	0.93	0%	–100%
AISC[1]	$/lb	1.64	1.15	43%	–	–	1.05	0%	–100%
FINANCE									
Revenues, net	$	11,917	58,135	–80%	1,852	(57)	19,235	3350%	–90%
Mine operating expenses		16,486	51,979	–68%	(10)	(20)	17,917	50%	–100%
Care and maintenance		5,610	–	100%	1,663	3,947	–	–58%	100%
Adjusted EBITDA[1]		(10,179)	6,156	–265%	199	(3,984)	1,318	105%	–85%
Impairment		56,780	–	100%	–	–	–	0%	0%
Other (income) expense		3,310	4,017	–18%	30	132	2,113	–77%	–99%
EBITDA[1]		(70,269)	2,139	–3385%	169	(4,116)	(795)	–104%	–121%
Depreciation, depletion & amortization		2,764	12,462	–78%	–	385	4,683	–100%	–100%
EBIT[1]	$	(73,033)	(10,323)	–607%	169	(4,501)	(5,478)	104%	–103%

The Caribou mine was placed on care and maintenance on March 26, 2020 in response to adverse market conditions, combined with high concentrate treatment charges. No timeline for a potential restart of operations has been defined. The change in operational status triggered an impairment review which resulted in a non-cash impairment charge of $56.8 million in Q1 2020.

Caribou completed a lead sale in Q3 2020 consisting of the remaining lead concentrate on site following the commencement of care and maintenance which was delayed as the remaining concentrate volume was less than a typical shipment.

Beginning April 2020, Caribou's care and maintenance costs are disclosed separately within operating expenses on the consolidated statement of operations. Care and maintenance costs during Q3 2020 reduced compared to the previous quarter which included higher costs due to the winding down of activities following the production stoppage at the end of March 2020.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

(in United States dollars, tabular amounts in thousands except where noted)

EXPLORATION PROJECTS

With the implementation of cost reductions and reduced scope of activities implemented in Q1 2020 due to decreased metal prices related to the COVID-19 pandemic, drilling programs were halted across all jurisdictions in March 2020 and exploration programs remained on hold across all jurisdictions during Q2 and the better part of Q3 2020.

With the African exploration programs, drilling at Perkoa resumed in September 2020, targeting the North-East extension of the T3 horizon. A total of 323 metres were drilled during the month and the program is planned to continue throughout Q4. Preparations were completed to resume the ground Electro Magnetic (“EM”) Fluxgate programs at Rosh Pinah in October 2020. The EM surveys will cover areas along the North limb of the Rosh Pinah fold.

Exploration programs remain on hold in the Americas, but targeting reviews are ongoing at Santander to potentially restart drilling programs in Q4 2020.

LIQUIDITY AND CAPITAL RESOURCES

Balance Sheet Review

		September 30, 2020	December 31, 2019	Change
Cash and cash equivalents	$	11,688	24,468	–52%
Other current assets		104,267	104,248	0%
Non-current assets		466,972	615,854	–24%
Total Assets		582,927	744,570	–22%
Current debt		18,819	11,850	59%
Accounts payable and accrued liabilities		51,198	67,075	24%
Non-current liabilities		257,930	217,196	19%
Non-controlling interest		(12,688)	(6,978)	–82%
Equity attributable to owners of Trevali		267,668	455,427	–41%
Total Liabilities and Equity		582,927	744,570	–22%

The 24% decrease in non-current assets is attributable to the Q1 2020 non-cash impairment of $153.4 million to the property, plant and equipment at Caribou and Santander mines and the exploration and evaluation assets related to the Canadian, Peruvian and Namibian properties, net of capital expenditures and depreciation.

The increase in current debt is due to an increase in the receivables and VAT factoring facilities and other 90-day revolving loans obtained in Peru.

Accounts payable and accrued liabilities have decreased since year-end as a result of Caribou’s transition to care and maintenance at the end of Q1 2020 with a related decrease in payables consistent with the decrease in operating costs.

