TREVALI MINING CORPORATION

Management's Discussion and Analysis

For the three and nine-month periods ended September 30, 2018

Dated November 7, 2018

INTRODUCTION

Trevali Mining Corporation ("Trevali" or the "Company") prepared this Management's Discussion & Analysis ("MD&A") for the three and nine-month periods ended September 30, 2018, as a "Non-Venture Issuer", in accordance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102"), as of November 7, 2018. This MD&A provides a detailed analysis of the Company's financial results for the three and nine-month periods ended September 30, 2018 and should be read in conjunction with the Company's audited consolidated financial statements for the years ended December 31, 2017 and 2016 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the condensed interim consolidated financial statements for the three and nine-months ended September 30, 2018 and 2017 which have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting Standards of IFRS ("Financial Statements").

This MD&A reports all figures in thousands of United States Dollars except for share, per share, per pound and per ounce amounts, unless otherwise noted. Trevali operates in various jurisdictions and makes references to Canadian dollars as "CAD", Peruvian soles as "PEN", Namibian dollars as "NAD" and West African Franc as "XOF".

Use of Non-IFRS Financial Performance Measures

This MD&A refers to the following Non-IFRS financial performance measures: EBITDA and EBIT, Adjusted EBITDA, Net debt, Cash Operating Costs per tonne milled, C1 Cash Cost per pound and All-In Sustaining Costs ("AISC") per pound. The detailed description and calculations are disclosed in the 'Use of Non-IFRS Financial Performance Measures' section.

Cautionary Note Regarding Forward-Looking Information and Statements

This MD&A contains certain "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 relate to future events or future performance and reflect management's expectations or beliefs regarding future events including, but not limited to, statements with respect to the estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, 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 anticipated exploration programs and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "outlook", "guidance", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", 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. In this MD&A, certain forward-looking statements are identified by words including "guidance", "may", "future", "expected", "intends" and "estimates".

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; possible variations in ore reserves, grade or recovery rates; accidents; assumptions related to geotechnical conditions of underground and open pit mining and tailings facilities; dependence on key personnel; 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 associated with sales of our metals; increased operating and capital costs; operating in foreign jurisdictions with risk of changes to governmental regulation; impact of climatic conditions on the Company's Santander, Caribou, Rosh Pinah and Perkoa mining operations; compliance with debt covenants, and other risks of the mining industry including, without limitation, other risks and uncertainties that are more fully described in the Company's annual information form, audited consolidated annual financial statements and management's discussion and analysis for the year ended December 31, 2017.

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. Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management as of the date the statements are published, and the Company's assumes no obligation to update any forward-looking statements in the future, except as required by law. Accordingly, readers should not place undue reliance on forward-looking statements.

COMPANY BUSINESS AND BACKGROUND

Trevali is a natural resource company engaged in the acquisition, exploration, development and production of mineral properties. The Company is actively producing zinc concentrates from the Perkoa Mine in Burkina Faso and zinc and lead-silver concentrates from the Rosh Pinah Mine in Namibia, the Caribou Mine in the Bathurst Mining Camp, northern New Brunswick, Canada and the Santander Mine in Peru. In addition, Trevali owns the Halfmile Project, the Stratmat and Restigouche polymetallic deposits and options to acquire majority positions in the Heath Steele and Murray deposits located in New Brunswick, Canada, the Ruttan Mine in northern Manitoba, Canada and an effective 44% interest in the Gergarub project in Namibia.

Common shares of the Company are listed under the symbol (i) "TV" on the Toronto Stock Exchange ("TSX") and the 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.

In August 2017, Trevali completed the acquisition of a portfolio of zinc assets from Glencore plc ("Glencore"), and certain of its subsidiaries, including a 90% interest in the Perkoa Mine in Burkina Faso ("Perkoa"), an 80.1% interest in the Rosh Pinah Mine in Namibia ("Rosh Pinah"), 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.

On May 31, 2018, Trevali increased its beneficial ownership in Rosh Pinah from 80.1% to 90.0% through a partial share buy-back (and this also increased Trevali's indirect ownership interest in the Gergarub deposit from 39% to 44%).

FINANCIAL AND OPERATIONAL SUMMARY FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018

- Net loss of $30,846 or $0.04 per share which was impacted by an inventory build-up due to moisture issues increasing concentrate drying time at Rosh Pinah in addition to normal course logistical challenges with overland transport at Perkoa. This created a timing issue with sales in Q3 that we expect to offset and correct in Q4 sales. Two shipments from Rosh Pinah with a combined 25,472 DMT, representing 87% of the concentrate produced in Q3, were completed in October 2018.
- The results for the quarter were also negatively impacted by lower commodity prices, with open sales from previous quarters being finalized during the quarter resulting in a negative provisional pricing adjustment of $42,556 compared to negative $777 for the three months ended September 30, 2017.
- Zinc production of 101.6 million pounds of payable zinc compared to 103.9 million pounds of payable zinc during the previous 3 months with a C1 cash cost[1] of $0.72 per pound compared to 58.4 million pounds at C1 cash cost of $0.53 per pound for the three months ended September 30, 2017.
- Working capital position of $175,350 as of September 30, 2018 ($144,350 at December 31, 2017) and net debt[1] and total debt of $61,735 and $154,808, respectively ($66,422 and $160,557 at December 31, 2017).
- Entered into an amended and restated credit agreement with a syndicate of lenders for a new $275,000 Revolving Credit Facility (the "Facility") with $149,500 drawn down as of September 30, 2018. The Facility replaced the $160,000 Term and $30,000 Revolving facilities entered into in August 2017 and it is expected to result in reduced interest payments and afford the Company the flexibility to repay debt without compromising total available liquidity.
- During the quarter a fatal accident at the Perkoa Mine claimed the life of one miner who was employed by the Company's mine contractor. The Trevali senior management team worked closely with the site's and contractor's management teams to thoroughly investigate the accident in conjunction with government authorities. The safety of everyone working in Trevali's operations is a priority and the Company has ensured that any key learnings were shared with all of the Trevali operations to prevent future accidents.

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

- During the quarter, the Santander Mine's main road access was periodically blocked by a small group of community members and other persons not affiliated with the mine. This blockade was lifted late September 2018 and full production resumed within the week. As a result of this blockade, mine and mill production for the third quarter was down by 26% and 11%, respectively, from the previous quarter (the mill operations processed its ore stockpiles and continued to re-process its tailings). The Company remains on track to achieve 2018 zinc production guidance at Santander.
- Announced Caribou Mine's updated mine production plan with a downward revision to the 2018 market guidance due to adverse conditions experienced in two mining zones resulting in the cessation of retreat mining in these zones and the subsequent loss of production (approaching 50,000 tonnes) from the remaining 2018 mine plan (see news release dated October 22, 2018). Caribou management have strategically slowed the mining rate in order to accelerate mine development in Q4 2018 through Q1 2019 to build more optionality and stability in the mine to deliver safe, strong and reliable results in 2019. Caribou Mine's payable zinc in concentrate is expected to be 70 to 75 million pounds (a decrease from the previous 86 to 90 million pounds) and payable lead in concentrate is 23.0 to 25.0 million pounds (a decrease from the previous 27.1 to 28.4 million pounds).
- Perkoa's 2018 zinc production guidance has been raised to 172 to 180 million pounds payable metal. Consolidating Perkoa's new guidance with Caribou's revised guidance of 70 to 75 million pounds, which was announced on October 22, 2018, Trevali's consolidated production guidance is 392 to 418 million pounds of payable zinc. Given the strong performance year-to-date at Perkoa and our expectations for the other mines, the Company remains confident that the lower end of the 400 to 427 million pound guidance stated at the beginning of the year will be achieved.

The following tables summarize Trevali's key combined production statistics, select summarized financial information and depreciation reconciliation for the three and nine months ended September 30, 2018 and 2017. As Trevali acquired the Perkoa Mine and Rosh Pinah Mine on August 31, 2017, the comparative figures for the three and nine months ended September 30, 2017 include the three-month results for the Santander Mine and Caribou Mine and only one month of operations (September 2017) for these two mines.

	Three Months Ended		Nine Months Ended September 30	
Production	**Q3-2018**	**Q3-2017** [1]	**2018**	**2017** [1]
Tonnes Mined	652,904	552,385	2,250,284	1,295,140
Tonnes Milled	753,122	567,552	2,317,271	1,431,774
Zinc head grade	8.4%	6.5%	8.2%	5.5%
Lead head grade	1.3%	1.8%	1.4%	1.7%
Silver head grade (ozs/ton)	1.3	1.6	1.2	1.7
Zinc recovery rate	87%	85%	87%	83%
Lead recovery rate	59%	70%	63%	70%
Silver recovery rate	40%	53%	42%	52%
Zinc concentrate produced (DMT)	113,643	63,331	339,000	133,845
Lead concentrate produced (DMT)	12,010	13,974	40,251	38,342
Zinc concentrate grade	49%	50%	49%	49%
Lead concentrate grade	38%	43%	39%	41%
Silver concentrate (ozs/ton)	23.9	29.3	22.6	28.6
Zinc payable production (lbs)	101,593,542	58,425,056	304,224,094	120,320,433
Lead payable production (lbs)	9,158,996	12,474,379	31,986,971	32,370,137
Silver payable production (oz)	306,678	433,442	976,056	1,164,608
Sales				
Zinc concentrate sold (DMT)	84,264	49,346	306,853	119,869
Lead concentrate sold (DMT)	9,079	13,835	35,447	38,816
Payable Zinc (lbs)	75,512,580	43,892,815	279,223,613	105,115,820
Payable Lead (lbs)	8,089,924	12,068,528	29,206,857	31,605,312
Payable Silver (oz)	281,196	434,418	932,399	1,142,631
Cash Cost per Tonne Milled [2]	$ 67	$ 54	$ 66	$ 51
C1 Cash Cost per Pound [2]	$ 0.72	$ 0.53	$ 0.73	$ 0.61
All-In Sustaining Cost per Pound [2]	$ 0.87	$ 0.75	$ 0.88	$ 0.80

[1] The Perkoa and Rosh Pinah Mines were acquired August 31, 2017. The Q3-2017 and 2017 comparatives include only the September 2017 results.

