TREVALI MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)

(Expressed in thousands of United States Dollars)

Six Months Ended June 30, 2018 and 2017

<u>Corporate Head Office</u>

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TREVALI MINING CORPORATION

(Expressed in thousands of United States Dollars)

June 30, 2018 and 2017

INDEX | **Page**

TREVALI MINING CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars)

	Notes	June 30, 2018	December 31, 2017
ASSETS			
Current			
Cash and cash equivalents		$ 102,412	$ 94,135
Restricted cash		1,743	3,210
Settlement and other receivables	**6**	73,800	88,931
Prepaids		11,691	5,981
Inventories	**7**	59,071	66,537
		248,717	258,794
Reclamation bonds and other		10,001	8,381
Long-term receivables	**8**	11,946	19,714
Investment	**9**	3,042	–
Exploration and evaluation	**10**	65,314	62,168
Property, plant and equipment	**11**	762,778	760,746
Deferred income tax		8,659	8,521
Goodwill	**4**	61,835	61,835
		$ 1,172,292	$ 1,180,159
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	**12**	$ 45,773	$ 69,630
Due to related parties	**16**	2,797	8,410
Current portion of finance leases		2,388	2,404
Current portion of debt	**13**	38,000	34,000
		88,958	114,444
Finance leases		8,129	9,845
Long-term debt	**13**	94,703	114,308
Provision for environmental rehabilitation		47,224	47,690
Other provisions		3,026	2,877
Deferred income taxes		156,447	145,932
		398,487	435,096
Shareholders' equity			
Share capital	**14**	775,414	770,129
Share-based payment reserve	**15**	17,321	20,626
Retained earnings (deficit)		19,022	(37,114)
Accumulated other comprehensive loss		(46,676)	(46,500)
		765,081	707,141
Non-controlling interests	**21**	8,724	37,922
		773,805	745,063
		$ 1,172,292	$ 1,180,159

Contingent Liabilities (Note 18)

"Mr. Russell Ball" (signed)	*"Mr. Anton Drescher" (signed)*
Mr. Russell Ball	Mr. Anton Drescher
Director, Chair of the Audit Committee	Director

The accompanying notes are an integral part of these consolidated financial statements.

TREVALI MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars except for share and per share amounts)
Three and Six Months Ended June 30, 2018 and 2017

	Notes	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
REVENUES	**17**	$ 133,914	$ 37,440	$ 248,632	$ 77,364
Mine operating expenses					
Production		54,458	20,538	106,062	43,452
Distribution		6,354	1,098	14,284	2,152
Royalties		2,736	260	6,930	481
Depreciation, depletion and amortization		24,240	5,401	38,622	11,453
		87,788	27,297	165,898	57,538
GROSS PROFIT		46,126	10,143	82,734	19,826
GENERAL ADMINISTRATIVE		2,169	1,486	4,081	3,103
Operating profit		43,957	8,657	78,653	16,723
OTHER ITEMS					
Loss on foreign exchange		4,481	1,936	1,138	2,016
Interest expense		3,032	2,941	6,446	5,756
Business acquisition costs		-	1,317	–	1,542
Other expense (income)		4,931	(4)	(1,195)	(56)
Income before taxes		31,513	2,467	72,264	7,465
Current income tax		4,909	305	9,857	721
Deferred income tax		3,150	2,042	10,377	3,934
Net income for the period		$ 23,454	$ 120	$ 52,030	$ 2,810
Attributable to:					
Owners of Trevali		$ 21,154	$ 120	$ 47,706	$ 2,810
Owners of non-controlling interests	**21**	2,300	–	4,324	–
		$ 23,454	$ 120	$ 52,030	$ 2,810
Basic and diluted income per share					
Basic		$ 0.03	$ 0.00	$ 0.06	$ 0.01
Diluted		$ 0.03	$ 0.00	$ 0.06	$ 0.01
Weighted average number of shares outstanding					
Basic		830,776,006	403,629,356	829,431,609	403,180,975
Diluted		837,742,260	410,085,560	837,863,463	409,939,745

The accompanying notes are an integral part of these consolidated financial statements.

TREVALI MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars except for share and per share amounts)
Three and Six Months Ended June 30, 2018 and 2017

	Notes	Three months ended June 30, 2018	Three months ended June 30, 2017	Six months ended June 30, 2018	Six months ended June 30, 2017
Net income for the period		$ 23,454	$ 120	$ 52,030	$ 2,810
Other comprehensive loss					
Unrealized loss on investments in equity securities		(109)	(44)	$ (176)	$ (152)
Other comprehensive loss for the year		(109)	(44)	(176)	(152)
Total comprehensive income for the year		$ 23,345	$ 76	$ 51,854	$ 2,658
Other comprehensive loss attributable to:					
Owners of Trevali		$ (109)	$ (44)	$ (176)	$ (152)
Total comprehensive income attributable to:					
Owners of Trevali		$ 21,045	$ 76	$ 47,530	$ 2,658
Owners of non-controlling interests	**21**	2,300	–	4,324	–
		$ 23,345	$ 76	$ 51,854	$ 2,658

The accompanying notes are an integral part of these consolidated financial statements.

TREVALI MINING CORPORATION
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars)
Six Months Ended June 30, 2018 and 2017