The increase in non-current liabilities is primarily due to the increase in debt with additional draws of $48.9 million on the Facility and other financing facilities as well as a decrease in the deferred tax liabilities due to the impairment of non-current assets. See “Financial Condition, Liquidity Risk and Going Concern”.

(in United States dollars, tabular amounts in thousands except where noted)

Financial Condition, Liquidity Risk and Going Concern

		September 30, 2020	December 31, 2019	Change
Total debt	$	141,551	78,608	80%
Cash and cash equivalents		11,688	24,468	–52%
Net Debt[1]		129,863	54,140	140%
Working capital		45,938	49,792	–8%

The Company's primary sources of liquidity and capital resources are cash and temporary investments, cash flow provided from operations, and amounts available under credit agreements. The financial position and liquidity of the Company has weakened significantly in 2020 primarily as a result of the COVID-19 pandemic and resulting deterioration in the price of zinc and lead.

VAT receivables of $8.7 million are subject to a VAT factoring facility, secured against refund applications for recoverable VAT receivables in Burkina Faso, with an outstanding facility balance as of September 30, 2020 of $7.3 million. In addition, the Company has $7.4 million of settlement receivables which are subject to a receivable factoring facility, secured against settlement receivables in Burkina Faso, with an outstanding facility balance as of September 30, 2020 of $5.4 million.

Total debt at September 30, 2020 includes leases of $5.8 million.

On August 6, 2020, certain terms of the Facility were amended, including an increase of the amount available under the Facility from $125.0 million to $135.0 million, a permanent reduction in the size of the Facility to $150.0 million, an increase in the interest rate and commitment fees payable to LIBOR plus 5.50% and 1.25%, respectively, and the elimination of the minimum liquidity covenant.

As of September 30, 2020, $115.9 million (December 31, 2019: $67.0 million) was drawn under the facility and the Company has issued letters of credit under the Facility, totaling $4.9 million to support $1.9 million in various reclamation bonding requirements for the Caribou mine and to provide $3.0 million of financial security toward power transmission payments related to the Santander mine.

On August 6, 2020, the Company entered into a second lien secured facility agreement ("Glencore Facility") with Glencore, up to a maximum of $20.0 million. Under the terms of the agreement, Glencore will advance to the Company amounts equal to the volume of dry metric tonnes of zinc concentrate delivered to Glencore in a given month multiplied by the difference between the annual benchmark treatment charge ("TC") and the average monthly spot TC.

Advances under the Glencore Facility are applicable to deliveries of zinc concentrate between June 2020 and December 2020. Amounts outstanding under the Glencore Facility will bear interest at the same rate as the Revolving Credit Facility. The Glencore Facility ranks subordinate to the Revolving Credit Facility and has a maturity date of September 18, 2022.

Following the renegotiation of the Facility and the newly agreed Glencore Facility, the Company has no covenant obligations to satisfy related to these two facilities until December 31, 2020. As a result, these facility balances have been classified as non-current liabilities as at September 30, 2020.

As at September 30, 2020, the Company had $37.3 million of available liquidity, comprised of cash and cash equivalents ($11.7 million), the Facility ($9.2 million) and the Glencore Facility ($16.4 million). The Company's current assets exceeded current liabilities by $49.8 million and the Company expects to fund its current liabilities from cash flows generated by operating activities.

The Company believes that it has enough liquidity to meet its minimum obligations for a period of at least 12 months from the balance sheet date. Taking into consideration the current forecast for key assumptions, there is no assurance that the Company will meet future covenant requirements under the facilities as the ability is dependent on a number of factors, many of which are beyond the Company's control. These include general global economic, credit and capital market conditions, timing of shipments and receipt of payments for the sale of concentrate and the demand for and selling price of commodities, particularly zinc.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

(in United States dollars, tabular amounts in thousands except where noted)

The Company's ability to continue as a going concern is dependent upon its ability to generate cash flow from operations, comply with debt covenants, renegotiate debt facilities and obtain additional funding from loans, equity financings or asset sales. While the Company has been successful in renegotiating and arranging new financing in the past, the success of such initiatives cannot be assured, particularly with the current uncertainty surrounding COVID-19 and the extent and duration of the impact on the ability to obtain funding. These material uncertainties may cast significant doubt upon the validity of the going concern assumptions.