[2] See 'Use of Non-IFRS Financial Performance Measures'

Financials	Three Months Ended Q3-2018	Three Months Ended Q3-2017 [1]	Nine Months Ended September 30 2018	Nine Months Ended September 30 2017 [1]
Revenues	97,468	82,348	428,182	190,388
Provisional pricing adjustments	(42,556)	(777)	(63,412)	(2,341)
Smelting and refining	(24,373)	(17,171)	(85,599)	46,285
Revenues, net	30,539	64,399	279,171	141,762
Mining operating expenses	50,182	27,670	177,458	73,755
Other mining operating expenses	(2,145)	3,679	(1,821)	4,609
Corporate	4,903	13,046	8,603	18,713
EBITDA[2]	(22,401)	20,003	94,931	44,685
Depreciation, depletion and amortization	14,575	8,371	53,197	19,824
EBIT[2]	(36,976)	11,632	41,734	24,861

[1] The Perkoa and Rosh Pinah Mines w ere acquired August 31, 2017. The Q3-2017 and 2017 comparatives inlcude only the September 2017 results.

[2] See 'Use of Non-IFRS Financial Performance Measures'

Depreciation Reconciliation	Three Months Ended Q3-2018	Three Months Ended Q3-2017	Nine Months Ended September 30 2018	Nine Months Ended September 30 2017
Total Depreciation and Depletion	18,604	8,644	51,258	19,824
Expensed from inventory (capitalized to inventory)	(4,029)	(273)	1,939	–
Depreciation Income Statement	14,575	8,371	53,197	19,824

Provisional pricing

All of Trevali's zinc and lead concentrate sales contracts provide final pricing in a future month (generally one to six months from the shipment date) based primarily on quoted London Metal Exchange ("LME") monthly average zinc and lead prices. Trevali recognizes revenues at the time of shipment based on then-current LME prices and marks-to-market each period until final pricing on the date of settlement.

In determining the impact of changes in zinc price on quarterly financial results, consider the following:

- During third quarter 2018, LME zinc settlement price averaged \$1.15/lb (\$2,537/t) and the spot quarter end 3-month future price was \$1.15/lb (\$2,537/t) at the end of September.
- At June 30, 2018, Trevali had provisionally priced zinc sales at its mining operations totaling 147.6 million pounds (66,949 tonnes) of zinc payable recorded at an average of \$1.39/lb (\$3,058/t) subject to final pricing over the next several months.
- Trevali estimates that each \$0.05 change in the price realized from the September 30, 2018, \$1.10/lb (\$2,433/t) provisional price recorded would have an approximate average \$3.5 million effect on 2018 revenues.

- Because a significant portion of zinc sales for any quarter remain subject to final pricing, the average future price for the last month in a quarter is a major determinant of the average zinc prices recorded for the period.
- At September 30, 2018, Trevali had provisionally priced zinc sales at its mining operations totaling 96.3 million pounds (43,698 tonnes) of zinc payable.

	Zinc		Lead	
	Pounds	**Tonnes**	**Pounds**	**Tonnes**
Spot 3-month future price as at June 29, 2018	$ 1.32	$ 2,910	$ 1.10	$ 2,436
Provisionally priced metal June 30, 2018	147.6m	66,949	14.5m	6,556
Average 3-month future price for June 2018	$ 1.39	$ 3,058	$ 1.11	$ 2,452
Average Q3 LME price	$ 1.15	$ 2,537	$ 0.95	$ 2,102
Provisionally priced metal September 30, 2018	96.3m	43,698	5.1m	2,295
Average 3-month future price for September 2018	$ 1.10	$ 2,433	$ 0.93	$ 2,043
Spot 3-month future price as at September 28, 2018	$ 1.15	$ 2,537	$ 0.91	$ 2,016

DISCUSSION OF OPERATIONS

Trevali reported net revenues of $279,171 for the nine months ended September 30, 2018 ($141,762 for the nine months ended September 30, 2017) and revenues of $30,539 for the three months ended September 30, 2018 ($64,399 for the three months ended September 30, 2017). The increased sales revenue during 2018 is primarily due to the inclusion of the Perkoa and Rosh Pinah Mines' sales revenues. As the Perkoa and Rosh Pinah mines were acquired August 31, 2017, the 2017 comparatives include the Caribou Mine and Santander Mine sales revenues for the three months ended September 30, 2017 and the Rosh Pinah sales revenues for September 2017 (the Perkoa Mine did not record any sales during September 2017).

The current tax expense for the nine months ended September 30, 2018 totals $6,972 and includes the Rosh Pinah Mine Namibia income taxes totaling $5,106 and the Caribou Mine New Brunswick Mining Tax totaling $1,579.

The deferred income tax expense for the nine months ended September 30, 2018 totals $4,067 and reflects the changes in the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis and is a non-cash expense.

OUTLOOK

Burkina Faso

Trevali acquired the Perkoa Mine on August 31, 2017 (comparatives include the September 2017 results).

Given the strong performance over the first nine months of 2018, Perkoa production guidance has been raised to 172 to 180 million payable pounds of zinc, from its previous 2018 guidance of 164 to 174 million payable pounds of zinc.

Q3 2018 production was 44.4 million pounds of payable zinc with an average zinc recovery of 90%. Mine output and mill throughput for the quarter were 171,739 tonnes and 183,367 tonnes of ore, respectively.

The mine site operating cost for the nine-months ended September 30, 2018 was $101 per tonne and is below the annual 2018 estimate ranging from $103 to $113 per tonne milled. This is a direct result of improved milling productivity and depletion of the mine stockpile.

During Q1 2018, Trevali approved the procurement and installation of a more efficient site power generating plant. The project has an estimated budget, including contingency, totaling $9.2 million with an anticipated cost savings of approximately $5 per tonne milled. The power generating plant is expected to be commissioned in early Q1 2019.

Namibia

Trevali acquired the Rosh Pinah Mine on August 31, 2017 (comparatives include the September 2017 results).

The 2018 Rosh Pinah Mine production estimate is:

- 95 to 105 million pounds of payable zinc in concentrate;
- 5.7 to 6.0 million pounds of payable lead in concentrate; and
- 123,000 to 129,000 ounces of payable silver.

The mine site operating cost for three and nine-months ended September 30, 2018 was $66 and $55 per tonne, respectively, above the annual 2018 guidance ranging from $49 to $54 per tonne milled. The increased costs per tonne are a direct result of lower milled tonnes due to higher feed grades from the mine.

Business improvement programs are focusing on reducing the bottleneck in the mill and long-term mill infrastructure improvements to more efficiently process Western Ore field mineralization, which comprises the bulk of the current reserve base.

Canada – Bathurst Mining Camp

During October 2018, Trevali revised its production estimate for the Caribou Mine. During the year, the mine has experienced challenging hanging wall rock mass conditions leading to changes to the geotechnical control management, primarily requiring the move to cemented rock fill from unconsolidated fill. As previously reported on October 22, 2018, during early to mid-October adverse conditions were experienced in two mining zones resulting in the cessation of retreat mining in these zones and the subsequent loss of some production (approximately 50,000 tonnes) from the remaining 2018 mine plan. Further external engineering studies are ongoing and in order to increase mining flexibility, Caribou management have strategically slowed the mining rate in order to accelerate mine development in Q4 2018 through Q1 2019 to build more optionality and stability in the mine to deliver safe, strong and reliable results in 2019. As a result, the 2018 zinc and lead production was adversely affected and the production estimates have been revised downwards (the 2018 silver production estimate remains unchanged) – see news release dated October 22, 2018.

The 2018 Caribou Mine production estimate is:

- 70 to 75 million pounds payable zinc in concentrate (a decrease from the previous 86 to 90 million pounds of payable zinc in concentrate);
- 23.0 to 25.0 million pounds of payable lead in concentrate (a decrease from the previous 27.1 to 28.4 million pounds of payable lead in concentrate); and
- 627,000 to 658,000 ounces of payable silver.

Site operating cost for the three and nine-months ended September 30, 2018 was $62 per tonne. The annual 2018 estimate was increased from $55 to $61 per tonne milled to $63 to $69 per tonne milled with costs per tonne milled expected to be higher in Q4 than Q3 as a result of fewer tonnes being processed by the mill (see news release dated October 22, 2018).

Halfmile-Stratmat

The Company announced the results of the Preliminary Economic Assessment ("PEA") study on November 6, 2017. Please see news release dated November 6, 2017 and the Exploration and Development section of this MD&A for additional details.

