Form 51-102F4
Business Acquisition Report

Item 1 - Identity of Company

1.1 Name and Address of Company

Trevali Mining Corporation ("Trevali")
Suite 1400 – 1199 West Hastings Street
Vancouver, BC V6E 3T5

1.2 Executive Officer

For further information, please contact:

Anna M. Ladd
Chief Financial Officer
(604) 488-1661

Item 2 - Details of Acquisition

2.1 Nature of Business Acquired

On August 31, 2017, Trevali completed the acquisition (the "Acquisition") of a portfolio of zinc assets from Glencore PLC and certain of its subsidiaries ("Glencore"), including an 80% interest in the Rosh Pinah mine in Namibia ("Rosh Pinah"), a 90% interest in the Perkoa mine in Burkina Faso ("Perkoa"), an effective 39% interest in the Gergarub project in Namibia, and an option to acquire 100% interest in the Heath Steele project in Canada including certain related exploration properties and assets. Please see the management information circular (the "Circular") dated April 12, 2017, and related news releases dated March 13 and 29, May 18 and August 31, 2017 (collectively referred to as the "Acquisition News Releases") filed under Trevali's profile on SEDAR at www.sedar.com.

2.2 Date of Acquisition

August 31, 2017

2.3 Consideration

The aggregate fair value purchase price was US$464,659,000, consisting of US$245,216,000 in cash (the "Cash Consideration") and the issuance of 193,432,310 Trevali common shares to Glencore with a value of US$219,443,000 (US$219,288,000 net of fees) based on the August 31, 2017 closing share price of C$1.43. The value of the deemed shares for the purposes of the transaction was set at C$1.20 per share.

The Cash Consideration was funded through a combination of (i) partial use of the proceeds of a bought deal private placement of subscription receipts issued by Trevali on March 29, 2017 conducted by a syndicate of underwriters and (ii) advances under a US$160 million senior secured term loan and a US$30 million senior secured revolving working capital loan.

Further information about the Acquisition can be found in the Circular and the Acquisition News Releases, copies of which have been filed under Trevali's profile on SEDAR at www.sedar.com.

2.4 Effect on Financial Position

Upon the completion of the Acquisition, Trevali now owns an 80% interest in the Rosh Pinah mine in Namibia, a 90% interest in the Perkoa mine in Burkina Faso, an effective 39% interest in the Gergarub project in Namibia, and an option to acquire 100% interest in the Heath Steele project. The business and operations of the operating mines will be integrated with Trevali's current mines. Except as disclosed in this Business Acquisition Report, the Circular and the Acquisition News Releases, Trevali does not have any current plans for material changes in the business or affairs of these newly acquired mines which may have a significant effect on the results of operations and financial position of Trevali.

In connection with the Acquisition, Mr. Dan Myerson was appointed to the Board of Directors of Trevali on August 31, 2017. In addition, Ms. Jessica L. McDonald and Messrs. Russell Ball and Dan Isserow were appointed to the Board of Directors of Trevali following the voluntary resignations of Ms. Catherine Gignac and Messrs. David Huberman and David Korbin effective October 11, 2017. In addition, Mr. Mike Hoffman has been appointed Chairman of the Board succeeding Mr. David Huberman.

The information set out above is a summary only and is qualified in its entirety by the information contained in the Circular and the financial statements attached to this Business Acquisition Report.

2.5 Prior Valuations

To the knowledge of Trevali, there has been no valuation opinion obtained within the last 12 months by Trevali required by securities legislation or a Canadian exchange or market to support the consideration paid by Trevali in connection with the Acquisition.

2.6 Parties to Transaction

The Acquisition was not with an informed person, associate or affiliate of Trevali as defined in Section 1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations*.

2.7 Date of Report

November 14, 2017

Item 3 - Financial Statements

Pursuant to Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations*, the following financial statements, each of which is filed and available on SEDAR under Trevali's profile at www.sedar.com, are hereby incorporated by reference and form part of this Business Acquisition Report:

1. Audited annual consolidated financial statements of Trevali as at and for the years ended December 31, 2016 and 2015 and the notes thereto, together with the independent auditor's report thereof. PricewaterhouseCoopers LLP, the auditor of Trevali, has not given its consent that their auditor's report can be included in this Business Acquisition Report;

2. Unaudited condensed interim consolidated financial statements of Trevali as at and for the three and nine months ended September 30, 2017 and 2016 and the notes thereto;

3. Audited consolidated financial statements of Boundary Ventures Limited as at and for the years ended December 31, 2016 and 2015; and

4. Audited consolidated financial statements of GLCR Limited as at and for the years ended December 31, 2016 and 2015.

In addition, pursuant to Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations*, the following financial statements, each of which is attached hereto as Schedule “A” and form part of this Business Acquisition Report:

1. Unaudited condensed interim consolidated financial statements of Boundary Ventures Limited for the six months ended June 30, 2017;

2. Unaudited condensed interim consolidated financial statements of GLCR Limited for the six months ended June 30, 2017;

3. Pro forma condensed interim consolidated statements of income and comprehensive income for the nine months ended September 30, 2017; and

4. Pro forma condensed interim consolidated statement of financial position as at December 31, 2016 and condensed interim consolidated statement of income and comprehensive income for the year ended December 31, 2016.