Cash Flows

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Operating cash flows before changes in working capital	$	(10,448)	43,915	–124%	17,147	(2,133)	8,840	904%	94%
Changes in working capital		(18,331)	52,875	–135%	(19,574)	(9,674)	8,014	–102%	–344%
Net cash (used in) provided by operating activities		(28,779)	96,790	–130%	(2,427)	(11,807)	16,854	79%	–114%
Net cash used in investing Activities		(37,618)	(49,153)	23%	(10,401)	(9,229)	(15,273)	–13%	32%
Net cash provided by (used in) financing activities		54,260	(76,528)	171%	5,016	21,693	(16,983)	–77%	130%

The increase in cash generated from operating activities before changes in working capital in Q3 2020 compared to the prior quarter and the corresponding quarter of 2019 is due to higher realized zinc prices and savings being realized from the T90 program despite a decrease in sales volumes. Changes in working capital in Q3 2020 are primarily due to an increase in settlement receivables due to timing of shipments, the increase in zinc price and an increase in inventories, also due to timing of shipments.

Investing activities in Q3 2020 consisted primarily of capital and exploration expenditures. The amount spent during the quarter was similar to the prior quarter but less than the corresponding quarter of 2019 as the Company cancelled or deferred non-critical sustaining and expansionary capital. Expansionary capital of $1.2 million incurred during Q3 2020 related to the digitization projects across the business.

Cash provided by financing activities during Q3 2020 consists primarily of a $3.6 million draw on the new Glencore Facility and $3.0 million in short-term loans as compared to a draw on the Facility of $18.9 million in Q2 2020. There was a $13.5 million repayment on the Facility during Q3 2019. Other amounts consisting of lease and interest payments remain consistent with prior quarters.

QUARTERLY FINANCIAL RESULTS

The following table sets forth selected consolidated financial information and the payable sales of zinc for each of the eight most recently completed quarters:

	Q3'20	Q2'20	Q1'20	Q4'19	Q3'19	Q2'19	Q1'19	Q4'18
Revenues	50,157	42,689	51,952	91,466	87,135	82,297	125,213	121,763
Zinc sales (Mlbs payable)	65	72	91	110	111	93	125	124
EBITDA[1]	15,368	(4,312)	(174,888)	19,611	12,945	(7,443)	46,674	(271,499)
Adjusted EBITDA[1]	11,214	(5,709)	(6,646)	20,364	22,487	17,558	46,455	39,416
Net income (loss)	1,122	(19,381)	(175,605)	(3,833)	(16,131)	(31,563)	16,116	(251,778)
Income (Loss) per share – basic and diluted	0.00	(0.02)	(0.22)	0.00	(0.02)	(0.04)	0.02	(0.29)
Adjusted earnings (loss) per share[1]	0.00	(0.03)	(0.01)	0.00	(0.01)	(0.01)	0.02	0.01

Revenue for amounts in the table above have been restated for comparative periods to reflect the Company's change in accounting policy.

The primary factors causing variation to the quarterly metrics are the commodity price volatility (zinc and lead), the timing of shipments and operational disruptions.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

FINANCIAL RISK MANAGEMENT

Liquidity risk is the risk that the Company will be unable to satisfy financial obligations as they fall due. The Company manages its liquidity risk by optimizing its cash holdings, forecasting cash flows required by operations and anticipated investing and financing activities.

The Company's operating cash flows are very sensitive to variations in the price of zinc and lead, foreign exchange rates and ore grades, and any cash flow outlook provided may vary significantly to actual results. Spending and capital investment plans may be adjusted in response to changes in operating cash flow expectations. An increase in average zinc and lead prices from current levels may result in an increase in planned expenditures and, conversely, weaker average zinc and lead prices could result in a reduction of planned expenditures.