	Notes	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period		$ 52,030	$ 2,810
Items not affecting cash:			
Depreciation, depletion and amortization		38,622	11,452
Share-based payment expenses		618	1,487
Unrealized (gain) loss on foreign exchange		(1,747)	1,523
Accrued interest and accretion on finance leases		(20)	1,254
Accretion of provision for environmental rehabilitation		922	394
Accrued interest and accretion on long-term debt		4,247	3,899
Accrued interest on reclamation bond		(11)	(1)
Deferred income tax		10,377	3,934
Changes in non-cash working capital items:			
Restricted Cash		1,449	1,101
Settlement and other receivables		13,805	751
Prepaids		(6,143)	(3,198)
Inventories		1,486	(425)
Accounts payable and accrued liabilities		(21,519)	1,242
Due to related parties		(6,322)	(702)
Net cash flows provided by operating activities		87,794	25,521
CASH FLOWS FROM FINANCING ACTIVITIES			
Share units issued		–	723
Shares units settled in cash		(24)	(342)
Stock options and warrants exercised		1,386	628
Repayment of long-term debt and revolving facility, net	**13**	(16,000)	(399)
Interest payments	**13**	(3,925)	(3,193)
Finance lease		–	6,915
Payments on finance leases		(1,190)	(3,729)
Net cash flows (used in) provided by financing activities		(19,753)	603
CASH FLOWS USED IN INVESTING ACTIVITIES			
Recovery of value added taxes receivable		7,497	50
(Increase) decrease in reclamation bonds		(1,961)	4,470
Purchase of investment		(3,109)	–
Purchase of plant, equipment and exploration and evaluation assets		(37,090)	(22,644)
Rosh Pinah share buy-back	**21**	(23,101)	–
Dividends paid to non-controlling interest	**21**	(1,991)	–
Net cash flows used in investing activities		(59,755)	(18,124)
Effect of foreign exchange on cash		(9)	(186)
Increase in cash and cash equivalents for the period		8,277	7,814
Cash and cash equivalents, beginning of period		94,135	11,136
Cash and cash equivalents, end of period		$ 102,412	$ 18,950

Supplemental Cash Flow Information (Note 20)

The accompanying notes are an integral part of these consolidated financial statements.

TREVALI MINING CORPORATION

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars except for share amounts)
Six Months Ended June 30, 2018 and 2017

	Notes	Number of shares	Share Capital	Share-based payment reserve	Retained earnings (Deficit)	Accumulated other comprehensive loss	Non-controlling interests	Total equity
Balance, December 31, 2017		825,725,260	$ 770,129	$ 20,626	$(37,114)	$ (46,500)	$ 37,922	$ 745,063
Share-based payment		–	–	618	–	–	–	618
Share units issued		2,249,426	2,826	(2,826)	–	–	–	–
Exercise of options and warrants		3,181,199	1,386	–	–	–	–	1,386
Share units settled in cash		–	–	(24)	–	–	–	(24)
Reallocation of share-based payment on exercise of options and warrants		–	1,073	(1,073)	–	–	–	–
Unrealized loss on investment		–	–	–	–	(176)	–	(176)
Dividends	**21**	–	–	–	–	–	(1,991)	(1,991)
Change in ownership interest in Rosh Pinah	**21**	–	–	–	8,430	–	(31,531)	(23,101)
Net income for the period		–	–	–	47,706	–	4,324	52,030
Balance, June 30, 2018		831,155,885	$ 775,414	$ 17,321	$ 19,022	$ (46,676)	$ 8,724	$ 773,805

	Notes	Number of shares	Share Capital	Share-based payment reserve	Deficit	Accumulated other comprehensive loss	Non-controlling interests	Total equity
Balance, December 31, 2016		401,606,025	$ 336,712	$ 22,100	$ (55,878)	$ (46,027)	$ -	$ 256,907
Share-based payment		-	-	1,590	-	-	-	1,590
Exercise of options and warrants		1,214,833	630	-	-	-	-	630
Share units issued		549,812	529	(529)	-	-	-	-
Share units settled in cash		-	-	(342)	-	-	-	(342)
Bonus share units issued		760,200	722	-	-	-	-	722
Reallocation from share-based payment		-	351	(351)	-	-	-	-
Unrealized loss on 'Available for Sale' investment		-	-	-	-	(152)	-	(152)
Net income for the period		-	-	-	2,807	-	-	2,807
Balance, June 30, 2017		404,130,870	$ 338,944	$ 22,468	$ (53,071)	$ (46,179)	$ -	$ 262,162

The accompanying notes are an integral part of these consolidated financial statements.

1. DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Trevali Mining Corporation ("Trevali" or "Company") is a publicly listed company incorporated under the laws of British Columbia, Canada. The Company's common shares are listed under the symbol (i) "TV" on both the Toronto Stock Exchange and Bolsa de Valores de Lima in Peru, (ii) "TREVF" on the OTCQX International Quotation System in the United States, and (iii) "4T1" on the Frankfurt Stock Exchange. The Company is a natural resource company engaged in the acquisition, exploration, development and production from mineral properties.

On August 31, 2017, Trevali acquired, directly and through its subsidiaries, an 80.1% interest in the Rosh Pinah mine in Namibia, a 90.0% interest in the Perkoa mine in Burkina Faso, an effective 39% interest in the Gergarub project in Namibia, and an option to acquire 100% interest in the Heath Steele project along with related exploration properties and assets in Canada from Glencore PLC and certain of its subsidiaries. On May 31, 2018, Trevali increased its beneficial ownership in Rosh Pinah from 80.1% to 90.0% through a partial share buy-back (Note 22). The Rosh Pinah mine produces zinc and lead-silver concentrates and the Perkoa mine produces zinc concentrates.

Trevali operates, through its wholly-owned subsidiary Trevali Peru S.A.C., the Santander underground mine and metallurgical plant, located in Peru, and produces zinc and lead-silver concentrates.

Trevali owns, through its wholly-owned subsidiaries, the Caribou mine and mill, the Halfmile mine and the Stratmat polymetallic deposit, all located in northern New Brunswick, Canada. The Caribou mine produces zinc and lead-silver concentrates.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, using the same accounting policies and methods of application as the audited annual consolidated financial statements of the Company for the year ended December 31, 2017, except for the new IFRS policies adopted as of January 1, 2018 (see Note 3 below), which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Certain information and note disclosure, normally included in the annual audited financial statements, have been omitted or condensed.

These condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the years ended December 31, 2017 and 2016.

Approval of the financial statements

The condensed interim consolidated financial statements of Trevali Mining Corporation for the three and six months ended June 30, 2018 and 2017 were reviewed by the Audit Committee, approved and authorized for issue by the Board of Directors on August 8, 2018.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Adoption of New IFRS Pronouncements

Trevali adopted the new IFRS pronouncements listed below as at January 1, 2018, in accordance with the transitional provisions outlined in the respective standards and described below. The adoption of these new IFRS pronouncements did not result in any adjustments to any previously reported figures.