SCHEDULE A
INDEX OF FINANCIAL STATEMENTS

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Schedule A-1

Unaudited condensed interim consolidated financial statements of
Boundary Ventures Limited for the six months ended June 30, 2017

(attached)

BOUNDARY VENTURES LIMITED
Registration number: 44434

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the Six months ended 30 June 2017

(Unaudited – Prepared by Management)

(Expressed in United States Dollars)

BOUNDARY VENTURES LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
for the six months ended 30 June 2017
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars)

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BOUNDARY VENTURES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)
for the six months ended 30 June 2017
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars)

US$ '000	Note	Six months ended 30 June 2017	2016
Revenue	1	57,772	35,340
Cost of production	2	(38,360)	(34,566)
Gross profit		**19,412**	**774**
Other operating expenses	3	(5,887)	(5,324)
Operating profit (loss)		**13,525**	**(4,550)**
Finance costs	4	(7,243)	(6,988)
Foreign exchange gain (loss)		(1,143)	4,727
Earnings (loss) before taxation		**5,139**	**(6,811)**
Income tax expense		-	-
Earnings (loss) for the period		**5,139**	**(6,811)**
Other comprehensive income:			
Exchange differences arising on translating foreign operations		2,798	(5,955)
Total comprehensive earnings (loss)		**7,937**	**(12,766)**
Earnings (loss) for the period attributable to:			
Owners of the Company		5,831	(5,387)
Non-controlling interests		(692)	(1,424)
		5,139	**(6,811)**
Total comprehensive earnings (loss) for the period attributable to:			
Owners of the Company		8,629	(11,342)
Non-controlling interests		(692)	(1,424)
		7,937	**(12,766)**

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BOUNDARY VENTURES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at June 30, 2017
(Unaudited – Prepared by Management)
(Expressed in thousands of United States dollar)

US$ '000	Note	30 June 2017	31 December 2016
ASSETS			
Non-current assets			
Property, plant and equipment	5	41,229	41,120
Other long-term assets		57	57
Total non-current assets		**41,286**	**41,177**
Current assets			
Inventories	6	38,090	25,701
Trade and other receivables	7	24,836	17,664
Bank and cash	8	432	1,972
Total current assets		**63,358**	**45,337**
Total assets		**104,644**	**86,514**
EQUITY AND LIABILITIES			
Capital and reserves			
Issued share capital	9	8,615	8,615
Share premium	9	97,557	97,557
Foreign currency translation reserve		16,584	13,786
Accumulated deficit		(319,433)	(325,264)
Equity attributable to owners of the Group		**(196,677)**	**(205,306)**
Non-controlling interests		(35,609)	(34,917)
Total equity		**(232,286)**	**(240,223)**
Non-current liabilities			
Borrowings from Group companies	10	157,675	207,326
Other long-term liabilities	11	747	985
Decommissioning and environmental provisions	12	6,472	6,333
		164,894	**214,644**
Current liabilities			
Current facilities from Group companies	13	122,749	66,146
Trade and other payables	14	49,287	45,947
Total current liabilities		**172,036**	**112,093**
Total equity and liabilities		**104,644**	**86,514**

BOUNDARY VENTURES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the six months ended 30 June 2017
(Unaudited – Prepared by Management)
(Expressed in thousands of United States dollar)

		Six months ended 30 June	
	Note	**2017**	**2016**
Cash flows from operating activities			
Cash (utilized in) generated from operations	15	5,674	(6,817)
Interest paid	16	(291)	(532)
Net cash (used by) generated from operating activities		**5,383**	(7,349)
Cash flows from investing activities			
Purchase of property, plant and equipment		(6,685)	(2,158)
Net cash used in investing activities		**(6,685)**	**(2,158)**
Cash flows from financing activities			
Glencore debt borrowings		-	9,500
Repayments of other long-term liabilities		(238)	-
Net cash generated by (used in) financing activities		**(238)**	**9,500**
Decrease in cash and cash equivalents		**(1,540)**	**(7)**
Cash and cash equivalents, beginning of year	8	1,972	250
Cash and cash equivalents, end of period	**8**	**432**	**243**