The Company has not entered into any long-term hedging arrangement in respect of its metal sales. However, in early October the Company entered into zinc price forward swaps for 3.75 Mlbs of payable zinc per month (approximately 15% of zinc production across the group) for six months from October 1, 2020 to March 31, 2021 at a price of $1.10 per pound. In late October, the Company entered into additional zinc price forward swaps for 2.50 Mlbs of payable zinc per month (approximately 10% of zinc production across the group) for five months from November 1, 2020 to March 31, 2021 at a price of $1.12 per pound.

In addition, zinc price put options at $1.04 per pound for 6.25 Mlbs of payable zinc at a price of $0.03 per pound (approximately 25% of zinc production across the group) were entered into for the same six-month period, providing downside zinc price protection.

These forward swaps and put options combine to provide stability and insurance, respectively, in the volatile zinc price environment for approximately 50% of the Company's payable zinc production for the six-month period of the forward swaps and put options.

The Company remains positive in the longer-term demand outlook for zinc and lead; however, global economic uncertainty and COVID-19 have had a significant negative effect on commodity demand and prices during YTD 2020. The extent and duration of impacts that COVID-19 may have on demand and zinc and lead prices, on the Company's suppliers and employees and on global financial markets over the remainder of the year and going forward is not known at this time, but could be material.

RISKS AND UNCERTAINTIES

The mining industry involves many risks which are inherent to the nature of the business, global economic trends and economic, environmental and social conditions in the geographical areas of operation. As a result, Trevali is subject to a number of risks and uncertainties, each of which could have an adverse effect on our operating results, business prospects or financial position. The Company continuously assesses and evaluate these risks and attempts to mitigate them by implementing operating standards and processes to identify, assess, report and monitor risks across our organization. For a comprehensive list of other risks and uncertainties affecting our business, please refer to the section entitled "Risk Factors" in our most recent Annual Information Form, which is available at www.sedar.com.

Additional risks and uncertainties have arisen during the current quarter as a result of the COVID-19 pandemic, which has had a significant impact on the Company's liquidity. Refer to the section entitled "Liquidity and Capital Resources" for details on the liquidity risk.

[1] *See "Use of Non-IFRS Financial Performance Measures".*

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in accordance with IFRS applicable to interim financial reporting requires management to make significant assumptions and judgments about the future and other sources of estimation uncertainty that management has made at the end of the reporting quarter, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These areas of judgment and critical accounting estimates are consistent with those reported in the 2019 annual consolidated financial statements and MD&A, except for the additional sources of estimation uncertainty as follows.

- Going concern

  As discussed in the section entitled “Liquidity and Capital Resources”, the Company’s ability to continue as a going concern is dependent upon its ability to generate cash flow from operations and comply with debt covenants and to the extent that this is not sufficient, to obtain additional funding from loans, equity financings or asset sales. These material uncertainties cast significant doubt upon the validity of the going concern assumptions.

- COVID-19 Economic Uncertainty

  In March 2020, the World Health Organization declared a global pandemic related to COVID-19. The current and expected impacts on global commerce are anticipated to be far-reaching. To date there has been significant volatility in commodity and foreign exchange markets, restrictions on the conduct of business in many jurisdictions, disruption in stock markets and the global movement of people and some goods has become restricted. There is significant ongoing uncertainty surrounding COVID-19 and the extent and duration of the impacts that it may have on demand and the zinc and lead prices, suppliers, employees and on global financial markets.

  The Company has made continued efforts to safeguard the health of our employees, while continuing to operate safely and responsibly, maintain employment and economic activity. These measures combined with commodity market fluctuations resulting from COVID-19 have affected financial results. While commodity prices have declined in U.S. dollar terms; our operations located in Canada, Peru and Namibia have benefited from the weakening of local currencies relative to the U.S. dollar.