Revenue Recognition

Trevali adopted IFRS 15 on January 1, 2018 in accordance with the transitional provisions of the standard. The new revenue standard introduces a single principles-based, five-step model for the recognition of revenue when control of goods is transferred to, or a service is performed for, the customer. The five steps are to identify the contract(s) with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to each performance obligation and recognize revenue as each performance obligation is satisfied. IFRS 15 also requires enhanced disclosures about revenue to help users better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. Based on management's analysis, the timing and amount of Trevali's revenue from product sales did not change under IFRS 15.

Financial Instruments

Trevali adopted IFRS 9 on January 1, 2018 in accordance with the transitional provisions of the standard. Trevali elected not to adopt the hedging requirements of IFRS 9 at this time but may adopt them in a future period.

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement (IAS 39).

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: those measured at fair value through profit and loss, those measured at fair value through other comprehensive income and those measured at amortized cost. Investments in equity instruments are required to be measured by default at fair value through profit or loss (but there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income). Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk

Trevali assessed the classification and measurement of its financial assets and financial liabilities under IFRS 9 and has summarized its assessments under each category as follows:

Cash equivalents

Cash equivalents were reclassified from loans and receivables to amortized cost or fair value through profit or loss, depending on their nature. The fair value of $94,135 as at January 1, 2018 is deemed to be the starting amortized cost for cash equivalents classified as subsequently measured at amortized cost. There was no impact on retained earnings as at January 1, 2018 because of this reclassification.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Adoption of New IFRS Pronouncements (continued)

Financial Instruments (continued)

Investments in marketable equity securities

Trevali made the irrevocable classification choice to record fair value changes on its investments in equity instruments through other comprehensive income. As a result, there was no impact on retained earnings as at January 1, 2018.

Expected credit losses

Credit risk arises from cash and cash equivalents, restricted cash, and other receivables. The Company limits its credit exposure on cash and cash equivalents and restricted cash by holding its deposits mainly with strong investment-grade ratings by a primary ratings agency. All the Company's settlement receivables are with Glencore – a related party (Note 17). Although Trevali is exposed to credit losses due to the non-performance of its counterparties, there are no significant concentrations of credit risk and Trevali does not consider this to be a material risk.

Significant Accounting Polices

The following are the significant accounting policies that have been amended because of the adoption of 'IFRS 15, Revenue from Contracts with Customers' ("IFRS 15") and 'IFRS 9, Financial Instruments' ("IFRS 9"). Trevali has consistently applied all other significant accounting policies as disclosed in its 2017 audited annual consolidated financial statements.

Revenue

Revenue consists of zinc and lead-silver concentrate sales. Trevali's performance obligations relate primarily to the delivery of these products to its customer, Glencore (a related party), with each separate delivery or shipment representing a separate performance obligation.

Revenue is recognized when the customer obtains control of the product. Control is achieved when a product is delivered to the customer, Trevali has a present right to payment for the product, significant risks and rewards of ownership have transferred to the customer according to contract terms and there is no unfulfilled obligation that could affect the customer's acceptance of the product.

The control of the product generally transfers to the customer when an individual delivery or shipment is delivered to the customer's warehouse or loaded onto a shipping carrier accepted by the customer.

The sale of concentrate is 'provisionally priced' as the prices are subject to final adjustment based on quoted market prices during the quotational period specified in the individual mine-site concentrate off-take contract. The revenue for these sales is recorded based on the estimated consideration based on relevant commodity market prices. Adjustments are made to settlements receivable in subsequent periods based on fluctuations in market prices until the date of final metal pricing. These sales adjustments (both gains and losses) are recorded in revenue in the consolidated income statements and in 'Settlement and other receivables' on the consolidated statements of financial position.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Significant Accounting Polices (continued)

Financial Instruments

Trevali recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents include cash on account. Cash is classified as subsequently measured at amortized cost.

Settlement receivables

Settlement receivables, presented in settlement and other receivables, relate to the zinc and lead-silver concentrate sales contracts where the receivable amounts vary based on the underlying commodity prices. Settlement receivables are classified as fair value through profit or loss and are recorded at fair value at each reporting period based on published price assessments or quoted commodity prices up to the date of final pricing. The changes in fair value are recorded in revenues.

Investments in marketable equity securities

Investments in marketable equity securities, presented under investment and prepaids, are classified, at Trevali's election, as subsequently measured at fair value through other comprehensive income. Investment transactions are recognized on the trade date with transaction costs included in the underlying balance. Fair values are determined by reference to quoted market prices at the statement of financial position date.

When investments in marketable equity securities are disposed of the cumulative gains and losses recognized in other comprehensive income are not recorded through profit and loss but rather remain within equity. Dividends are recognized in profit and these investments are not assessed for impairment.

Trade payables

Trade payables, presented in accounts payable, are non-interest bearing if paid when due and are recognized at face amount, except when fair value is materially different. Trade payables are subsequently measured at amortized cost.

Long term debt

Long-term debt is initially recorded at fair value, less transaction costs. Long-term debt is subsequently measured at amortized cost, calculated using the effective interest rate method.

4. PURCHASE OF THE ROSH PINAH AND PERKOA MINES

On August 31, 2017, Trevali completed the acquisition ("Acquisition") of a portfolio of zinc assets from Glencore PLC and certain of its subsidiaries ("Glencore") including an 80.1% interest in the Rosh Pinah mine in Namibia, a 90% interest in the Perkoa mine in Burkina Faso, an effective 39% interest in the Gergarub project in Namibia, and an option to acquire 100% interest in the Heath Steele project in Canada along with related exploration properties and other assets. The aggregate purchase price totaled $464,659 consisting of $245,216 cash and the issuance of 193,432,310 Trevali common shares to Glencore totaling $219,443 ($219,288 net of fees) based on the closing share price of CAD$1.43 on August 31, 2017. After the completion of this transaction, Glencore became a 25.6% shareholder of Trevali.

(Expressed in thousands of United States Dollars except for share and per share amounts)

4. **PURCHASE OF THE ROSH PINAH AND PERKOA MINES** (continued)

The cash consideration of the Acquisition was funded through a combination of: (i) the issuance of 220,455,000 Trevali common shares, from a bought deal private placement of subscription receipts completed in March 2017, at a price of CAD$1.20 per common share for gross proceeds of CAD$264,546 ($211,029); and, (ii) advances under a $160,000 senior secured term loan and a $30,000 senior secured revolving working capital loan (a portion of these proceeds was also used to retire existing Trevali long-term debt.