Murray Brook

On March 2, 2018, Trevali announced that it had 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 proposed Strategic Exploration Alliance in the northern portion of the Bathurst Mining Camp in New Brunswick. Trevali, at its option, will provide all or part of the remaining $3,049 (CAD$4,000) in 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 (CAD$2,000) to Puma and invested $384 (CAD$500) 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 and has a three-year term). The proceeds will be used to advance the Strategic Exploration Alliance (see news release dated March 2, 2018).

On April 27, 2018, Trevali advanced an additional $1,166 (CAD$1,500) to Puma to fund required staged payments as part of the Murray Brook purchase price.

The Company has advanced $2,745 (CAD$3,500) to date with approximately $3,049 (CAD$4,000) remaining to be advanced at Trevali's option, $2,287 (CAD$3,000) at December 31, 2018 and $762 (CAD$1,000) at April 31, 2019.

<u>Peru</u>

The 2018 Santander Mine production estimate remains unchanged:

- 55 to 58 million pounds of payable zinc in concentrate;
- 11.0 to 11.6 million pounds of payable lead in concentrate; and
- 654,000 to 687,000 ounces of payable silver.

After completing the scheduled major mill maintenance program in March 2018, the mill achieved throughput of 223,884 tonnes (an operational record) and mine output of 198,318 tonnes during the second quarter. However, during 2018 Q3, the mine's main road access was at times blocked by a small group of community members and other persons not affiliated with the Santander Mine and, as a result, the Company was unable to complete a scheduled delivery of supplies. The blockade was lifted late September 2018 and full production resumed within the week. Mine and mill production for the third quarter was down by 26% and 11%, respectively, compared to the previous quarter (the mill operations processed its ore stockpiles and continued to re-process its tailings). The Company remains on track to achieve 2018 zinc production guidance at Santander. The Santander senior management team is proactively engaging with the local community and is in ongoing consultation with elected community leaders to discuss their concerns and ensure that mine operations continue without further interruption.

The site operating cost for the three and nine-months ended September 30, 2018 was $41 and $47 per tonne, respectively, with costs in Q2 and Q3 within the Company's guidance of $38 to $42 per tonne milled with this trend continuing for Q4. The Company continues to implement operational efficiency initiatives and cost containment measures.

Discussion of Mining Operations

Perkoa Mine, Burkina Faso

The Perkoa Mine is located in the Sanguie Province, approximately 120 kilometres west of the capital city of Ouagadougou, Burkina Faso. The Perkoa Mine has been in commercial operation since 2013 and currently produces zinc concentrate (there are no by-product metal revenues). The mine is expected to produce for another five years based on the most recent resource – reserve updates (see April 16, 2018 Mineral Reserves and Mineral Resources Statements for details).

On August 8, 2018 a fatal accident at the Perkoa Mine claimed the life of one miner who was employed by the Company's mine contractor. The Trevali senior management team worked closely with the site's and contractor's management teams to thoroughly investigate the accident in conjunction with government authorities. The safety of everyone working in Trevali's operations is a priority and the Company has ensured that key learnings were shared with all of the Trevali operations to prevent future accidents (see news release dated August 9, 2018).

Trevali acquired the Perkoa Mine on August 31, 2017 (comparatives include the September 2017 month only).

Production	Three Months Ended Q3-2018	Three Months Ended Q3-2017 [1]	Nine Months Ended September 30 2018	Nine Months Ended September 30 2017 [1]
Tonnes Mined	171,739	67,274	546,448	67,274
Tonnes Milled	183,367	57,810	539,333	57,810
Zinc head grade	14.5%	15.2%	14.7%	15.2%
Zinc recovery rate	90.0%	92.3%	92.5%	92.3%
Zinc concentrate produced (DMT)	48,096	15,890	145,205	15,890
Zinc concentrate grade	49.9%	51.1%	50.6%	51.1%
Zinc payable production (lbs)	44,383,330	15,109,423	136,409,951	15,109,423
Sales				
Zinc concentrate sold (DMT)	41,849	-	137,001	-
Payable Zinc (lbs)	38,399,626	-	129,817,463	-
Cash Cost per Tonne Milled[2]	$ 103	$ 94	$ 101	$ 94
C1 Cash Cost per Pound[2]	$ 0.79	$ 0.49	$ 0.77	$ 0.49
All-In Sustaining Cost per Pound[2]	$ 0.84	$ 0.82	$ 0.84	$ 0.82

[1] The Perkoa Mine was acquired August 31, 2017. The Q3-2017 and 2017 comparatives include only the September 2017 results.

[2] See 'Use of Non-IFRS Financial Performance Measures'

Financials	Three Months Ended Q3-2018	Three Months Ended Q3-2017 [1]	Nine Months Ended September 30 2018	Nine Months Ended September 30 2017 [1]
Revenues, net	$ 15,491	$ -	$ 114,353	$ -
Mining operating expenses	21,945	-	72,001	-
Other mining operating expenses	308	289	574	289
EBITDA[2]	(6,762)	(289)	41,777	(289)
Depreciation, depletion and amortization	7,104	-	26,514	-
EBIT[2]	(13,866)	(289)	15,264	(289)

[1] The Perkoa Mine was acquired August 31, 2017. There were no sales during September 2017.

[2] See 'Use of Non-IFRS Financial Performance Measures'

Three months ended September 30, 2018

Net revenues totaled $15,491 for the three months ended September 30, 2018. For September 2017, the Perkoa Mine did not record any sales revenue. The Company is continuing to work with our supply chain partners to improve the logistics and flow of material between the mine site and port.

Mine production was 171,739 tonnes with a 14.5% head grade and mill throughput was 183,367 tonnes with a 90.0% average zinc recovery rate resulting in Q3 2018 production was 44.4 million pounds of payable zinc.

The mine site operating cost for three months ended September 30, 2018 was $103 per tonne.

Given the strong performance over the first nine months of 2018, Perkoa's zinc production guidance has been raised to 172 – 180 million pounds payable metal compared to prior 2018 guidance of 164 to 174 million payable pounds of zinc (74,400 to 78,950 tonnes).

Nine months ended September 30, 2018
Net revenues totaled $114,353 for the nine months ended September 30, 2018 with EBIT totalling $15,264 for the nine months ended September 30, 2018.

YTD 2018 mine production totaled 546,448 tonnes with an average 14.7% head grade and mill throughput was 539,333 tonnes with a 92.5% average zinc recovery rate. Zinc concentrate totaled 145,205 tonnes and zinc payable production totaled 136.4 million pounds.

The mine site operating cost for the nine-months ended September 30, 2018 was $101 per tonne and is below the annual 2018 market guidance ranging from $103 to $113 per tonne milled. This is a direct result of improved milling productivity and depletion of the mine stockpile.

The Company approved the procurement of a more efficient site power generating station in Q1. This project entails the installation of two 2.5MW Heavy Fuel Oil generators for an estimated capital cost of $9.2 million and is expected to reduce operating costs by approximately $5 per tonne milled. The power generating station is expected to be commissioned in early Q1 2019.

Rosh Pinah Mine, Namibia
The Rosh Pinah underground zinc-lead mine is located in southwestern Namibia, approximately 800 km south of Windhoek and 20 km north of the Orange River, at the edge of the Namib Desert. The Rosh Pinah mine has been in continuous operation since 1969 and currently produces zinc and lead sulphide concentrates containing minor amounts of copper, silver, and gold. The zinc and lead concentrates are transported by truck to Luderitz, a port on the Namibian Coast, and then shipped to the international markets. Lead concentrates are shipped approximately twice per year due to the relatively limited lead concentrate production. The mine is expected to produce for another twelve years based on the most recent resource – reserve estimates (see April 16, 2018 Mineral Reserves and Mineral Resources Statements for details).

Trevali acquired the Rosh Pinah Mine on August 31, 2017 (comparatives include the September 2017 month only).

The Rosh Pinah mine is 90% owned by Trevali and 10% by Namibian Broad-Based Empowerment Groupings and an Employee Empowerment Participation Scheme (EEPS). On May 31, 2018, Trevali increased its beneficial ownership in Rosh Pinah from 80.1% to 90.0% and its indirect ownership interest in the Gergarub deposit from 39% to 44% through a partial share buy-back.

	Three Months Ended		Nine Months Ended September 30	
Production	**Q3-2018**	**Q3-2017 [1]**	**2018**	**2017 [1]**
Tonnes Mined	136,810	60,045	468,941	60,045
Tonnes Milled	141,860	56,630	492,779	56,630
Zinc head grade	10.9%	8.7%	8.7%	8.7%
Lead head grade	0.8%	1.9%	1.1%	1.9%
Silver head grade (ozs/ton)	0.35	0.7	0.4	0.7
Zinc recovery rate	88%	87%	88%	87%
Lead recovery rate	48%	58%	64%	58%
Silver recovery rate	38%	50%	36%	50%
Zinc concentrate produced (DMT)	29,171	7,840	79,886	7,840
Lead concentrate produced (DMT)	2,763	1,200	10,048	1,200
Zinc concentrate grade	47%	54%	47%	54%
Lead concentrate grade	19%	52%	35%	52%
Silver concentrate (ozs/ton)	6.9	16.0	7.2	16.0
Zinc payable production (lbs)	25,062,758	7,974,594	68,719,665	7,974,594
Lead payable production (lbs)	968,376	1,295,787	7,040,064	1,295,787
Silver payable production (oz)	16,524	19,217	90,355	19,217
Sales				
Zinc concentrate sold (DMT)	7,789	9,723	57,785	9,723
Lead concentrate sold (DMT)	-	-	5,388	-
Payable Zinc (lbs)	6,736,822	9,035,108	52,326,072	9,035,108
Payable Lead (lbs)	-	-	4,421,369	-
Payable Silver (oz)	-	-	54,050	-
Cash Cost per Tonne Milled[2]	$ 66	$ 50	$ 55	$ 50
C1 Cash Cost per Pound[2]	$ 0.48	$ 0.66	$ 0.62	$ 0.66
All-In Sustaining Cost per Pound[2]	$ 0.71	$ 0.94	$ 0.82	$ 0.94

[1] The Rosh Pinah Mine was acquired August 31, 2017. The Q3-2017 and 2017 comparatives include only the September 2017 results.