  During Q1 2020, non-cash, pre-tax asset impairments were recorded totaling $153.4 million ($137.4 million net of taxes) to the property, plant and equipment at Caribou and Santander mines and the exploration and evaluation assets related to the Canadian, Peruvian and Namibian properties. There is heightened potential for further impairments over the balance of 2020. In the current environment, assumptions about future commodity prices, exchange rates and interest rates are subject to greater variability than normal, which could in future significantly affect the asset valuations. As an understanding of the longer-term impacts of COVID-19 on commodity, credit and equity markets continues to develop, there is heightened potential for changes in these estimates over the balance of 2020.

  During Q2 and Q3 2020, milling operations at Santander were suspended for a period of time resulting in inefficiencies and affecting financial results.

- Assessment of Impairment Indicators

  Judgment is required in assessing whether certain factors would be considered an indicator of impairment or impairment reversal. Both internal and external information are considered when determining whether there is an indicator of impairment or impairment reversal present and, accordingly, whether impairment testing is required. The information considered in assessing whether there is an indicator of impairment or impairment reversal includes, but is not limited to, market transactions for similar assets, commodity prices, interest rates, inflation rates, market capitalization, reserves and resources, mine plans and operating results.

  As at September 30, 2020, no indicators of impairment were identified at any assets and as a result, no impairment testing was performed. During Q1 2020, impairment testing was performed on the Caribou and Santander mines as well as Canadian, Peruvian and Namibian exploration properties due to the adverse business climate caused by COVID-19, the lower zinc price and the decision to place Caribou on care and maintenance, as outlined below.

- Impairment testing

  Impairment assessments require the use of estimates and assumptions such as future zinc, lead and silver metal prices (considering current and historical prices, price trends and related factors), operating and capital costs, discount rates, foreign exchange rates, closure and rehabilitation costs, exploration potential, mineral reserves and resources, operating performance (which includes production and sales volumes) and estimated life-of-mines. These estimates and assumptions are subject to risk and uncertainty.

  As at September 30, 2020, no impairment indicators relating to any assets were identified and as a result, no impairment testing was performed.

  During Q1 2020, non-cash, pre-tax asset impairments were recorded totaling $153.4 million ($137.4 million net of taxes) to the property, plant and equipment at Caribou and Santander mines and the exploration and evaluation assets related to the Canadian, Peruvian and Namibian properties, a direct result of the adverse change to the business environment caused by COVID-19 and Caribou's care and maintenance status. The economic models for determining the impairments assumed an average LME zinc price of $0.98 per pound in 2020 and increases to a long-term price of $1.14 per pound in 2024.

  There is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or cost generating units ("CGUs"). In such circumstances, some or all of the carrying amount of the assets/CGUs may give rise to an impairment or a reversal of previous impairments with the impact recognized in the statement of operations.

ACCOUNTING CHANGES

There have been no changes in accounting policy or new standards and interpretations not yet adopted during 2020.

OUTSTANDING SHARE DATA

The Company's authorized capital consists of an unlimited number of common shares without par value, of which 802,561,585 are issued and outstanding as of the date of this MD&A.

OFF-BALANCE SHEET ARRANGEMENTS

The Company currently has no off-balance sheet arrangements.

(in United States dollars, tabular amounts in thousands except where noted)

RELATED PARTY TRANSACTIONS AND BALANCES

Glencore

As of September 30, 2020, Glencore owned 210,835,925 Trevali common shares representing approximately 26.3% of the total issued and outstanding common shares.

Glencore purchases all of the Company's concentrate production under separate off-take agreements with each of its mines which were entered into before Glencore was a related party of the Company.

In addition, pursuant to a Services Agreement dated August 31, 2017 between the Company and Glencore, Glencore provides certain technical, financial and other advisory services to the Company, which are provided on a cost-recovery basis.