This acquisition is a business combination and has been accounted for in accordance with the IFRS 3 measurement and recognition provisions. IFRS 3 requires the purchase consideration to be allocated to the assets acquired and liabilities assumed based upon their estimated fair values at the date of acquisition.

Fair values have been determined based on third party appraisals, discounted cash flow models, and quoted market prices, as deemed appropriate. Acquisition costs, such as advisory, legal and other professional fees, totalling $12,619 were expensed during the year ended December 31, 2017.

The allocation of the purchase price includes $61,835 of goodwill relating to the recognition of deferred income tax liabilities on the Acquisition. The Company is required to record a deferred tax liability for the difference between the assigned value and the tax bases of assets acquired and liabilities assumed. None of the goodwill is deductible for tax purposes.

The Company estimates that had these assets been acquired at the beginning of the 2017 year, revenues would have been approximately $488,599 and earnings before tax approximately $67,715.

The following table summarizes the fair value of the consideration paid and the estimates of the fair values of assets acquired and liabilities assumed from Glencore as of August 31, 2017.

Purchase Price:		
Share Consideration - 193,432,310 Trevali common shares issued	$	219,443
Cash Consideration		245,216
	$	464,659
Fair values of assets acquired and liabilities assumed:		
Cash and cash equivalents	$	22,506
Reclamation bond		544
Trade and other receivables		43,594
Prepaids and other		7,986
Inventory		98,580
Exploration and evaluation assets		50,617
Property, plant and equipment		405,920
Goodwill		61,835
Trade and other payables		(46,056)
Payable to Related Parties		(18,476)
Provisions for environmental liabilities		(10,851)
Other long-term provisions		(2,625)
Non-controlling interests		(36,459)
Deferred income tax liabilities		(112,456)
	$	464,659

(Expressed in thousands of United States Dollars except for share and per share amounts)

5. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Company's financial assets and liabilities consist of cash and cash equivalents, restricted cash, settlement receivables, reclamation bonds and other, long-term receivable, accounts payable and accrued liabilities, due to related parties, finance leases and long-term debt.

Fair value of financial instruments

Fair value represents the price at which a financial instrument could be exchanged in an active market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The carrying and fair values of each classification of financial instrument are accounted for as follows:

a) The fair values for short-term financial assets and liabilities, which include cash, restricted cash, settlement receivables, accounts payable and accrued liabilities, and due to related parties, approximate carrying values due to the immediate or short-term maturities of these financial instruments.

b) The reclamation bonds are interest bearing and the carrying values represent fair values.

c) For the finance leases, the market rate of interest is determined by reference to similar lease agreements.

Capital risk management

The Company capital risk management objectives include continuing to operate as a going concern while maximizing the return to shareholders. The selling price of zinc and lead-silver concentrates and minimizing production costs and capital expenditures are key factors in helping the Company reach its capital risk management objectives. The capital structure of the Company includes shareholders' equity and debt.

6. SETTLEMENT AND OTHER RECEIVABLES

		June 30, 2018		December 31, 2017
Settlement receivables – Glencore (Note 17)	$	51,611	$	70,360
Burkina Faso VAT credits		5,529		5,000
Peru IGV sales tax credits		4,740		5,447
Namibia VAT credits		6,139		5,052
Namibia income taxes receivable		5,330		2,131
Other		451		941
	$	73,800	$	88,931

7. INVENTORIES

		June 30, 2018		December 31, 2017
Mineralized stockpiles	$	8,290	$	8,209
Concentrates		25,129		34,473
Materials and supplies		25,652		23,855
	$	59,071	$	66,537

(Expressed in thousands of United States Dollars except for share and per share amounts)

8. LONG-TERM RECEIVABLES

	June 30, 2018	December 31, 2017
Burkina Faso VAT credits	$ 8,146	$ 15,914
Receivable from sale of Tingo	3,800	3,800
	$ 11,946	$ 19,714

9. INVESTMENT

	June 30, 2018	December 31, 2017
Advances and investment	$ 3,042	$ -

During March 2018, Trevali entered into a Letter of Intent with Puma Exploration Inc. (“Puma”) for the acquisition of an option to acquire an interest in the Murray Brook Deposit and to form a Strategic Exploration Alliance in the northern portion of the Bathurst Mining Camp in New Brunswick. As part of this agreement, Trevali will provide, at its option, all or part of the remaining $5,810 (CAD$7,500) of funding to Puma in order for Puma to finalize the 100-percent acquisition of the Murray Brook Deposit ultimately leading to a 75:25 percent ownership interest between Trevali and Puma, respectively, and a 51:49 percent ownership in the Murray Brook East Property, respectively. Trevali advanced $1,579 to Puma to fund a portion of the remaining Murray Brook purchase price and invested $384 in Puma units consisting of 5,555,556 common shares at CAD$0.09 per share and 2,777,777 warrants exercisable at CAD$0.12 per share (each warrant is fully transferrable with a three-year term expiring on February 28, 2021).

On April 27, 2018, Trevali advanced an additional $1,154 to Puma to fund required staged payments as part of the Murray Brook purchase price.

The total advanced to date is $2,733 with approximately $3,077 (CAD$4,000) remaining to be advanced at Trevali’s option.

(Expressed in thousands of United States Dollars except for share and per share amounts)

10. EXPLORATION AND EVALUATION

	Gergarub Namibia	**Heath Steele Option** Canada	**Stratmat and Other** Canada and Burkina Faso	**Total**
Balance at December 31, 2017	$ 37,213	$ 13,228	$ 11,727	$ 62,168
Net additions	–	12	3,134	3,146
Balance at June 30, 2018	$ 37,213	$ 13,240	$ 14,861	$ 65,314

	Gergarub Namibia	**Heath Steele Option** Canada	**Stratmat and Other** Canada and Burkina Faso	**Total**
Balance at December 31, 2016	$ –	$ –	$ 9,118	$ 9,118
Business acquisition (Note 4)	37,213	13,228	176	50,617
Net additions	–	–	2,433	2,433
Balance at December 31, 2017	$ 37,213	$ 13,228	$ 11,727	$ 62,168

Gergarub, Namibia and Heath Steele Option, New Brunswick, Canada

On August 31, 2017, the Company acquired an effective 39% interest in the Gegarub project, the Heath Steele Option and various exploration properties in Burkina Faso as part of its purchase of the Rosh Pinah and Perkoa mines (Note 4).