[2] See 'Use of Non-IFRS Financial Performance Measures'

	Three Months Ended		Nine Months Ended September 30	
Financials	**Q3-2018**	**Q3-2017 [1]**	**2018**	**2017 [1]**
Revenues, net	$ 285	$ 8,259	$ 55,043	$ 8,259
Mining operating expenses	4,039	3,185	30,946	3,185
Other mining operating expenses	(3,105)	1,199	(1,351)	1,199
EBITDA[2]	(649)	3,875	25,448	3,875
Depreciation, depletion and amortization	1,219	1,707	8,559	1,707
EBIT[2]	(1,868)	2,168	16,889	2,168

[1] The Rosh Pinah Mine was acquired August 31, 2017. The Q3-2017 and 2017 comparatives inlcude only the September 2017

[2] See 'Use of Non-IFRS Financial Performance Measures'

Three months ended September 30, 2018

Net revenues totaled $285 for the three months ended September 30, 2018 which was impacted by an inventory build-up due to moisture issues increasing concentrate drying time. This created a timing issue with sales in Q3 that we expect to offset and correct in Q4 sales. Two shipments with a combined 25,472 DMT, representing 87% of the concentrate produced in Q3, were completed in October 2018.

Milled tonnes were reduced quarter over quarter to better manage float cell capacity as high zinc feed grades were processed, ultimately resulting in a 20% increase in zinc production over Q2. This change to the mill feed impacted the cost per tonne milled, however, due to higher metal production, C1 cash cost and AISC was largely unchanged.

Mine production was 136,810 tonnes and mill throughput was 141,860 tonnes with average head grades of 10.9% for zinc and 0.8% for lead. Recoveries averaged 88% for zinc, 48% for lead, and 38% for silver. Zinc concentrate production was 29,171 tonnes and lead concentrate production was 2,763 tonnes for the three months ended September 30, 2018.

Q3 2018 production included 25.1 million pounds of payable zinc, 1.0 million pounds of payable lead and 16,524 ounces of payable silver.

The mine site operating cost for three months ended September 30, 2018 was $66 per tonne.

Nine months ended September 30, 2018

Net revenues totaled $55,043 with EBIT totalling $16,889 for the nine months ended September 30, 2018.

Mine production was 468,941 tonnes and mill throughput was 492,779 tonnes with average head grades of 8.7% for zinc and 1.1% for lead. Recoveries averaged 88% for zinc and 64% for lead. Zinc concentrate production totalled 79,886 tonnes and lead-silver concentrate totalled 10,048 tonnes.

2018 year to date production included 68.7 million pounds of payable zinc, 7.0 million pounds of payable lead and 90,355 ounces of payable silver. The mine remains on track to produce zinc production of 95 to 105 million payable pounds (43,100 to 47,640 tonnes).

The mine site operating cost for the nine-months ended September 30, 2018 was $55 per tonne and above the annual 2018 guidance of $49 to $54 per tonne milled. The increased costs per tonne are a direct result of lower milled tonnes due to higher feed grades from the mine.

Business improvement programs have been implemented to target key operational areas including production drilling support, introduction of raise-boring to improve the stope production cycle and mobile fleet optimization. Site is also implementing improved operational activity-based planning processes and compliance monitoring.

Caribou Mine, Canada

The Company's wholly owned zinc-copper-lead-silver-gold Caribou Mine is located 50 kilometres west of Bathurst, New Brunswick, Canada. The Caribou Mine has been in continuous production since the Company restarted underground mining operations in the first quarter of 2015 and commercial production was declared effective July 1, 2016. The Mine produces zinc concentrates with lead-silver concentrate by-products. The mine is expected to produce for another six years based on the most recent resource – reserve estimates (see April 16, 2018 Mineral Reserves and Mineral Resources Statements for details).

	Three Months Ended		Nine Months Ended September 30	
Production	**Q3-2018**	**Q3-2017**	**2018**	**2017**
Tonnes Mined	197,356	241,866	702,506	687,234
Tonnes Milled	227,596	234,007	710,349	692,579
Zinc head grade	5.7%	6.1%	5.9%	5.9%
Lead head grade	2.3%	2.5%	2.3%	2.5%
Silver head grade (ozs/ton)	2.1	2.1	2.1	2.2
Zinc recovery rate	78%	79%	76%	77%
Lead recovery rate	57%	61%	60%	62%
Silver recovery rate	31%	41%	36%	39%
Zinc concentrate produced (DMT)	20,945	22,917	67,108	65,559
Lead concentrate produced (DMT)	7,178	9,038	25,134	28,062
Zinc concentrate grade	48%	49%	47%	48%
Lead concentrate grade	42%	39%	39%	39%
Silver concentrate (ozs/ton)	21.0	22.6	21.0	21.2
Zinc payable production (lbs)	18,646,824	20,770,649	58,256,341	58,269,147
Lead payable production (lbs)	6,104,356	7,256,219	19,778,446	22,226,362
Silver payable production (oz)	167,114	220,012	561,954	640,653
Sales				
Zinc concentrate sold (DMT)	20,814	22,992	66,918	65,449
Lead concentrate sold (DMT)	7,099	9,777	25,116	28,838
Payable Zinc (lbs)	18,311,544	20,566,129	57,859,845	57,843,285
Payable Lead (lbs)	6,047,806	7,791,202	19,733,619	22,752,489
Payable Silver (oz)	163,970	231,438	567,921	642,888
Cash Cost per Tonne Milled [1]	$ 62	$ 59	$ 62	$ 60
C1 Cash Cost per Pound [1]	$ 0.89	$ 0.53	$ 0.75	$ 0.65
All-In Sustaining Cost per Pound [1]	$ 1.11	$ 0.60	$ 0.94	$ 0.74

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

Financials	Three Months Ended Q3-2018	Three Months Ended Q3-2017	Nine Months Ended September 30 2018	Nine Months Ended September 30 2017
Revenues, net	$ 7,428	$ 33,501	$ 65,206	$ 81,416
Mining operating expenses	15,432	14,178	45,719	43,545
Other mining operating expenses	559	1,775	(1,273)	2,987
EBITDA[1]	(8,563)	17,548	20,760	34,884
Depreciation, depletion and amortization	2,034	3,382	8,432	9,556
EBIT[1]	(10,597)	14,166	12,328	25,328

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

Three months ended September 30, 2018

Net revenues totaled $7,428 for the three months ended September 30, 2018.

Q3 2018 production included 18.6 million pounds of payable zinc, 6.1 million pounds of payable lead and 167,114 ounces of payable silver.

During October 2018, Trevali revised its production estimate for the Caribou Mine. As part of an ongoing technical review, several key operational changes were required to ensure the safety of employees, equipment and to maintain production targets in the long term (2019+) due to challenging hanging wall rock mass conditions. Specifically, changes to the geotechnical control management were required, primarily the move to cemented rock fill from unconsolidated fill. These were implemented during Q3 and impacted production, however site retained the ability to achieve the lower end of 2018 production guidance through increased Q4 production.

The mine has experienced challenging hanging wall rock mass conditions leading to changes to the geotechnical control management primarily requiring the move to cemented rock fill from unconsolidated fill. As previously reported on October 22, 2018, during early to mid-October adverse conditions were experienced in two mining zones resulting in the cessation of retreat mining and the subsequent loss of some production (approaching 50,000 tonnes) from the remaining 2018 mine plan. Further external engineering studies are ongoing and in order to increase mining flexibility, Caribou management have strategically slowed the mining rate in order to accelerate mine development in Q4 2018 through Q1 2019 to build more optionality and stability in the mine to deliver safe, strong and reliable results in 2019. As a result, the 2018 zinc and lead production has been adversely affected and production estimate was revised downwards (the 2018 silver production guidance remains unchanged) – see news release dated October 22, 2018.

The 2018 Caribou Mine production estimate is:

- 70 to 75 million pounds payable zinc in concentrate (a decrease from the previous 86 to 90 million pounds of payable zinc in concentrate);
- 23.0 to 25.0 million pounds of payable lead in concentrate (a decrease from the previous 27.1 to 28.4 million pounds of payable lead in concentrate); and
- 627,000 to 658,000 ounces of payable silver.

Site operating cost for the three months ended September 30, 2018 was $62 per tonne. The annual 2018 guidance was increased from $55 to $61 per tonne milled to $63 to $69 per tonne milled with costs per tonne milled expected to be higher in Q4 than in Q3 as fewer tonnes are processed through the mill (see news release dated October 22, 2018).