The Company has entered into the following transactions with Glencore:

		YTD Q3'20	YTD Q3'19	YoY	**Q3'20**	Q2'20	Q3'19	Q3'20 vs Q2'20	Q3'20 vs Q3'19
Net revenue on concentrate sales	$	144,798	294,644	–51%	50,157	42,689	87,135	17%	–42%
Settlement mark-to-market loss (gain)		2,581	23,174	89%	(9,891)	(3,101)	10,868	219%	191%
Other income[1]		3,075	–	100%	–	775	–	–100%	0%
Interest expense		57	–	100%	57	–	–	100%	100%

		September 30, 2020	December 31, 2019
Settlement receivable from Glencore	$	38,218	32,472
Payable to Glencore		23	73
Glencore facility[2]	$	3,600	–

[1] *Relates to the settlement of the fixed pricing arrangement for the Caribou and Santander mines.*
[2] *Balance excludes capitalized transaction fees.*

P.E. Minerals Namibia (Proprietary) Limited

P.E. Minerals Namibia (Proprietary) Limited is a minority shareholder of Rosh Pinah and is the holder of the mining licence for the Rosh Pinah mine, with the Company paying a market rate lease. A notification of preparedness to renew the mining licence has been received from the Ministry of Mines and Energy in Namibia on October 19, 2020. The issuing of the licence with a 15 year extension is expected before the expiry date of November 12, 2020.

MANAGEMENT'S REPORT ON INTERNAL CONTROLS

Disclosure Controls and Procedures ("DC&P")

Management, under the supervision of the President and Chief Executive Officer and the Interim Chief Financial Officer, has designed DC&P which provide reasonable assurance that material information related to Trevali is identified and communicated on a timely basis.

Internal Control over Financial Reporting ("ICFR")

Management, under the supervision of the President and Chief Executive Officer and the Interim Chief Financial Officer, is responsible for establishing and maintaining adequate ICFR. Any system of ICFR, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management assesses the effectiveness of the Company's ICFR based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control – Integrated Framework (2013).

During Q2 and Q3 2020, all corporate office staff and many site administrative staff continue to be given the option to work from home, a move which was initiated in Q1 2020. This change has required certain processes and controls that were previously done or documented manually to be completed and retained in electronic form. Despite the changes required by the current environment, there have been no significant changes in the Company's internal controls that have materially affected, or are reasonably likely to materially affect, ICFR during the three and nine months ended September 30, 2020.

USE OF NON-IFRS FINANCIAL PERFORMANCE MEASURES

This MD&A refers 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.

EBITDA and EBIT

EBITDA provides insight into overall business performance. This measure assists readers in understanding the ongoing cash generating potential of the business including liquidity to fund working capital, service debt, and fund capital expenditures and investment opportunities. EBITDA is profit attributable to shareholders before net finance expense, income taxes and depreciation, depletion, and amortization. EBIT is EBITDA after depreciation, depletion, and amortization. Other companies may calculate EBIT and EBITDA differently.

Adjusted EBITDA, Adjusted EBIT and Adjusted Earnings per Share

Adjusted EBITDA consists of EBITDA less the impact of impairments or reversals of impairment and other non-cash and non-recurring expenses and recoveries. Adjusted EBIT consists of EBIT less the impact of impairments or reversals of impairment and other non-cash and non-recurring expenses and recoveries. These expenses and recoveries are removed from the calculation of EBITDA and EBIT as the Company does not believe they are reflective of the Company's ability to generate liquidity and its core operating results.

(in United States dollars, tabular amounts in thousands except where noted)

Adjusted Earnings per Share consists of net income or loss in the period less the impact of impairments or reversals of impairment, settlement mark-to-market, (gain) loss on foreign exchange and other income or expenses.