Halfmile and Stratmat Properties, New Brunswick, Canada

During April 2011, the Company acquired the Halfmile, Stratmat and Ruttan properties. Glencore has the first right and option to purchase all or any portion of concentrates and other mineral products produced from these properties at market terms. Trevali acquired only a 61.51% interest on certain claims in the north portion of the Halfmile Lake property due to underlying ownership rights. On the fifth anniversary following the commencement of the production phase, Trevali will be required to make an additional final payment totalling $5,000 if the zinc prices are greater than $1.50 per pound (or an additional final payment totalling $2,500 if the zinc prices are between $1.25 and $1.50 per pound). Halfmile is a fully permitted underground mining operation that underwent initial trial mining and production from the Upper Zone of the deposit from January 2012 to July 2012. Mineralized material was transported to and toll-processed through the Brunswick 12 mill facility, producing good quality, saleable zinc, lead-silver and copper-gold metal concentrates. Glencore retains a 2% 'net smelter royalty' on these properties and has the right to purchase a 50% interest in the properties if a discovery of more than 20 million tonnes having an average grade of not less than 11% combined lead and zinc is made. Teck Cominco Limited has a 2.5% 'net smelter royalty' on a portion of the Stratmat property.

(Expressed in thousands of United States Dollars except for share and per share amounts)

11. PROPERTY, PLANT AND EQUIPMENT

	Mine development	Construction in progress	Buildings and infrastructure	Equipment and other	Assets under finance lease	**Total**
Cost at December 31, 2017	$ 537,966	$ 12,024	$ 235,144	$ 54,753	$ 15,788	$ 855,675
Additions	27,853	377	1,305	5,134	–	34,669
Change in provision for environmental rehabilitation	223	–	–	–	–	223
Reclassification	–	(3,618)	(1,897)	5,515	–	–
Disposals	–	–	(30)	(133)	–	(163)
As at June 30, 2018	566,042	8,783	234,522	65,269	15,788	890,404
Accumulated amortization at December 31, 2017	(45,891)	–	(37,084)	(11,133)	(821)	(94,929)
Charge for the period	(15,054)	–	(13,878)	(3,239)	(699)	(32,870)
Disposals	–	–	–	173	–	173
As at June 30, 2018	(60,945)	-	(50,962)	(14,199)	(1,520)	(127,626)
Net book value, June 30, 2018	$ 505,097	$ 8,783	$ 183,560	$ 51,070	$ 14,268	$ 762,778

	Mine development	Construction in progress	Buildings and infrastructure	Equipment and other	Assets under finance lease	**Total**
Cost at December 31, 2016	$ 284,139	$ 109	$ 42,739	$ 25,525	$ 25,574	$ 378,086
Business acquisition (Note 4)	218,834	4,515	157,649	23,902	1,020	405,920
Additions	36,090	6,375	5,013	6,681	15,821	69,980
Change in PER	608	–	–	–	–	608
Reclassification	(1,705)	1,025	29,743	(1,203)	(27,860)	–
Disposals	–	–	–	(152)	–	(152)
Change in estimate on assets under finance lease	–	–	–	–	1,233	1,233
As at December 31, 2017	537,966	12,024	235,144	54,753	15,788	855,675
Accumulated amortization at December 31, 2016	(23,401)	–	(9,448)	(4,015)	(7,313)	(44,177)
Charge for the year	(22,438)	–	(17,711)	(7,117)	(3,434)	(50,700)
Reclassification	–	–	(9,926)	–	9,926	–
Disposals	(51)	–	–	(1)	–	(52)
As at December 31, 2017	(45,890)	–	(37,085)	(11,133)	(821)	(94,929)
Net book value, December 31, 2017	$ 492,076	$ 12,024	$ 198,059	$ 43,620	$ 14,967	$ 760,746

(Expressed in thousands of United States Dollars except for share and per share amounts)

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2018	December 31, 2017
Trade	$ 28,103	$ 45,519
Accrued payroll and other	9,962	14,760
Corporate income taxes	2,233	1,994
Burkina Faso royalty payable	1,568	1,756
Burkina Faso community payable	3,907	2,997
Other	–	2,604
	$ 45,773	$ 69,630

13. LONG-TERM DEBT

	Credit Facilities
Balance at December 31, 2017	$ 148,381
Accretion and accrual of interest and transaction costs	4,247
Loan and interest payments	(19,925)
Balance at June 30, 2018	$ 132,703
Current	$ 38,000
Long Term	$ 94,703

	Total
Balance at December 31, 2016	$ 58,106
Amount advanced, net of transaction costs	188,108
Accretion and accrual of interest and transaction costs	11,262
Loss on foreign exchange translation	3,177
Loan and interest payments	(112,272)
Balance at December 31, 2017	148,381
Interest payable	$ 73
Current	$ 34,000
Long Term	$ 114,308

Credit Facilities

During August 2017, the Company entered into a $190,000 five-year senior secured credit facility comprised of a $160,000 senior-secured, amortizing non-revolving five-year credit facility (“Term Facility”) and a $30,000 senior-secured, revolving three-year credit facility (“Revolving Facility”). The Term Facility is repayable on a quarterly instalment basis (see schedule below). The advances under the Term Facility and Revolving Facility bear interest on a sliding scale: (i) at a rate of LIBOR plus between 3.00 percent to 4.00 percent or (ii) at a base rate plus between 2.00 percent to 3.00 percent. The Company has provided security on the credit facilities in the form of a general pledge of the Company’s assets including unconditional joint and several guarantees by existing and future directly owned material subsidiaries and by an assignment of the Company’s concentrate off-take contracts and various insurance policies.

The Company has $24,170 (net of letters of credit issued) available on the ‘Revolving Facility’ for future draw-downs as of June 30, 2018.

(Expressed in thousands of United States Dollars except for share and per share amounts)

13. LONG-TERM DEBT (continued)

Year	Scheduled Principal Payments	Principal Payments Year-to-Date	Remaining Scheduled Principal Payments
2018	$ 34,000	$ 16,000	$ 18,000
2019	40,000	–	40,000
2020	36,000	–	36,000
2021	24,000	–	24,000
2022	18,000	–	18,000
Total	$ 152,000	$ 16,000	$ 136,000

The Company must maintain certain financial covenants including tangible net worth, interest coverage and leverage ratios. As at June 30, 2018, the Company was in full compliance with these financial covenants.