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BOUNDARY VENTURES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2017
(Unaudited – Prepared by Management)
(Expressed in thousands of United States Dollars)

	Ordinary share capital	Share premium	Total share capital	Foreign currency translation reserve	Accumulated deficit	Attributable to owners of the Group	Non-controlling interests	Total
Balance at 31 December 2016	**8,615**	**97,557**	**106,172**	**13,786**	**(325,264)**	**(205,306)**	**(34,917)**	**(240,223)**
Earnings for the period	-	-	-	-	5,831	5,831	(692)	5,139
Foreign currency translation	-	-	-	2,798	-	2,798	-	2,798
Balance at 30 June 2017	**8,615**	**97,557**	**106,172**	**16,584**	**(319,433)**	**(196,677)**	**(35,609)**	**(232,286)**
Balance at 31 December 2015	**8,615**	**97,557**	**106,172**	**5,540**	**(309,448)**	**(197,736)**	**(30,096)**	**(227,832)**
Loss for the period	-	-	-	-	(5,387)	(5,387)	(1,424)	(6,811)
Foreign currency translation	-	-	-	(5,955)	-	(5,955)	-	(5,955)
Balance at 30 June 2016	**8,615**	**97,557**	**106,172**	**(415)**	**(314,835)**	**(209,078)**	**(31,520)**	**(240,598)**

(Expressed in thousands of United States Dollars)

Basis of Presentation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, using the same accounting policies and methods of application as the audited annual consolidated financial statements of the Company for the year ended December 31, 2016 which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). Certain information and footnote disclosure normally included in annual financial statements have been omitted or condensed.

These condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended December 31, 2016.

All amounts have been expressed in United States Dollars ("US$"), unless otherwise stated.

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for mineralized stockpile and concentrate inventory which are measured at the lower of cost or net realizable value and financial instruments, which are measured at fair value, as explained in the accounting policies set out in the notes to the audited annual consolidated financial statements. These financial statements have been prepared on a going concern basis as the Directors believe there are no material uncertainties that lead to significant doubt that Boundary Ventures Limited can continue as a going concern in the foreseeable future.

1. Revenue

	Six months ended 30 June,	
	2017	**2016**
Revenue	**57,772**	**35,340**

2. Cost of production

	Six months ended 30 June,	
	2017	**2016**
Mining	(17,545)	(18,489)
Processing and engineering	(13,807)	(13,320)
Change in stock	10,312	8,773
Distribution	(6,099)	(4,307)
Depreciation	(9,374)	(6,404)
Royalties	(1,847)	(819)
	(38,360)	**(34,566)**

(Expressed in thousands of United States Dollars)

3. Other operating expenses

	Six months ended 30 June,	
	2017	**2016**
Management fee	(437)	(308)
Fuel	(50)	(55)
Staff costs	(2,021)	(1,865)
Audit and consulting fees	(271)	(364)
Contribution to community development	(616)	(278)
Administration	(2,492)	(2,454)
	(5,887)	**(5,324)**

4. Finance costs

Interest expense - Glencore	**(7,243)**	**(6,988)**

(Expressed in thousands of United States Dollars)

5. Property, plant and equipment

US$ '000	Furniture and fixtures	IT	Vehicles	Buildings	Plant and equipment	Mining properties	Feasibility study	Re-habilitation asset	Total
COST									
Balance at 1 January 2017	**442**	**1,218**	**5,117**	**5,789**	**40,429**	**59,641**	**1,416**	**4,558**	**118,610**
Additions	-	-	221	4,031	79	2,354	-	-	6,685
Transfers	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-
Movement in foreign exchange	32	87	378	602	2,902	4,394	102	327	8,824
Balance at 30 June 2017	**474**	**1,305**	**5,716**	**10,422**	**43,410**	**66,389**	**1,518**	**4,885**	**134,119**
ACCUMULATED DEPRECIATION									
Balance at 1 January 2017	**108**	**874**	**4,220**	**1,456**	**23,394**	**45,287**	**-**	**2,151**	**77,490**
Charge for the period	1	62	321	955	4,843	2,556	-	636	9,374
Transfers	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-
Movement in foreign exchange	8	66	319	153	1,918	3,375	-	187	6,026
Balance at 30 June 2017	**117**	**1,002**	**4,860**	**2,564**	**30,155**	**51,218**	**-**	**2,974**	**92,890**
Net carrying value at 30 June 2017	**357**	**303**	**856**	**7,858**	**13,255**	**15,171**	**1,518**	**1,911**	**41,229**

(Expressed in thousands of United States Dollars)