		YTD Q3'20	Q3'20
Net (loss) income	$	(193,864)	1,122
Current income tax		1,098	335
Deferred income tax (recovery) expense		(15,033)	1,544
Interest expense		7,454	3,038
EBIT		(200,345)	6,039
Depreciation, depletion and amortization		36,513	9,329
EBITDA		(163,832)	15,368
Settlement mark-to-market loss (gain)		2,581	(9,891)
Other expense		780	4,887
Restructuring expenses		5,428	–
Impairment		153,419	–
Loss on foreign exchange		483	850
Adjusted EBITDA	$	(1,141)	11,214
Net (loss) income	$	(193,864)	1,122
Loss on foreign exchange		483	850
Impairment		153,419	–
Restructuring expenses		5,428	–
Other expense		780	4,887
Settlement mark-to-market loss (gain)		2,581	(9,891)
Adjusted net loss	$	(31,173)	(3,032)
(Loss) Income per Share	$	(0.24)	0.00
Adjusted (Loss) Earnings per Share	$	(0.04)	0.00
Weighted average number of shares outstanding – basic ('000)		802,562	802,562

Net Debt

Net Debt demonstrates how the Company's debt is being managed and is defined as total current and non-current portions of debt and lease liabilities less cash and cash equivalents.

		September 30, 2020	December 31, 2019
Revolving Credit Facility, net of fees	$	114,056	63,730
Glencore facility, net of fees		3,264	–
Other loans		5,779	–
VAT factoring facility		7,259	7,822
Receivables factoring facility		5,357	–
		135,715	71,552
Leases		5,836	7,056
Total debt	$	141,551	78,608
Less: cash and cash equivalents		11,688	24,468
Net Debt	**$**	129,863	54,140

C1 Cash Cost

This measures the estimated cash cost to produce a pound of payable zinc. This measure includes mine operating production expenses such as mining, processing, administration, indirect charges (including surface maintenance and camp), and smelting, refining and freight, distribution, royalties, and by-product metal revenues divided by pounds of payable zinc produced. C1 Cash Cost per pound of payable zinc produced does not include depreciation, depletion, and amortization, reclamation expenses, capital sustaining and exploration expenses.

(in United States dollars, tabular amounts in thousands except where noted)

AISC

This measures the estimated cash costs to produce a pound of payable zinc plus the estimated capital sustaining costs to maintain the mine and mill. This measure includes the C1 Cash Cost per pound and capital sustaining costs divided by pounds of payable zinc produced. All-In Sustaining Cost per pound of zinc payable produced does not include depreciation, depletion, and amortization, reclamation and exploration expenses.

		Q3 2020				
		Perkoa	Rosh Pinah	Santander	Caribou	Total
Mining	$	7,195	3,380	4,153	–	14,728
Processing		4,979	1,841	1,867	–	8,687
Maintenance		958	1,404	1,736	–	4,098
General and administrative		3,674	1,589	906	–	6,169
Smelting and refining		13,753	5,375	5,803	(106)	24,825
Distribution		2,914	597	538	–	4,049
Royalties		892	897	24	–	1,813
Less: By-product revenues		–	(154)	(2,552)	(1,746)	(4,452)
C1 total costs		34,365	14,929	12,475	(1,852)	59,915
Sustaining CAPEX		2,451	3,810	404	–	6,665
Lease payments		1,178	–	–	–	1,178
AISC total costs	$	37,994	18,739	12,879	(1,852)	67,760
Pounds of zinc payable produced	Mlbs	39.3	20.9	14.0	–	74.1
C1 Cash Cost	$/lbs	0.88	0.72	0.89	–	0.81
AISC	$/lbs	0.97	0.90	0.92	–	0.91
		Q3 2019				
		Perkoa	Rosh Pinah	Santander	Caribou	Total
C1 Cash Cost	$/lbs	0.77	1.01	0.71	0.93	0.84
AISC	$/lbs	0.82	1.25	0.92	1.05	0.96