14. SHARE CAPITAL

Authorized: Unlimited number of common shares without par value.

During the six months ended June 30, 2018, the Company:

a) Issued 2,249,426 common shares related to the short-term incentive plan bonus shares.

b) Issued 3,181,199 shares from the exercise of stock options and warrants for aggregate gross proceeds of $1,386.

15. SHARE-BASED PAYMENT RESERVE

Stock options

As at June 30, 2018 and December 31, 2017, the Company had outstanding stock options enabling the holders to acquire common shares as follows:

	June 30, 2018			**December 31, 2017**		
Expiry date	Exercise price (CAD$)	Number of options	Exercisable	Exercise price (CAD$)	Number of options	Exercisable
May 1, 2018	–	–	–	$0.77	527,500	527,500
May 31, 2018	–	–	–	$0.62	320,000	320,000
August 30, 2018	$0.72	30,000	30,000	$0.72	30,000	30,000
June 24, 2019	$1.01	886,200	886,200	$1.01	911,200	911,200
August 15, 2019	$1.29	188,500	188,500	$1.29	248,500	248,500
January 30, 2020	$1.03	2,584,794	2,584,794	$1.03	2,734,794	2,734,794
June 1, 2021	$0.45	2,750,700	2,750,700	$0.45	3,132,367	3,132,367
January 20, 2022	$1.21	1,277,100	1,277,100	$1.21	1,451,000	1,451,000
August 31, 2022	$1.59	553,540	–	$1.59	553,540	–
January 23, 2023	$1.52	1,351,200	–	–	–	–
	$0.99	9,622,034	7,717,294	$0.79	9,908,901	9,355,361

At June 30, 2018, the weighted average remaining contractual life of the stock options was 2.09 years (December 31, 2017 – 2.72 years).

(Expressed in thousands of United States Dollars except for share and per share amounts)

15. SHARE-BASED PAYMENT RESERVE (continued)

Stock options (continued)

Stock option transactions are as follows:

	June 30, 2018		**December 31, 2017**	
	Number of options	Weighted average exercise price (CAD$)	Number of options	Weighted average exercise price (CAD$)
Balance, beginning of the period	9,908,901	$0.79	9,561,661	$0.76
Granted	1,351,200	$1.52	2,033,440	$1.31
Exercised	(1,609,167)	$0.75	(1,657,833)	$0.70
Forfeited	(28,900)	$1.21	(28,367)	$0.58
Balance, end of the period	9,622,034	$0.99	9,908,901	$0.79

The weighted average market price on the exercise of options for the six month period ended June 30, 2018 was CAD$1.31 (December 31, 2017 – CAD$1.48).

During the six months ended June 30, 2018, the Company granted 1,351,200 stock options at an exercise price of CAD$1.52 per share exercisable for a period of five years with a three-year vesting schedule. The Company recorded $311 (2017 – $235) in total share-based payment expense related to its stock option plan, of which $nil (2017 – $13) was capitalized to exploration and evaluation assets.

The fair value of stock options granted was estimated using the Black-Scholes option pricing model with the following weighted average calculations for the six months ended June 30, 2018 and the year ended December 31, 2017:

	June 30, 2018	**December 31, 2017**
Risk-free interest rate	2.03%	1.03%
Expected life of options	5 years	5 years
Annualized volatility	63.79%	64.05%
Dividend rate	0.00%	0.00%
Forfeiture rate	5.27%	5.60%

Warrants

Warrants transactions are summarized as follows:

	June 30, 2018		**December 31, 2017**	
	Number of warrants	Weighted average exercise price (CAD$)	Number of warrants	Weighted average exercise price (CAD$)
Balance, beginning of the period	2,286,592	$0.35	7,902,880	$0.40
Exercised	(1,572,032)	$0.35	(5,616,288)	$0.41
Balance, end of the period	714,560	$0.35	2,286,592	$0.35

The weighted average market price on the exercise of warrants for the six months ended June 30, 2018 was CAD$1.23 (December 31, 2017 - CAD$1.43).

All warrants expire on December 31, 2020.

(Expressed in thousands of United States Dollars except for share and per share amounts)

15. SHARE-BASED PAYMENT RESERVE (continued)

Bonus Shares, RSUs and DSUs

During the six months ended June 30, 2018, the Company granted 739,500 RSUs and 269,800 DSUs, redeemed previously granted 2,249,426 Bonus Shares and 156,433 DSU's for common stock of the Company. The Company recorded $307 (2017 – $631) in share-based payment expense related to the incentive plan for the grant of bonus shares, RSUs and DSUs, of which $nil (2017 – $26) was capitalized to exploration and evaluation assets.

At June 30, 2018 and December 31, 2017, share units outstanding were as follows:

	June 30, 2018		**December 31, 2017**	
	Number of units	Weighted average fair value (CAD$)	Number of units	Weighted average fair value (CAD$)
Balance, beginning of period	2,249,426	$0.74	2,112,000	$0.72
Issued	–	–	672,800	$1.23
Forfeited	–	–	(28,772)	$1.42
Redeemed	(2,249,426)	$0.74	(506,602)	$1.41
Balance, end of period	-	-	2,249,426	$0.74

RSUs:	**June 30, 2018**		**December 31, 2017**	
	Number of units	Weighted average fair value (CAD$)	Number of units	Weighted average fair value (CAD$)
Balance, beginning of period	298,090	$1.56	3,731,670	$0.86
Granted	739,500	$1.52	970,890	$1.33
Forfeited	(128,300)	$1.52	(137,040)	$1.47
Redeemed	–	–	(4,267,430)	$1.46
Balance, end of period	909,290	$1.96	298,090	$1.56

DSUs:	**June 30, 2018**		**December 31, 2017**	
	Number of units	Weighted average fair value (CAD$)	Number of units	Weighted average fair value (CAD$)
Balance, beginning of period	605,893	$0.86	996,453	$0.71
Granted	269,800	$1.52	310,000	$1.23
Redeemed	(156,433)	$1.39	(700,560)	$0.81
Balance, end of period	719,260	$1.00	605,893	$0.86

16. RELATED PARTY TRANSACTIONS AND BALANCES

Glencore

On August 31, 2017, Glencore acquired 193,432,310 Trevali common shares as part of Trevali's acquisition of the Rosh Pinah and Perkoa mines (Note 4). As of June 30, 2018, Glencore owns 210,835,925 Trevali common shares representing approximately 25.4% of the total issued and outstanding common shares.