<u>Nine months ended September 30, 2018</u>
Net revenues totaled $65,206 with EBIT totalling $12,328 for the nine months ended September 30, 2018.

Mine production was 702,506 tonnes and mill throughput was 710,349 tonnes with average head grades of 5.9% for zinc and 2.3% for lead. Recoveries averaged 76% for zinc and 60% for lead and 36% for silver. Zinc production was 67,108 tonnes and lead production was 25,134 tonnes for the nine months ended September 30, 2018.

YTD 2018 production included 58.3 million pounds of payable zinc, 19.8 million pounds of payable lead and 561,954 ounces of payable silver.

The mine site operating cost for the nine-months ended September 30, 2018 was $62 per tonne.

Santander Mine, Peru

The Santander Mine is located approximately 215 kilometres northeast of Lima, Peru. The Santander Mine commenced commercial production January 1, 2014 and produces zinc concentrates with lead-silver concentrate by-products. The mine is expected to produce for another five years based on the most recent resource – reserve estimates (see April 16, 2018 Mineral Reserves and Mineral Resources Statements for details).

Production	**Three Months Ended** Q3-2018	**Three Months Ended** Q3-2017	**Nine Months Ended September 30** 2018	**Nine Months Ended September 30** 2017
Tonnes Mined	146,999	183,200	532,390	480,587
Tonnes Milled	200,299	219,105	574,810	624,755
Zinc head grade	4.1%	4.1%	4.3%	3.9%
Lead head grade	0.6%	1.0%	0.5%	0.8%
Silver head grade (ozs/ton)	0.9	1.3	0.9	1.2
Zinc recovery rate	89%	88%	89%	88%
Lead recovery rate	81%	82%	79%	81%
Silver recovery rate	62%	67%	61%	66%
Zinc concentrate produced (DMT)	15,431	16,684	46,802	44,555
Lead concentrate produced (DMT)	2,069	3,736	5,068	9,080
Zinc concentrate grade	48%	48%	48%	48%
Lead concentrate grade	49%	51%	49%	49%
Silver concentrate (ozs/ton)	56.8	49.6	61.0	61.0
Zinc payable production (lbs)	13,500,630	14,570,391	40,838,137	38,967,271
Lead payable production (lbs)	2,086,264	3,922,373	5,168,461	8,847,988
Silver payable production (oz)	123,040	194,214	323,746	504,739
Sales				
Zinc concentrate sold (DMT)	13,811	16,631	45,148	44,314
Lead concentrate sold (DMT)	1,980	4,058	4,943	9,113
Payable Zinc (lbs)	12,064,588	14,291,578	39,220,233	38,237,426
Payable Lead (lbs)	2,042,118	4,277,326	5,051,869	8,852,823
Payable Silver (oz)	117,226	202,980	310,428	499,743
Cash Cost per Tonne Milled [1]	$ 41	$ 40	$ 47	$ 38
C1 Cash Cost per Pound [1]	$ 0.69	$ 0.50	$ 0.77	$ 0.59
All-In Sustaining Cost per Pound [1]	$ 0.89	$ 0.77	$ 1.03	$ 0.85

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

Financials	**Three Months Ended** Q3-2018	**Three Months Ended** Q3-2017	**Nine Months Ended September 30** 2018	**Nine Months Ended September 30** 2017
Revenues, net	$ 7,335	$ 22,639	$ 44,569	$ 52,087
Mining operating expenses	8,766	10,307	28,792	27,025
Other mining operating expenses	93	416	229	134
EBITDA[1]	(1,524)	11,916	15,548	24,928
Depreciation, depletion and amortization	4,218	3,282	9,692	8,561
EBIT[1]	(5,742)	8,634	5,856	16,367

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

Three months ended September 30, 2018
Net revenues totaled $7,335 for the three months ended September 30, 2018.

Mine production was 146,999 tonnes and mill throughput was 200,299 tonnes with average head grades of 4.1% for zinc and 0.6% for lead. Recoveries averaged 89% for zinc and 81% for lead. Zinc production was 15,431 tonnes and lead production was 2,069 tonnes for the three months ended September 30, 2018.

Q3 2018 production included 13.5 million pounds of payable zinc, 2.1 million pounds of payable lead and 123,040 ounces of payable silver.

The mine site operating cost for three months ended September 30, 2018 was $41 per tonne.

During the quarter, the Santander Mine's main road access was periodically blocked by a small group of community members and other persons not affiliated with the mine. This blockade was lifted late September 2018 and full production resumed within the week. As result of this blockade, mine and mill production for the third quarter was down by 26% and 11%, respectively from the previous quarter (the mill operations processed its ore stockpiles and continued to re-process its tailings). The Company remains on track to achieve 2018 zinc production guidance at Santander. The Santander senior management team is proactively engaging with the local community and is in ongoing consultation with elected community leaders to discuss their concerns and ensure that mine operations continue without further interruption.

Nine months ended September 30, 2018
Net revenues totaled $44,569 with EBIT totalling $5,856 for the nine months ended September 30, 2018.

During Q1 2018, the Santander mill averaged 1,674 tonnes per day which is materially below the 2,000 tonne-per-day design rate. This was due to planned maintenance work on a ball mill resulting in approximately 25% lower processing capacity. Mining during Q1 was maintained at normal capacity and this resulted in an ore stock pile of approximately 65,000 tonnes at the end of March 2018.

Mine production was 532,390 tonnes and mill throughput was 574,810 tonnes with average head grades of 4.3% for zinc and 0.5% for lead. Recoveries averaged 89% for zinc and 79% for lead. Zinc production was 46,802 tonnes and lead production was 5,068 tonnes for the nine months ended September 30, 2018.

2018 year to date production included 40.8 million pounds of payable zinc, 5.2 million pounds of payable lead and 323,746 ounces of payable silver.

The mine site operating cost for the nine-months ended September 30, 2018 was $47 per tonne and with costs in Q2 and Q3 within the Company's guidance of $38 to $42 per tonne milled with this trend continuing for Q4.

EXPLORATION AND DEVELOPMENT

Overview

Trevali's 2018 exploration program is part of a medium to long-range exploration strategy initially focused on brownfield and near-mine exploration targets. The primary aim is to expand and discover new mineral resources adjacent to existing mine infrastructure, replace mined inventory, grow sustainable production, extend expected mine life and ultimately, contingent on success, provide production growth optionality to the operations.

The 2018 exploration program includes approximately 60,000 metres of diamond drilling for surface and underground targeting in-to-near mine resource growth with a minimum combined budget totaling $13,000. The exploration drilling program includes 17,000 metres at Perkoa, 12,000 metres at Rosh Pinah, 16,000 metres at Bathurst Mining Camp, and 15,000 metres at Santander.

Perkoa, Burkina Faso

Underground resource expansion drilling continued to return high-grade zinc and silver results up to 320 metres below the current modelled mining level and confirms that high-grade mineralization remains open at depth. Highlights are 18.3 metres at 13.2% zinc, including 6.75 metres at 18.78% zinc.

Exploration continues to test the depth and lateral extents of Perkoa system. Regionally, the exploration team continues to advance high priority targets along the approximately 25-kilometre strike of the Perkoa Mine Horizon identified to date. At the Byrhado prospect, five stacked gossan horizons are hosted within a folded package of siliceous felsic volcanics, tuffs and sediments that are cross cut by an intense quartz stockwork. All samples collected to date are highly geochemically anomalous with similar trace element pathfinder geochemistry as the Perkoa deposit. A second surface diamond drill rig has been mobilized at site and drill testing commenced in Q4 following the end of the prolonged 2018 wet season. A third surface drill rig will be mobilized in order to test the multiple high priority targets within the exploration lease during the remainder of the year.

Rosh Pinah, Namibia

The Western Orefield remains open along strike and at depth. Ongoing underground exploration continues to extend and define the emerging NW extension in the Western Orefield. Highlights include:

- 9.11 metres grading 15.56% Zn, 0.13% Pb, 3.61 g/t Ag;
- 19.41 metres grading 13.82% Zn, 1.88% Pb, 16.44 g/t Ag; and
- 35.50 metres grading 6.10% Zn, 1.54% Pb, 9.42 g/t Ag.

During the quarter the exploration team re-targeted Rosh Pinah deposit from first principles with a focus on the historically mined Eastern and Southern Orefield. The exploration initiative identified numerous priority targets in an area previously considered geologically closed. An initial approximate 10,000-metre in-mine and regional discovery drill program has commenced.

Gergarub Project, Namibia

Trevali has an effective 44% interest in the Gergarub Project, Namibia. No significant exploration work has been conducted by the majority owner for the nine-months ended September 30, 2018.

Caribou Mine, Canada

A 10,000-metre exploration and definition drill program is in progress and is targeting the down-dip extensions of the East Limb, Hinge Zone, and the newly discovered CX Zone, all of which remain open for extension. Drilling results with resources update are expected in 2019-Q1.

Murray Brook, Canada

The Murray Brook deposit is located 10 kilometres west of the Caribou Mill and 10 kilometres east of the Restigouche Deposit along the Caribou ore horizon.

Trevali has an option to acquire up to a 75% interest in the Murray Brook Project by providing approximately $5,794 (CAD$7,500) in financing for Puma Exploration Inc. ("Puma") to enable Puma to close its acquisition of the project (see news release dated March 2, 2018).