		YTD Q3 2020				
		Perkoa	Rosh Pinah	Santander	Caribou	Total
Mining	$	22,838	9,829	12,507	7,224	52,398
Processing		14,000	5,613	5,999	6,350	31,962
Maintenance		2,742	4,240	4,930	894	12,806
General and administrative		11,622	4,270	3,143	1,772	20,807
Smelting and refining		44,498	23,436	20,269	9,561	97,764
Distribution		9,244	2,466	1,781	354	13,845
Royalties		1,646	2,177	77	–	3,900
Less: By-product revenues		–	(4,430)	(8,551)	(4,281)	(17,262)
C1 total costs		106,590	47,601	40,155	21,874	216,220
Sustaining CAPEX		7,597	10,894	4,892	2,943	26,326
Lease payments		3,366	–	–	28	3,394
AISC total costs	$	117,553	58,495	45,047	24,845	245,940
Pounds of zinc payable produced	Mlbs	112.8	66.2	44.4	15.4	238.8
C1 Cash Cost	$/lbs	0.94	0.72	0.90	1.42	0.91
AISC	$/lbs	1.04	0.88	1.01	1.61	1.03
		YTD Q3 2019				
		Perkoa	Rosh Pinah	Santander	Caribou	Total
C1 Cash Cost	$/lbs	0.89	0.85	0.75	1.02	0.88
AISC	$/lbs	0.95	1.04	0.95	1.15	1.01

Sustaining capital expenditures are defined as those expenditures which do not increase payable mineral production at a mine site and excludes all expenditures at the Company’s projects and certain expenditures at the Company’s operating sites which are deemed expansionary in nature. The following table reconciles sustaining capital expenditures to the Company’s total capital expenditures:

	Year-to-date	Quarterly
	Q3'20	Q3'20
Additions to property, plant and equipment	34,572	10,767
Sustaining capital expenditures	26,326	6,665
Non-operational capital expenditures[1]	938	505
Expansionary capital expenditures	4,927	1,216
Additions to right-of-use assets and other	2,381	2,381

[1] Includes capital expenditures for Corporate and Caribou for the period on care and maintenance.

NOTES TO READER

Cautionary Note Regarding Forward-Looking Information and Statements

This MD&A 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.

Forward-looking statements relate to future events or future performance and reflect management’s expectations or beliefs regarding future events including the impacts of the ongoing and evolving COVID-19 pandemic, including but not limited to the effects of COVID-19 on the Company’s liquidity position and ability to continue as a going concern as described herein. Forward-looking statement also include statements with respect to the Company’s growth strategies, expected annual savings from capital projects, 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 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 potential effects of COVID-19 on the Company’s business are unknown at this time, including the Company’s ability to manage restrictions and other challenges in the jurisdictions in which it operates and continue to safely operate and, in due course, return to normal operating status. The impact of COVID-19 is dependent on many factors outside the Company’s control, including measures taken by public health and government authorities, global economic uncertainties and outlook due to the pandemic, and evolving restrictions relating to mining activities and to travel and transport of goods in certain jurisdictions where the Company operates. 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 actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of zinc, lead, silver and other minerals and the anticipated sensitivity of our financial performance to such prices; possible variations in ore reserves, grade or recoveries; dependence on key personnel; potential conflicts of interest involving our directors and officers; labour pool constraints; labour disputes; availability of infrastructure required for the development of mining projects; delays or inability to obtain governmental and regulatory approvals for mining operations or financing or in the completion of development or construction activities; counterparty risks; increased operating and capital costs; foreign currency exchange rate fluctuations; operating in foreign jurisdictions with risk of changes to governmental regulation; compliance with governmental 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; risks relating to epidemics or pandemics such as COVID-19 including the impact of COVID-19 on our business, financial condition and results of operations; corruption and bribery; limitations inherent in our insurance coverage; compliance with financial covenants; our ability to raise capital; 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 “Risks and Uncertainties” section of this MD&A and the “Risk Factors” section of our most recently filed Annual Information Form. 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.

Qualified Person and Quality Control/Quality Assurance

Yan Bourassa, Vice President, Mineral Resources Management of the Company, is a qualified person as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators and has supervised and approved the preparation of the scientific and technical information that forms the basis for this MD&A.

For a description of the key assumptions, parameters and methods used to estimate mineral reserves and resources, as well as data verification procedures and a general discussion of the extent to which the estimates of scientific and technical information may be affected by any known environmental, permitting, legal title, taxation, sociopolitical, marketing or other relevant factors, please see the technical reports for our material properties as filed by the Company on SEDAR at www.sedar.com.