Glencore purchases Trevali's concentrate production under market term off-take agreements with each of its mines.

(Expressed in thousands of United States Dollars except for share and per share amounts)

16. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Trevali entered into the following transactions during the six months ended June 30, 2018 and 2017:

a) Earned revenue of $248,632 (2017 - $77,364) on concentrate sales (Note 17).

b) Paid $nil (2017 - $3,655) in principal and interest on the Santander concentration plant finance lease.

c) Paid $nil (2017 - $2,252) in principal and interest on the Santander working capital facility (Note 13).

d) Paid or accrued $11,153 production expenses at Santander (2017 - $9,894) and $6,349 on mine development (2017 - $6,110) capitalized to property, plant and equipment.

e) Paid $389 (2017 – n/a) interest on concentrate sales advances.

P.E. Minerals Namibia (Proprietary) Limited

P.E. Minerals Namibia (Proprietary) Limited is a minority shareholder of Rosh Pinah and owns the right to use the Rosh Pinah Mine Grant Number ML39 with Trevali paying a market rate lease. This mining licence expires during 2020 and negotiations with the Ministry of Mines and Energy in Namibia to renew the license commenced earlier this year. Management does not foresee any reason for the license application to be denied.

		June 30, 2018		December 31, 2017
Payable to Glencore	$	2,797	$	8,407
Payable to directors and officers		–		3
	$	2,797	$	8,410

17. REVENUES

		Zinc		Lead-Silver		Total
Three months ended June 30, 2018						
Revenues	$	162,355	$	21,368	$	183,723
Provisional pricing adjustments		(17,189)		(490)		(17,679)
Less: Smelting and refining		28,504		3,626		32,130
Revenues, net	$	116,662	$	17,252	$	133,914
Three months ended June 30, 2017						
Revenues	$	33,086	$	16,211	$	49,297
Provisional pricing adjustments		(1,883)		(428)		(2,311)
Less: Smelting and refining		6,253		3,293		9,546
Revenues, net	$	24,950	$	12,490	$	37,440

(Expressed in thousands of United States Dollars except for share and per share amounts)

17. REVENUES (continued)

		Zinc		Lead-Silver		Total
Six months ended June 30, 2018						
Revenues	$	295,585	$	35,128	$	330,713
Provisional pricing adjustments		(20,375)		(482)		(20,857)
Less: Smelting and refining		54,496		6,728		61,224
Revenues, net	$	220,714	$	27,918	$	248,632
Six months ended June 30, 2017						
Revenues	$	75,751	$	32,289	$	108,040
Provisional pricing adjustments		(1,225)		(339)		(1,564)
Less: Smelting and refining		21,584		7,528		29,112
Revenues, net	$	52,942	$	24,422	$	77,364

During the six months ended June 30, 2018, the Company delivered all concentrate to Glencore, a related party, under the terms of various off-take agreements, for net $248,632 (2017 – $77,364).

Revenues are disclosed net of smelting and refining charges consistent with industry standards.

18. CONTINGENT LIABILITIES

The Company and its subsidiaries are subject to routine legal proceedings and tax audits. Although the Company cannot predict the result of any legal proceeding or tax filing, the Company believes that the likelihood of any liability arising from any such claim is remote and that the liability, if any, arising from any litigation or tax filing assessment, individually or in aggregate, will not have a significant effect on the financial position or profitability of the Company and its subsidiaries.

The Company operates in Peru, Canada, Namibia and Burkina Faso and is subject to various tax and environmental laws and regulations. The Company is in material compliance with those laws and regulations and all probable contingencies have been reasonably estimated and accrued.

(Expressed in thousands of United States Dollars except for share and per share amounts)

19. SEGMENTED INFORMATION

The Company's executive management team manages its business, including the allocation of resources, on a project by project basis, except where the Company's projects are substantially connected and share resources and administrative functions. The Company has four operating segments: Rosh Pinah Mine, Namibia; Perkoa Mine, Burkina Faso; Santander Mine, Peru and Caribou Mine, Canada and one 'Corporate and Other' segment including the Company's executive head office, general corporate administration and activity, and the Halfmile-Stratmat project and Heath Steele option in Canada.

	Three months ended June 30, 2018					
	Rosh Pinah Mine	Perkoa Mine	Santander Mine	Caribou Mine	Corporate and Other	Total
Revenues	$ 21,566	$ 62,010	$ 20,632	$ 29,706	$ –	$ 133,914
Mining operating expenses	12,687	42,503	13,933	18,665	–	87,788
Gross profit	8,879	19,507	6,699	11,041	–	46,126
General and administration	–	–	–	–	2,169	2,169
Loss (gain) on foreign exchange	1,625	3,091	185	(796)	376	4,481
Interest expense (recovered)	245	4,071	202	1,261	(2,747)	3,032
Other income	(228)	5,193	175	(110)	(99)	4,931
Income (loss) before income tax	$ 7,237	$ 7,152	$ 6,137	$ 10,686	$ 301	$ 31,513

	Three months ended June 30, 2017			
	Santander Mine	Caribou Mine	Corporate and Other	Total
Revenues	$ 15,948	$ 21,492	$ –	$ 37,440
Mining operating expenses	11,445	15,852	–	27,297
Gross profit	4,503	5,640	–	10,143
General and administration	178	90	2,535	2,803
(Gain) loss on foreign exchange	(4)	70	1,870	1,936
Interest expense	946	1,991	4	2,941
Other income	(3)	(1)	–	(4)
Income (loss) before income tax	$ 3,386	$ 3,490	$ (4,409)	$ 2,467