5. Property, plant and equipment (continued)

US$ '000	Furniture and fixtures	IT	Vehicles	Buildings	Plant and equipment	Mining properties	Feasibility study	Re-habilitation asset	Total
COST									
Balance at 1 January 2016	**1,215**	**1,819**	**7,117**	**3,259**	**56,465**	**33,998**	**1,867**	**5,992**	**111,732**
Additions	-	-	-	-	-	5,525	-	-	5,525
Transfers	(744)	(536)	(1,457)	2,800	(15,215)	21,318	(414)	2	5,754
Disposal	-	(33)	-	-	-	-	-	-	(33)
Movement in foreign exchange	(29)	(32)	(543)	(270)	(821)	(1,200)	(37)	(1,436)	(4,368)
Balance at 31 December 2016	**442**	**1,218**	**5,117**	**5,789**	**40,429**	**59,641**	**1,416**	**4,558**	**118,610**
ACCUMULATED DEPRECIATION									
Balance at 1 January 2016	**98**	**1,407**	**5,020**	**1,989**	**20,127**	**31,255**	**-**	**1,156**	**61,052**
Charge for the year	29	63	705	181	6,506	4,335	-	1,109	12,928
Transfers	(10)	(575)	(1,385)	(655)	(2,479)	10,855	-	3	5,754
Disposal	-	(1)	-	-	-	-	-	-	(1)
Movement in foreign exchange	(9)	(20)	(120)	(59)	(760)	(1,158)	-	(117)	(2,243)
Balance at 31 December 2016	**108**	**874**	**4,220**	**1,456**	**23,394**	**45,287**	**-**	**2,151**	**77,490**
Net carrying value at 31 December 2016	**334**	**344**	**897**	**4,333**	**17,035**	**14,354**	**1,416**	**2,407**	**41,120**

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(Expressed in thousands of United States Dollars)

6. Inventories

	30 June 2017	31 December 2016
Raw materials – stockpiles	2,104	1,115
Finished goods	22,691	14,187
Spare parts	13,295	10,841
Total inventories at cost	**38,090**	**26,143**
Write down to net realizable value	-	(442)
	38,090	**25,701**

Inventory is recognized at the lower of cost of net realizable value ("NRV"). During the 2016, $442 was recognized as an expense for inventories carried at NRV. This was recognized in cost of sales.

7. Trade and other receivables

	30 June 2017	31 December 2016
Intercompany receivable – Glencore	3,824	5,616
Prepaid expenses	4,221	177
Other trade receivables	16,791	11,871
	24,836	**17,664**

Other trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Group has not recognized an allowance for doubtful debts as there has been no significant change in credit quality and the amounts are still considered recoverable. The directors consider the trade receivables to approximate their fair value.

The other trade receivables captured includes VAT and duties due from the government. The Group holds no collateral for any receivable amounts outstanding as at 30 June 2017.

8. Bank and cash

	30 June 2017	31 December 2016
Unrestricted bank and cash balances	432	1,972
	432	**1,972**

(Expressed in thousands of United States Dollars)

9. Share capital and share premium

	30 June 2017	31 December 2016
Share capital	8,615	8,615
Share premium	97,557	97,557
	106,172	**106,172**

The Company has an authorized share capital of (i) 75,875,014 ordinary shares (issued: 65,679,219), (ii) 65,679,220 redeemable preference shares (all issued) and (iii) 1 class A share (issued). The par value of all shares is $0.10.

10. Borrowings from Group companies

	30 June 2017	31 December 2016
Redeemable cumulative preference shares	97,175	94,130
Senior debt facility draw-down	-	52,696
Loan facility	60,500	60,500
	157,675	**207,326**

The redeemable cumulative preference shares issued to Merope Holdings Limited are redeemable 9 years and 360 days after the first issue date and provides for a 10% dividend per annum of the issue price payable semi-annually. The shares issued were at a nominal value of $0.10 per share issued at a premium of $0.90 (issue price $1.00) and are redeemable 16 November 2020.

The proceeds received upon issue of the redeemable cumulative preference shares was allocated between liabilities and equity. The fair value of the liability portion was determined using the effective interest rate method based on expected cash flows and an interest rate of 10%.

Glencore Finance (Bermuda) Ltd provided Nantou Mining Burkina Faso S.A. project funding for the construction and development of the Perkoa Zinc Project prior to commencement of commercial production. The principle outstanding per Senior Facility A agreement is $30 million and Senior Facility B agreement $40 million. Drawdowns under the Senior Facility A agreement bear an interest rate referenced to 3-month LIBOR of 5.6% to 6.133% maturing September 2017. Drawdowns under the Senior Facility B agreement bear an interest rate referenced to 3-month LIBOR of 5.6% to 6.133% and maturing March 2018.