The deposit has a measured mineral resource of 3.68 million tonnes grading 5.57% Zn, 1.87% Pb, 0.36% Cu, 70.5 g/t Ag and 0.56 g/t Au, plus indicated mineral resources of 1.60 million tonnes grading 4.48% Zn, 1.63% Pb, 0.70% Cu, 65.3 g/t Ag and 0.88 g/t Au (for a combined measured and indicated resource of 5.28 million tonnes averaging 5.24% Zn, 1.80% Pb, 0.46% Cu, 68.9 g/t Ag and 0.65 g/t Au containing approximately 610 million pounds of zinc, 209 million pounds of lead and 11.7 million ounces of silver) as of December 21, 2016.

The core of the mineral resource occurs in the West Zone (zinc-lead dominant) which is approximately 200 metres wide, extending from surface to approximately 300 metres vertical; the true thickness of the massive sulphide body varies from 75 metres to 100 metres. The East Zone (copper-gold dominant) is approximately 100 metres wide, also extending from surface to approximately 300 vertical metres. On February 20, 2017, Puma filed on SEDAR a technical report entitled "Amended and Restated Technical Report and Updated Mineral Resource Estimate on the Murray Brook Project".

In conjunction with joint venture partner Puma, a seven hole, 1,700-metre geotechnical and metallurgical drill program was undertaken to provide material for ongoing mine design and planning purposes. Drilling targeted a variety of mineral domains to provide representative sample suites from the deposit, including the copper zone. Metallurgical recovery testing is in process at RPC in Fredericton, New Brunswick with results anticipated in Q4 2018 (see news release dated August 29, 2018).

Drilling confirmed good to excellent mineral continuity and significant zinc, lead and copper grades were returned over wide intervals.

In conjunction with Puma, Trevali has to the option to advance the Murray Brook deposit to a production decision in a timely but disciplined manner.

The land package, held by Trevali and Puma in the northern part of the Bathurst Mining Camp, covers approximately 14 kilometers of strike along the productive Caribou ore horizon and is considered highly prospective and generally under-explored. This area has not received the same level of exploration investment compared to the southern part of the camp.

Restigouche Project, Canada
On July 27, 2017, Trevali acquired the mining lease for the former Restigouche zinc-lead-silver mine located approximately twenty kilometers west-southwest of the Trevali's Caribou Mine in the Bathurst Mining Camp of New Brunswick, Canada. Furthermore, Trevali entered into a Limited Environmental Liability Agreement ("LELA") with the Province of New Brunswick ("Province") regarding historic environmental liabilities. Under the LELA, Trevali will be responsible for all environmental liability and reclamation costs associated with the Restigouche mine on closure, other than in respect to any historic environmental liabilities.

During Q2 2018, the Company completed approximately 6,000 metres of diamond drilling at Restigouche and results from the drilling program will be used to update the resource estimate in Q1 2019. Mine planning and design evaluations are ongoing and it is anticipated that this work will be completed during Q4 as part of the overall Bathurst Mine to Mill strategy.

Heath Steele Project, Canada
Trevali has an option to acquire a 100% interest in the former producing Heath Steele property and related exploration properties and assets in the Bathurst Mining Camp of New Brunswick, Canada.

On July 25, 2017, Trevali announced the remaining test results from its drill program on the E-zone at Heath Steele project (an advanced-stage, near-surface target with a historic, non-National Instrument 43-101-compliant resource). Results from the additional drilling continue to validate the historic data intersecting broad intervals of polymetallic massive sulphide mineralization within which higher-grade intervals occur.

Three drill holes totaling 2,750 metres were in October with results pending. The drill holes are targeting large (+300 metres) step-outs from known mineralization. Next the drill holes will be surveyed using a down hole electro-magnetic tool and the core will be sampled as required. The resulting geophysical, geochemical and geologic data collected from this drill program will be used to prioritize and guide the Company's future exploration work plans in the Bathurst Mining Camp.

Santander Exploration, Peru
Exploration drilling continues to test the Magistral deposit extensions approximately 350 vertical metres below current development, in addition to continuing to extend the emerging high-grade zinc Pipe target at depth. Highlights include:

- Magistrals – 3.8 metres grading 9.7% Zn, 12% Pb and 72 g/t Ag and 10.7 metres grading 6.4% Zn and 21 g/t Ag
- Pipe Target – 16.4 metres grading 15.6% Zn and 1.1% Cu, including 6.2 metres grading 20% Zn and 0.8% Cu; and 7.9 metres grading 14.4% Zn, 1.2% Cu and 43 g/t Ag

The approximately 45-square-kilometre Santander exploration block remains under-explored and recent geophysical and geochemical surveys have defined several high priority targets which require follow up work programs.

Carrying values of exploration and evaluation assets as at September 30, 2018:

	Gergarub	Heath Steele Option	Stratmat and Other	Total
Balance at December 31, 2017	$ 37,213	$ 13,228	$ 11,727	$ 62,168
Net additions	–	184	4,701	4,885
Balance at September 30, 2018	$ 37,213	$ 13,412	$ 16,428	$ 67,053

QUARTERLY FINANCIAL INFORMATION

The following tables provide highlights, extracted from the Company's financial statements, of quarterly results for the previous quarters:

	2018			2017			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets	$1,142,740	$1,172,292	$1,196,966	$1,180,159	$1,200,480	$ 426,555	$413,010
Working capital	175,351	159,759	179,505	144,350	135,469	12,529	9,181
Total revenue	30,539	133,914	114,718	190,167	64,390	37,441	39,923
Gross (loss) profit	(34,218)	46,126	36,608	37,903	28,358	10,144	9,682
EBITDA[1]	(22,401)	58,785	58,546	56,286	20,004	10,807	13,863
Net (loss) income	$ (30,846)	$ 23,454	$ 28,575	$ 25,174	$ (7,754)	$ 118	$ 2,689
Basic and diluted (loss) earnings per share	$ (0.04)	$ 0.03	$ 0.03	$ 0.05	$ (0.01)	$ 0.00	$ 0.01

[1]See "Use of Non-IFRS Financial Performance Measure" section below for further details.

Trevali completed the acquisition of the Rosh Pinah and Perkoa mines on August 31, 2017 transforming the company into a top-ten global zinc producer.

During Q3 2017, Trevali experienced an above-average inventory build-up due to port logistical challenges at Perkoa . At year-end, this inventory was sold generating additional revenues. During Q3 2018, the Company experienced an inventory build-up due to moisture issues increasing drying time at Rosh Pinah in addition to normal course logistical challenges with overland transport at Perkoa. As a result, Q3 2018 revenues are lower than concentrate production. We expect Q4 2018 to offset and correct this with additional incremental revenues, with 25,472 DMT, representing 87% of the zinc concentrate produced in Q3 sold by Rosh Pinah in October 2018.

The Company continues to work proactively to prevent similar timing issues and expects to have more normalized quarter-to-quarter revenues in the future.

LIQUIDITY AND CAPITAL RESOURCES

Trevali's consolidated financial statements have been prepared on a 'going concern' basis, which assumes that the Company will be able to continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

As at September 30, 2018, Trevali's working capital position totaled $175,350 (December 31, 2017 – $144,350) and the retained earnings deficit totaled $9,787 (December 31, 2017 – $37,114 deficit). The increased working capital position is largely a direct result of the delay of / lower sales during Q3 2018 which cause higher than normal inventories and lower than normal settlement receivables.

As at September 30, 2018, Trevali has cash and cash equivalents totaling $93,073 and, based on an anticipated positive cash flow from the Santander, Caribou, Rosh Pinah and Perkoa mines and along with the refinancing completed in September 2018, Trevali expects to have sufficient resources to meet its committed expenditures for the next twelve months.

Cash flow provided by financing activities for the three months ended September 30, 2018 was consistent with the same period in the prior year except for the business acquisition that occurred in Q3 2017 and involved issuing shares valued at $200,374 and a debt refinancing that provided a net positive cashflow of $122,834.

During the nine months ended September 30, 2018, the Company issued 2,249,426 common shares related to the prior year's short-term incentive plan and 3,221,399 common shares issued from the exercise of stock options and warrants for aggregate gross proceeds of $1,406.

During August 2017, Trevali 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"). Advances under the Term Facility and Revolving Facility bore interest on a sliding scale: (i) at a rate of LIBOR plus between 3.0% to 4.0% or (ii) at a base rate plus between 2.0% to 3.0%. As part of this new financing, Trevali retired its other long-term debt including the senior secured notes, the concentration plant lease and the working capital facility.

On September 18, 2018, Trevali entered into an amended and restated credit agreement with a syndicate of lenders for a $275,000 Revolving Credit Facility ("Facility"). The Facility replaced the $160,000 Term Facility and $30,000 Revolving Facility entered into in August 2017. During the nine months ended September 30, 2018, Trevali made $5,623 interest payments; scheduled quarterly principal payments of $8,000 on March 31, 2018 and $8,000 on June 30, 2018 and retired $136,000 remaining balance on September 18, 2018. Trevali borrowed $149,500 on the Facility on September 18, 2018.