	Six months ended June 30, 2018					
	Rosh Pinah Mine	Perkoa Mine	Santander Mine	Caribou Mine	Corporate and Other	Total
Revenues	$ 54,758	$ 98,862	$ 37,234	$ 57,778	$ –	$ 248,632
Mining operating expenses	34,248	69,464	25,502	36,684	–	165,898
Gross profit	20,510	29,398	11,732	21,094	–	82,734
General and administration	–	–	–	–	4,081	4,081
Loss (gain) on foreign exchange	1,754	266	136	(1,832)	814	1,138
Interest expense	289	8,565	726	4,345	(7,479)	6,446
Other income	(391)	(290)	2	(190)	(326)	(1,195)
Income (loss) before income tax	$ 18,858	$ 20,857	$ 10,868	$ 18,771	$ 2,910	$ 72,264

(Expressed in thousands of United States Dollars except for share and per share amounts)

19. SEGMENTED INFORMATION (continued)

	Six months ended June 30, 2017			
	Santander Mine	Caribou Mine	Corporate and Other	Total
Revenues	$ 29,449	$ 47,915	$ –	$ 77,364
Mining operating expenses	21,998	35,540	–	57,538
Gross profit	7,451	12,375	–	19,826
General and administration	297	107	2,699	3,103
(Gain) loss on foreign exchange	(579)	1,105	1,490	2,016
Interest expense	1,905	3,845	6	5,756
Business acquisition costs	–	–	1,542	1,542
Other income	(55)	(1)	–	(56)
Income before income tax	$ 5,883	$ 7,319	$ (5,737)	$ 7,465

	Total Assets at June 30, 2018					
	Rosh Pinah Mine	Perkoa Mine	Caribou Mine	Santander Mine	Corporate and Other	Total
Cash and cash equivalents	$ 16,556	$ 44,501	$ 19,086	$ 8,851	$ 13,418	$ 102,412
Restricted cash	–	–	–	1,743	–	1,743
Settlement and other receivables	11,875	30,845	16,195	14,876	9	73,800
Prepaids	278	6,996	612	2,834	971	11,691
Inventories	15,158	35,458	6,580	1,875	–	59,071
Reclamation bonds	–	3,741	5,686	85	489	10,001
Long-term receivables	–	8,146	–	–	3,800	11,946
Investment	–	–	–	–	3,042	3,042
Exploration and evaluation	37,213	2,083	3,148	-	22,870	65,314
Property, plant and equipment	229,494	167,068	134,048	141,387	90,781	762,778
Deferred income tax	–	–	–	–	8,659	8,659
Goodwill	61,835	–	–	–	–	61,835
Total assets	$ 372,409	$ 298,838	$185,355	$ 171,651	$ 144,039	$1,172,292

	Total Assets at December 31, 2017					
	Santander Mine	Caribou Mine	Rosh Pinah Mine	Perkoa Mine	Corporate and Other	Total
Cash and cash equivalents	$ 6,937	$ 15,369	$ 23,514	$ 21,431	$ 26,884	$ 94,135
Restricted cash	3,210	–	–	–	–	3,210
Settlement and other receivables	13,773	22,178	22,257	30,458	265	88,931
Prepaids	1,685	519	278	2,448	1,051	5,981
Inventories	1,479	5,215	19,286	40,557	–	66,537
Reclamation bonds	85	5,957	–	1,826	513	8,381
Long-term receivables	–	–	–	15,914	3,800	19,714
Exploration and evaluation	–	1,816	37,213	219	22,920	62,168
Property, plant and equipment	137,721	130,517	228,759	173,086	90,663	760,746
Deferred income tax	–	–	–	–	8,521	8,521
Goodwill	–	–	61,835	–	–	61,835
Total assets	$ 164,890	$ 181,571	$ 393,142	$ 285,939	$ 154,617	$1,180,159

(Expressed in thousands of United States Dollars except for share and per share amounts)

20. SUPPLEMENTAL CASH FLOWS INFORMATION

Non-cash investing and financing transactions for the six months ended June 30, 2018 and 2017 consist of the following:

		2018		2017
Due to related parties included in property, plant and equipment	$	926	$	1,178
Accounts payable and accrued liabilities included in property, plant and equipment	$	3,903	$	1,189
Promissory note provided as deposit on Caribou mine fleet	$	-	$	1,919
Mining equipment leased at the Caribou mine	$	-	$	27
Share-based payment included in exploration and evaluation	$	-	$	40
Fair value of bonus shares, RSUs and DSUs issued	$	2,826	$	529

21. NON-CONTROLLING INTERESTS

		Rosh Pinah Mine		Perkoa Mine		Total
Balance, December 31, 2017	$	58,088	$	(20,166)	$	37,922
Non-controlling interests' share of net income		2,338		1,986		4,324
Dividends paid		(1,991)		–		(1,991)
Share buy-back		(31,531)		–		(31,531)
Balance, June 30, 2018	$	26,904	$	(18,180)	$	8,724

		Rosh Pinah Mine		Perkoa Mine		Total
Balance, January 1, 2017	$	–	$	–	$	–
Business acquisition – August 31, 2017 (Note 4)		57,184		(20,725)		36,459
Non-controlling interests' share of net income		904		559		1,463
Balance, December 31, 2017	$	58,088	$	(20,166)	$	37,922

The Mining Convention between Nantou Mining and the Government of Burkina Faso, which was signed by the Minister of Mines of Burkina Faso on August 27, 2008, sets out the fiscal and legal terms with respect to the operation of the Perkoa Exploitation Permit, including taxation rates applicable to the project, per the 2003 Mining Code. The Convention is valid for 20 years commencing on the date of the grant and may be renewed for subsequent periods of five years. The Government of Burkina Faso holds a 10% interest in accordance with the Mining Code.

The payments of the 10% earnings to the Government of Burkina Faso shall only start once all investments have been recovered by the majority shareholder. As of June 30, 2018, no earnings are due to the Government of Burkina Faso.

On May 31, 2018, Trevali's majority-owned operating subsidiary Rosh Pinah Zinc Corporation (Proprietary) Limited ("Rosh Pinah") in Namibia completed a partial share buy-back of issued Rosh Pinah shares under agreements with its Namibian shareholders for an aggregate amount of $23,101 (net of transaction fees). The tendered shares were subsequently cancelled increasing Trevali's effective beneficial ownership in Rosh Pinah from 80.1% to 90.0%.