No repayment of the outstanding amounts under both the Senior Facility A agreement and Senior Facility B agreement were made in the current or prior year.

Merope Holdings Limited provided Boundary Ventures Limited with a Loan Facility agreement interest free for general working capital purposes. Drawdowns under the Loan Facility agreement are repayable in 2030.

During the year ended 31 December 2016, $13 million was made available under the Loan Facility agreement. No repayment of the outstanding amounts under the Loan Facility agreement was made in the six months ended 30 June 2017, or the prior year.

(Expressed in thousands of United States Dollars)

10. Borrowings from Group companies (continued)

The amounts owing to Group companies are reconciled as follows:

	Loan facility (Merope)	Redeemable cumulative preference shares issued to Glencore	Senior debt facility draw-down (GFB)	Total
Balance at 1 January 2016	**47,500**	**88,037**	**86,793**	**222,330**
Advance	13,000	-	-	13,000
Payable within 12 months (note 13)	-	-	(39,511)	(39,511)
Interest accrued on loans	-	6,093	5,414	11,507
Balance at 31 December 2016	**60,500**	**94,130**	**52,696**	**207,326**
Interest accrued on loans	-	3,045	3,018	6,063
Payable within 12 months (note 13)	-	-	(55,714)	(55,714)
Balance at 30 June 2017	**60,500**	**97,175**	**-**	**157,675**

11. Other long-term liabilities

	30 June 2017	31 December 2016
Other provisions	448	419
Other long-term payable	299	566
	747	**985**

12. Decommissioning and environmental provisions

Decommissioning and environmental provisions arise from the acquisition, development, construction and normal operation of mining property, plant and equipment due to government controls and regulations that protect the environment on the closure and reclamation of mining properties.

The decommissioning and environmental provisions are calculated at the net present value of estimated future cash flows of the reclamation and closure costs which total approximately $7.8 million (undiscounted) (2016: $ 7.8 million) and are required to satisfy the obligations until 2021 (2016: 2021). A risk-adjusted discount rate of 9.28% (2016: 9.28%) was applied to the expected future cash flows to determine the carrying value of the provisions.

(Expressed in thousands of United States Dollars)

12. Decommissioning and environmental provisions

The following table details the items that affect the decommissioning and environmental provisions:

	30 June 2017	**31 December 2016**
Provisions, beginning of the period	6,333	6,172
Accretion	139	161
Provisions, end of the period	**6,472**	**6,333**

13. Current facilities from Group companies

	30 June 2017	**31 December 2016**
Working capital facility – Merope	27,524	26,635
Senior debt facility A – Glencore (note 10)	95,225	39,511
	122,749	**66,146**

Merope Holdings Limited provided Nantou Mining Burkina Faso S.A. with working capital funding under the Working Capital Facility Agreement. Principle outstanding per the Working Capital Facility agreement is $20 million. Drawdowns under the Working Capital Facility agreement bear interest referenced to 3-month LIBOR of 7.7% to 8.3%. and expired on 16 April 2016.

Due to construction delays, funding provided under the Working Capital Facility agreement prior to the official commercial production declared date was approved by the Lender to be used for construction and development of the Perkoa Zinc Project. No payment of the inter-company loan has been demanded.

No repayment of the outstanding amounts under the Working Capital Facility agreement was made in the six months ended 30 June 2017, or the prior year.

14. Trade and other payables

	30 June 2017	**31 December 2016**
Trade payables	17,518	12,781
Intercompany trade payables - Glencore	11,818	12,111
Intercompany payables - Glencore	-	38
Intercompany payables - Pasley	4,158	3,721
Accrued expenses	15,793	17,296
	49,287	**45,947**

It is the opinion of the directors that the fair value of the trade payables approximates its carrying value due to the short-term nature thereof.

(Expressed in thousands of United States Dollars)

15. Cash (utilized in)/generated from operations

	Six months end 30 June, 2017	2016
Earnings (loss) before taxation	5,139	(6,811)
Adjustments for:		
Depreciation	9,374	6,404
Loss (gain) on exchange rate	1,143	(4,727)
Net finance costs	7,243	6,988
Effect of exchange difference on translation of foreign subsidiaries	(1,143)	(1,125)
Operating profit before working capital changes	21,756	729
Adjustments for working capital changes:	(16,082)	(7,543)
(Increase) decrease in trade receivables	(7,172)	(429)
(Increase) decrease in inventories	(12,389)	(10,675)
(Decrease) increase in trade and other payables	3,340	3,681
Increase (decrease) in provisions	139	(120)
	5,674	**(6,814)**