This Facility bears interest on a sliding scale: (i) at a rate of LIBOR plus between 2.0% to 3.0%; or (ii) at a base rate plus between 1.0% to 2.0%, based on the Company's consolidated leverage ratio. Commitment fees for the undrawn portion of the facility will also be on a sliding scale between 0.45% to 0.675%. This new Facility matures on September 18, 2022. The Company expects to realize savings of up to $5,000 over the term of the Facility due to the reduction in interest and standby fee rates. The additional funding drawn on the Facility during the refinancing was used to settle $9,261 of the Company's $10,111 finance lease balance at September 30, 2018 as implied interest rates on the finance leases exceeded those of the Facility in October 2018.

Interest expense for the nine months ended September 30, 2018 totaled $9,511. Interest expense for the nine months ended (September 30, 2017 totaled $16,279 and included a $5,213 prepayment interest penalty related to the early retirement of the Senior Secured Notes.

Trevali has letters of credit, issued under the Facility, totaling $5,859 to support $2,059 in various reclamation bonding requirements with its Caribou Mine and $3,800 to secure funding receipts related to a long-term receivable.

The Company has not entered into any significant long-term lease commitments other than the Caribou Mine finance leases, long-term debt and environmental rehabilitation obligations as outlined in the Company's unaudited condensed consolidated financial statements for the three and nine-month periods ended September 30, 2018 and within this MD&A. Additionally, the Company is not subject to any significant mineral property commitments. The Company is in discussions with P.E. Minerals Namibia (Proprietary) Limited, the owner of the Rosh Pinah Mine Grant ML39 to renew this license as part of the normal course of business.

The Company maintains cash reserves in Burkina Faso, Namibia, Canada and Peru. The Company's cash reserves are on demand deposits with well-established in-country banks.

Liquidity risk is the risk that the Company will encounter difficulty in satisfying 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 monitors its capital structure and, based on changes in operations and economic conditions, may adjust the structure by issuing new shares, issuing new debt or retiring existing debt. The Company prepares quarterly forecasts and annual budgets, which are approved by the Company's Board of Directors, to facilitate the management of its capital requirements.

For 2018 and 2019, the Company intends to allocate its capital resources to the ongoing development of its current mining operations and exploration programs as noted above.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at November 7, 2018, Trevali's authorized capital consists of an unlimited number of common shares without par value, of which 831,196,085 are issued and outstanding as of the date of this MD&A. On a diluted basis, Trevali has 841,927,179 common shares outstanding, assuming the exercise of 714,560 outstanding warrants, and 10,016,534 outstanding stock options pursuant to the Company's stock option plan.

OFF-BALANCE SHEET ARRANGEMENTS

The Company currently has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Glencore
On August 31, 2017, Glencore acquired 193,432,310 Trevali common shares as part of Trevali's acquisition of the Perkoa and Rosh Pinah mines. As of September 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.

Trevali entered into the following transactions during the nine months ended September 30, 2018 and 2017:

a) Earned net revenue of $279,171 (2017 – $141,762) on concentrate sales.

b) Paid $nil (2017 – $24,963) in principal and interest to retire the Santander concentration plant finance lease.

c) Paid $nil (2017 – $16,431) in principal and interest to retire the Santander working capital facility.

d) Paid or accrued $16,177 production expenses at Santander (2017 – $13,402) and $9,495 on Santander mine development (2017 – $8,700) capitalized to property, plant and equipment.

e) Paid $387 (2017 – n/a) interest on concentrate sales advances.

As of September 30, 2018, settlement receivables from Glencore total $14,793 for concentrate sales (December 31, 2017 – $70,360).

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.

Management compensation
Key management includes directors (executive and non-executive) and other key officers, including the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, SVP of Major Projects & Technical Support, SVP of Corporate Development and Investor Relations, VP of Investor Relations and Corporate Communications, VP of Exploration, VP General Counsel and Corporate Secretary, and VP of Mineral Resource Management. The compensation paid or payable to key management in salaries and directors' fees is shown below:

	September 30, 2018		September 30, 2017	
Salaries and wages	$	2,256	$	542
Share-based payments		684		6,265
Total compensation	$	2,940	$	6,807

Trevali paid or accrued officers' compensation and directors' fees of $2,256 (2017 – $542) to directors and officers. The Company recorded share-based payment expense related to the vesting of issued stock options and share units of $653 (2017 – $862) included in consulting fees, $nil (2017 – $77) capitalized to exploration and evaluation assets, $31 (2017 – $135) in investor relations, $nil (2017 – $279) in production costs.

USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future years if the revision affects both current and future years.

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.

Critical accounting estimates and judgments

Significant assumptions and judgments about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, 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, relate to the following significant areas:

a) Business Combinations

Business combinations are accounted for using the acquisition method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition with the excess of the purchase consideration over such fair value being recorded as goodwill. Non-controlling interest in an acquisition may be measured at either fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's net identifiable assets.

The excess of (i) total consideration transferred by the Company, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree's, over the acquisition-date fair value of the net of the assets acquired and liabilities assumed, is recorded as goodwill. If the fair value attributable to the Company's share of the identifiable net assets exceed the cost of acquisition, the difference is recognized as a gain in the consolidated statement of operations. Provisional fair values allocated at the reporting date are finalized within one year of the acquisition date with retroactive restatement to the acquisition date as required.

Transaction costs, other than those associated with the issue of debt or equity securities, which the Company incurs in connection with a business combination, are expensed as incurred.

b) Goodwill

Goodwill that may arise on the Company's acquisitions includes but is not limited to: (i) the ability of the Company to capture certain synergies through management of the acquired operation within the Company; (ii) the potential to increase reserves and resources through exploration activities; and (iii) the requirement to record a deferred tax liability for the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed.

Goodwill is not amortized. The Company performs an annual impairment test for goodwill and when events or changes in circumstances indicate that the related carrying amount may not be recoverable. If the carrying amount of a cash generating unit ("CGU") to which goodwill has been allocated exceeds the recoverable amount, an impairment loss is recognized for the amount in excess. The impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU to $nil and then to the other assets of the CGU based on the relative carrying amounts of those assets. Impairment losses recognized for goodwill are not reversed in subsequent periods should its value recover.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs, or groups of CGUs, that are expected to benefit from the business combination in which the goodwill arose. If the composition of one or more CGUs to which goodwill has been allocated changes due to a reorganization, the goodwill is re-allocated to the units affected.

c) Review of asset carrying values and impairment assessment

Each reporting period, assets or cash generating units are evaluated to determine whether there are any indications of impairment. If any such indication exists, which is often judgmental, an impairment test is performed and if indicated, an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell or value in use. The recoverable amount of the Company's assets is calculated based on cash flow projections using several assumptions and estimates that represent management's best estimate of the range of economic conditions that will exist over the remaining useful lives of the assets. These calculations include key estimates such as future zinc, lead, copper and silver metal prices, recoverable resources and reserves, operating and capital costs which are subject to certain risk and uncertainties, inflation, discount rates, exchange rates, and estimated life-of-mines ranging from seven-to-twenty years. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flows to be generated from its projects.

d) Deferred income taxes

The determination of the Company's tax expense or recovery for the year and deferred tax liabilities involves significant estimation and judgment by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and makes estimates of the expected timing of the reversal of deferred tax assets and liabilities. Management also makes estimates of future earnings which affect the extent to which potential future tax benefits may be used. Estimates of future taxable income are based on forecasted cash flows from future operations and the application of existing tax laws in each jurisdiction. Forecasted cash flows are based on life of mine projections. To the extent that future cash flows from operations and taxable income differ significantly from estimates, the ability of the

Company to realize the net deferred income tax assets recorded on the balance sheet could be impacted. The Company is also subject to assessments by various taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. The Company provides for such differences, where known, based on management's best estimate of the probable outcome of these matters.

e) Provision for environmental rehabilitation

The Company recognizes a provision for environmental rehabilitation when the obligation occurs. Provisions for environmental rehabilitation are periodically reviewed to reflect known developments, including updated cost estimates. The calculation of the present value of the necessary costs to settle the obligation in the future includes assumptions regarding the risk-free interest rate for discounting future cash flows, inflation, foreign exchange rates, and estimates of the underlying currencies in which the provisions will ultimately be settled. Although the ultimate cost to be incurred is uncertain, the Company estimates its costs based on studies using current restoration standards and techniques.

f) Useful lives of mineral properties, plant and equipment

The estimate of the remaining lives of the Company's producing mineral properties is based on a combination of quantitative and qualitative factors including historical production and financial results, mineral resources reported under National Instrument 43-101 ("NI 43-101"), estimates of ore mineral feed production from areas not included in the NI 43-101 reports, and management's intent to operate the property. The estimated remaining lives of the producing mineral properties are used to calculate amortization and depletion expense, assess impairment charges and the carrying values of assets, and for forecasting the timing of the payment of reclamation and remediation costs.

There are numerous uncertainties inherent in the estimation of the remaining lives of the producing mineral properties, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, or production costs may change the economic status of the resources, estimates of production from areas not included in the NI 43-101 reports, and management's intent to operate the property, and may ultimately have a material impact on the estimated remaining lives of the properties.

g) Estimated Mineral Reserves and Resources

Mineral reserve and resource estimates are based on various assumptions relating to operating matters. These include production costs, mining and processing recoveries, cut-off grades, long term commodity prices and, in some cases, exchange rates, inflation rates and capital costs. Cost estimates are based on feasibility study estimates or operating history. Estimates are prepared by appropriately qualified persons, but will be affected by forecasted commodity prices, inflation rates, exchange rates, capital and production costs and recoveries amongst other factors. Estimated mineral recoverable reserves and resources are used to determine the depreciation of property, plant and equipment at operating mine sites, in accounting for deferred stripping costs, in performing impairment testing and in forecasting the timing of the payment of decommissioning and restoration costs. Therefore, changes in the assumptions used could affect the carrying value of assets, depreciation and impairment charges recorded in the income statement and the carrying value of the decommissioning and restoration provision.