16. Interest paid

Net finance costs	(7,243)	(6,988)
Accrued interest	6,952	6,456
	(291)	**(532)**

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(Expressed in thousands of United States Dollars)

17. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name: Nantou Mining SA

Activity: Mining

Place of Incorporation: Burkina Faso

Authorised share capital CFA 10 000 000

Shareholding:

Shareholder	Number of shares	Value (CFA)	Value (USD)	%
30 June 2017				
Boundary Ventures Limited	900	9,000,000	18,000	90.0%
State of Burkina Faso	100	1,000,000	2,000	10.0%
	1,000	**10,000,000**	**20,000**	**100%**
31 December 2016				
Boundary Ventures Limited	900	9,000,000	18,000	90.0%
State of Burkina Faso	100	1,000,000	2,000	10.0%
	1,000	**10,000,000**	**20,000**	**100%**

(Expressed in thousands of United States Dollars)

18. Related party transactions

Related party transactions relate to the provision of funding and management services to the Group. The Group's parent, Merope, provides funding to the Group along with administrative services. All related party balances have been disclosed in Notes 1, 4, 7, 10, 13 and 14.

	30 June 2017	**31 December 2016**
Management fees owed to related party (Pasley)	4,158	3,721

19. Contingent liabilities

The Group and its subsidiaries are subject to routine legal proceedings and tax audits. While the Group cannot predict the results of any legal proceedings, it believes it has meritorious defences against those claims. The Group believes the likelihood of any liability arising from these claims to be remote and that the liability, if any, resulting from any litigation or tax audits, individually or in aggregate, will not have a material adverse effect on its earnings, cash flow or financial position.

The Group's operations in Burkina Faso are subject to various environmental laws and regulations. The Group is in material compliance with those laws and regulations. Environmental contingencies are accrued by the Group when such contingencies are probable and reasonably estimable. At this time, the Group is unaware of any material environmental incidents at its operations in Burkina Faso.

(Expressed in thousands of United States Dollars)

20. Categories of financial instruments

30 June 2017	Financial assets at amortized cost	Non-financial assets	Total
Non-current assets			
Property, plant and equipment	-	41,229	41,229
Other long-term assets	-	57	57
Total non-current assets	**-**	**41,286**	**41,286**
Current assets			
Inventories	-	38,090	38,090
Trade and other receivables	3,824	21,012	24,836
Bank and cash	432	-	432
Total current assets	**4,256**	**59,102**	**63,358**
Total assets	**4,256**	**100,388**	**104,644**

	Financial liabilities at amortized cost	Non-financial liabilities and equity	Total
Capital and reserves			
Share capital and reserves	-	(232,286)	(232,286)
Total equity	**-**	**(232,286)**	**(232,286)**
Non-current liabilities			
Borrowings from Group companies	157,675	-	157,675
Other long-term liabilities	299	448	747
Decommissioning and environmental provisions		6,472	6,472
Total non-current liabilities	**157,974**	**6,920**	**164,894**
Current liabilities			
Current facilities from Group companies	122,749	-	122,749
Trade and other payables	37,469	11,818	49,287
Total current liabilities	**160,218**	**11,818**	**172,036**
Total equity and liabilities	**318,192**	**(213,548)**	**104,644**

(Expressed in thousands of United States Dollars)

20. Categories of financial statements (continued)

31 December 2016	Financial assets at amortized cost	Non-financial assets	Total
Non-current assets			
Property, plant and equipment	-	41,120	41,120
Other long-term assets	-	57	57
Total non-current assets	**-**	**41,177**	**41,177**
Current assets			
Inventories	-	25,701	25,701
Trade and other receivables	5,616	12,048	17,664
Cash and cash equivalents	1,972	-	1,972
Total current assets	**7,588**	**37,749**	**45,337**
Total assets	**7,588**	**78,926**	**86,514**

	Financial liabilities at amortized cost	Non-financial liabilities and equity	Total
Capital and reserves			
Share capital and reserves	-	(240,223)	(240,223)
Total equity	**-**	**(240,223)**	**(240,223)**
Non-current liabilities			
Borrowings from Group companies	207,326	-	207,326
Other long-term liabilities	566	419	985
Decommissioning and environmental provisions	-	6,333	6,333
Total non-current liabilities	**207,892**	**6,752**	**214,644**
Current liabilities			
Current facilities from Group companies	66,146	-	66,146
Trade and other payables	33,876	12,071	45,947
Total current liabilities	**100,022**	**12,071**	**112,093**
Total equity and liabilities	**307,914**	**(221,400)**	**86,514**

21. Risk management

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 10, other long-term liabilities disclosed in note 11, short-term borrowings disclosed in note 13, cash and cash equivalents disclosed in note 8 and equity as disclosed in the consolidated statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial risk management

The centralized corporate treasury function at Glencore provides services to the Company and Nantou Mining, the Group's operating entity, co-ordinates access to domestic and international financial markets and manages the financial risks including risks relating to the Group's operations through internal risk reports that analyses exposures by degree and magnitude of risks. These risks include market risks (including foreign currency risks, interest rate and price risk), credit and liquidity risk.