NEW ACCOUNTING STANDARDS

Trevali adopted 'IFRS 15, Revenue from Contracts with Customers' ("IFRS" 15) and 'IFRS 9, Financial Instruments' ("IFRS 9") effective January 1, 2018. The adoption of these new IFRS pronouncements did not result in any adjustments to any previously reported figures. The effect of adoption of these new pronouncements is summarized below and in Note 3 to our interim consolidated financial statements as at September 30, 2018. Trevali has consistently applied all other significant accounting policies as disclosed in its 2017 audited annual consolidated financial statements.

a) IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15 as the new revenue standard introducing 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 investors better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

This standard is effective January 1, 2018 and Trevali has applied a 'modified-retrospective' approach. Management determined that there was no impact on the financial statements as of January 1, 2018.

b) IFRS 9, Financial Instruments

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.

There is a new hedge accounting model in IFRS 9 that aligns hedge accounting with risk management activities undertaken by the entity. Trevali does not have, and has not had, a hedging program in place and therefore there has been no IFRS 9 impact to date. Management made the irrevocable classification choice to record fair value changes on the 'available-for-sale' investment in other comprehensive income.

This standard is effective January 1, 2018 and management determined that there was no impact on the financial statements as of December 31, 2017 and September 30, 2018.

The accounting policies adopted in the preparation of the Company's consolidated financial statements have been prepared based on all IFRS and interpretations effective as at September 30, 2018.

The following new standards, amendments to standards and interpretations are not yet effective or have otherwise not yet been adopted by the Company:

a) IFRS 16 Leases ("IFRS 16")

   IFRS 16 was issued by the IASB in January 2016. IFRS 16 will result in all leases being recognized on the statement of financial position of lessees, except those that meet the limited exception criteria.

   The standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of adopting IFRS 16 on the consolidated financial statements.

INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)

Management 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. There were no material changes in the Company's ICFR during the nine months ended September 30, 2018.

RISK FACTORS

For a detailed description of the risk and uncertainties affecting the Company, please refer to the Company's annual information form, audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2017. These documents are available on the Company's website at www.trevali.com or on the Company's profile, on SEDAR at www.sedar.com.

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"), Cash operating cost per tonne milled, C1 Cash Cost per Pound and All-In Sustaining Costs ("AISC") per Pound.

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. Management uses these measures internally to evaluate the underlying operating performance of the Company for the reporting periods presented. The use of these measures enables management to assess performance trends and to evaluate the results of the underlying business of the Company. Management understands that certain investors, and others who follow the Company's performance, also assess performance in this way.

Management believes that these measures reflect the Company's performance and are useful indicators of its 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 Trevali's overall business performance (a combination of cost management and growth) and is the corresponding flow drivers towards the objective of achieving industry-leading returns. This measure assists readers in understanding the ongoing cash generating potential of the business including liquidity to fund working capital, servicing debt, and funding capital expenditures and investments opportunities. EBITDA is profit attributable to shareholders before net finance expense, income and resource taxes and depreciation, depletion, and amortization. EBIT is EBITDA after depreciation, depletion, and amortization. Other companies may calculate EBITDA and EBIT differently.

Adjusted EBITDA:

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

	Three Months Ended	Nine Months Ended
	September 30, 2018	
Net Income (loss)	(30,846)	21,184
Income tax expense (recovery)	(2,885)	6,972
Deferred income tax expense (recovery)	(6,310)	4,067
Interest Expense	3,065	9,511
EBIT	(36,976)	41,734
Depreciation, depletion and amortization	14,575	53,197
EBITDA	(22,401)	94,931
Foreign exchange	1,278	2,416
Adjusted EBITDA	(21,123)	97,347

Net debt:

Net debt demonstrates how our debt is being managed and is defined as total current and long-term portions of debt and finance leases less cash and cash equivalents.

	September 30, 2018	December 31, 2017
Cash and cash equivalents	93,073	94,135
Current portion of finance lease	2,461	2,404
Current portion of long term debt	-	34,000
Finance Lease	7,650	9,845
Long-term debt	144,697	114,308
Net debt	61,735	66,422

Cash operating cost per tonne milled:

This measures the mine site cash operating cost per tonne milled. This measure includes mine operating production expenses such as mining, processing, administration, indirect charges such as surface maintenance and camp expenses, and inventory stock movement divided by tonnes milled. Cash operating cost per tonne milled does not include smelting and refining, distribution (freight), royalties, by-product revenues, depreciation, depletion, amortization, reclamation, and capital sustaining and exploration expenses.

					Three months ended September 30, 2018
	Perkoa	Rosh Pinah	Caribou	Santander	Total
Expressed in thousands of US dollars, except tonnes and per tonne amounts					
Production costs	$ 14,975	$ 3,373	$ 15,111	$ 8,322	**$ 41,781**
Inventory stock movement	3,917	5,995	(963)	(48)	**8,901**
Cash operating costs	$ 18,892	$ 9,368	$ 14,149	$ 8,274	**$ 50,682**
Tonnes milled	183,367	141,860	227,596	200,299	**753,122**
Cash operating cost per tonne milled	$ 103	$ 66	$ 62	$ 41	**$ 67**

					Nine months ended September 30, 2018
	Perkoa	Rosh Pinah	Caribou	Santander	Total
Expressed in thousands of US dollars, except tonnes and per tonne amounts					
Production costs	$ 52,216	$ 24,620	$ 44,504	$ 26,503	**$ 147,843**
Inventory stock movement	2,115	2,601	(463)	401	**4,654**
Cash operating costs	$ 54,331	$ 27,221	$ 44,041	$ 26,904	**$ 152,497**
Tonnes milled	539,333	492,779	710,349	574,810	**2,317,271**
Cash operating cost per tonne milled	$ 101	$ 55	$ 62	$ 47	**$ 66**

C1 Cash Cost per pound:
This measures the cash costs 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 inventory stock movement, smelting, refining and freight, distribution, royalties, and by-product metal revenues divided by pounds of payable zinc produced. C1 Cash Cost per Pound does not include depreciation, depletion, and amortization, reclamation expenses, capital sustaining and exploration expenses.

AISC per pound:
This measures the cash costs to produce a pound of payable zinc plus the 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 does not include depreciation, depletion, and amortization, reclamation and exploration expenses.

									Three months ended September 30, 2018
		Perkoa		**Rosh Pinah**		**Caribou**		**Santander**	**Total**
Expressed in thousands of US dollars, except pounds and per pound amounts									
Production Costs	$	14,975	$	3,373	$	15,111	$	8,322	**$ 41,781**
Smelting and refining costs		9,361		2,003		9,028		3,981	**24,373**
Distribution costs		5,961		569		321		436	**7,287**
Royalty expense		1,010		96		-		8	**1,114**
By-product revenue		-		40		(6,864)		(3,388)	**(10,212)**
Inventory stock movement		3,917		5,995		(963)		(48)	**8,901**
C1 Cash Cost	$	35,224	$	12,076	$	16,634	$	9,311	**$ 73,244**
CAPEX Capital Sustaining Cost		2,147		5,830		4,131		2,643	**14,751**
All-In Sustaining Costs (AISC)	$	37,371	$	17,906	$	20,765	$	11,954	**$ 87,995**
Pounds of payable zinc produced		44,383,330		25,062,758		18,646,824		13,500,630	**101,593,542**
C1 Cash Cost per Pound	**$**	**0.79**	**$**	**0.48**	**$**	**0.89**	**$**	**0.69**	**$ 0.72**
AISC per Pound	**$**	**0.84**	**$**	**0.71**	**$**	**1.11**	**$**	**0.89**	**$ 0.87**

					Nine months ended September 30, 2018
	Perkoa	Rosh Pinah	Caribou	Santander	Total
Expressed in thousands of US dollars, except pounds and per pound amounts					
Production costs	$ 52,216	$ 24,620	$ 44,504	$ 26,503	**$ 147,843**
Smelting and refining costs	31,109	14,445	27,804	12,241	**85,599**
Distribution costs	15,698	3,091	1,215	1,567	**21,571**
Royalty expenses	4,087	3,235	-	722	**8,044**
By-product revenue	-	(5,554)	(29,391)	(9,915)	**(44,860)**
Inventory stock movement	2,115	2,601	(463)	401	**4,654**
C1 Cash Cost	$ 105,225	$ 42,438	$ 43,669	$ 31,519	**$ 222,851**
CAPEX Capital Sustaining Cost	8,945	13,901	10,933	10,661	**44,440**
All-In Sustaining Costs (AISC)	$ 114,170	$ 56,339	$ 54,602	$ 42,180	**$ 267,291**
Pounds of payable zinc produced	136,409,951	68,719,665	58,256,341	40,838,137	**304,224,094**
C1 Cash Cost per Pound	**$ 0.77**	**$ 0.62**	**$ 0.75**	**$ 0.77**	**$ 0.73**
AISC per Pound	**$ 0.84**	**$ 0.82**	**$ 0.94**	**$ 1.03**	**$ 0.88**