The Group does not enter into nor trades financial instruments, including derivative financial instruments, for speculative purposes.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The Group's risk to liquidity is a result of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments and credit facilities. The directors determine borrowing capacity from time to time as authorized by the shareholder. Cash flow forecasts are prepared and adequate utilized borrowing facilities are monitored.

Attention is drawn to the fact that at 30 June 2017, the Group has net liabilities amounting to $232,286 (2016: $240,223) which arises because of accumulated operating losses, interest on cumulative preference shares issued to Glencore amounting to $97,175 (2016: $94,130) and interest on the inter-group funding loan with a fellow subsidiary, Glencore Finance (Bermuda) Limited, amounting to $95,225 (2016: $92,207).

21. Risk management (continued)

Interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in the market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The Group only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

The Group's zinc sales were made to Glencore International AG in Europe. Provisional payments are made based on provisional weight, moisture, assays and the metal quotation applicable. Intergroup receivables consist of Glencore International AG with whom the Group has had a long-standing relationship.

Except as detailed below, the carrying amount of financial assets recorded in the consolidated financial statements represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Financial assets exposed to credit risk at period end were as follows:

	30 June 2017	31 December 2016
Financial instruments		
Cash and cash equivalents	432	1,972
Trade and other receivables	24,836	17,664

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are mainly banks with high credit ratings assigned by international credit rating agencies.

The Group strives to stipulate terms with clients when it enters into sales contracts. It is expected of each customer that these payment terms are adhered to. Where debtors' balances become past due, the normal procedures are followed to recover the debt. Where applicable, new payment terms may be arranged to ensure that the debt is fully recovered. The credit quality of the above assets deemed to be neither past due nor impaired is considered to be within norm.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar against the Central African Franc (CFA). The Burkina Faso operations have a CFA functional currency and therefore are exposed to the movement between the CFA and the USD.

The group does not hedge foreign exchange fluctuations.

22. Events after the reporting date

Glencore plc ("Glencore") announced on August 31, 2017 that it had closed the previously announced definitive agreement with Trevali Mining Corporation ("Trevali"), whereby Trevali would purchase Glencore's 90% interest in the Perkoa mine in Burkina Faso ("Perkoa") and 80% interest in the Rosh Pinah mine in Namibia ("Rosh Pinah")

The directors are not aware of any other matter or circumstance arising since the June 30, 2017, not otherwise dealt with in the consolidated financial statements, which could significantly affect the operations or the results of the group.

Schedule A-2

Unaudited condensed interim consolidated financial statements of
GLCR Limited for the six months ended June 30, 2017

(attached)

GLCR LIMITED
(Company registration number: 09400628)
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
JUNE 30, 2017

(Unaudited – Prepared by Management)

(Expressed in United States Dollars)

Contents

The reports and statements set out below comprise the consolidated financial statements presented to the shareholder:

Condensed Interim Consolidated Statements of Financial Position

Figures in thousands of United States Dollars	Note(s)	**June 30, 2017**	**December 31, 2016**
Assets			
Non-Current Assets			
Property, plant and equipment	2	146,607	138,498
Intangible assets	3	544	658
Investments in joint ventures	4	277	258
Total non-current assets		**147,428**	**139,414**
Current Assets			
Inventories	6	16,194	12,900
Trade and other receivables	7	4,841	3,532
Current tax receivable		8,136	1,389
Cash and cash equivalents	8	8,840	5,391
Intergroup receivable		2,338	251
Total Current Assets		**40,349**	**23,463**
Total Assets		**187,777**	**162,877**
Equity and Liabilities			
Equity			
Share capital and premium	9	-	-
Foreign currency translation reserve		(6,982)	(8,795)
Retained income		20,333	13,594
Equity attributable to owners of the company		**13,351**	**4,799**
Non-controlling interest		28,825	26,699
Total Equity		**42,176**	**31,498**
Liabilities			
Non-Current Liabilities			
Deferred tax		51,028	47,159
Provisions	10	9,442	8,732
Total Non-Current Liabilities		**60,470**	**55,891**
Current Liabilities			
Trade and other payables	11	11,628	6,835
Intergroup borrowings	5	73,503	68,653
Total Current Liabilities		**85,131**	**75,488**
Total Liabilities		**145,601**	**131,379**
Total Equity and Liabilities		**187,777**	**162,877**

Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income

Figures in thousands of United States Dollars	Note(s)	**Six months ended June 30,**	
Revenue		44,354	27,621
Operating expenses	12	(30,872)	(26,226)
Operating profit		**13,482**	**1,395**
Net financing income	13	38	53
Profit before taxation		**13,520**	**1,448**
Taxation		(5,106)	(619)
Profit for the period		**8,414**	**829**
Attributable to:			
Owners of the company		6,739	663
Non-controlling interest		1,675	166
		8,414	**829**
Other comprehensive income:			
Items that may be classified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		2,264	3,992
Other comprehensive income for the period net of taxation		**2,264**	**3,992**
Total comprehensive income for the period		**10,678**	**4,821**
Attributable to:			
Owners of the company		8,552	3,860
Non-controlling interest		2,126	961
		10,678	**4,821**

Condensed Interim Consolidated Statement of Changes in Equity

Figures in thousands of United States Dollars	Share capital	Retained income	FCTR	**Attributable to owners of the parent**	Non-controlling interest	**Total equity**
Balance at January 1, 2017	**-**	**13,594**	**(8,795)**	**4,799**	**26,699**	**31,498**
Profit for the period	-	6,739	-	**6,739**	1,675	**8,414**
Foreign currency translation	-	-	1,813	**1,813**	451	**2,264**
Total comprehensive income for the period	-	**6,739**	**1,813**	**8,552**	**2,126**	**10,678**
Balance at June 30, 2017		**20,333**	**(6,982)**	**13,351**	**28,825**	**42,176**
Balance at January 1, 2016	**-**	**10,573**	**(11,036)**	**(463)**	**25,391**	**24,928**
Profit for the period	**-**	663	-	**663**	166	**829**
Foreign currency translation	-	-	3,197	**3,197**	795	**3,992**
Total comprehensive income for the period	-	**663**	**3,197**	**3,860**	**961**	**4,821**
Balance at June 30, 2016	**-**	**11,236**	**(7,839)**	**3,397**	**26,352**	**29,749**
Note(s)		9				

Condensed Interim Consolidated Statements of Cash Flows

Figures in thousands of United States Dollars	Note(s)	Six months ended June 30, 2017	2016
Cash flows from operating activities			
Cash generated from operations	14	20,220	4,161
Tax paid	15	(11,157)	(3,831)
Net finance income received	16	38	54
Net cash from operating activities		**9,101**	**384**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(5,911)	(2,990)
Purchase of other intangible assets	3	-	(15)
Net cash from investing activities		**(5,911)**	**(3,005)**
Cash flows from financing activities			
Cash payments in provisions	10	(43)	(29)
Net cash from financing activities		**(43)**	**(29)**
Total cash and cash equivalents movement for the period		**3,147**	**(2,650)**
Cash and cash equivalents at the beginning of the period		5,391	7,450
Effect of exchange rate movement on cash and cash equivalent balances		302	(2,505)
Total cash and cash equivalents at end of the period	9	**8,840**	**2,295**

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

1. Basis of Presentation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, using the same accounting policies and methods of application as the audited annual consolidated financial statements of GLCR Limited (the "Company") for the year ended December 31, 2016 which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). Certain information and footnote disclosure normally included in annual financial statements have been omitted or condensed.

These condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended December 31, 2016.

All amounts have been expressed in United States Dollars ("US$"), unless otherwise stated.

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for mineralized stockpile and concentrate inventory which are measured at the lower of cost or net realizable value and financial instruments, which are measured at fair value, as explained in the accounting policies set out in the notes to the audited annual consolidated financial statements. These financial statements have been prepared on a going concern basis as the Directors believe there are no material uncertainties that lead to significant doubt that GLCR Limited can continue as a going concern in the foreseeable future.

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

2. Property, plant and equipment

	June 30, 2017			December 31, 2016		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Land, buildings & infrastructure	20,178	(7,764)	12,414	18,840	(6,765)	12,075
Machinery, plant & equipment	55,615	(34,580)	21,035	50,985	(29,529)	21,456
Site preparation	48,536	(13,091)	35,445	40,999	(10,497)	30,502
Extensions under construction	3,533	-	3,533	3,449	-	3,449
Residential land and buildings	25,378	(971)	24,407	23,704	(847)	22,857
Mineral rights	73,529	(23,756)	49,773	68,678	(20,519)	48,159
Total	**226,769**	**(80,162)**	**146,607**	**206,655**	**(68,157)**	**138,498**

Reconciliation of property, plant and equipment (Six months ended June 30, 2017)

	Opening balance	Additions	Disposals/ Write-offs	Transfers	Depreciation	FCTR	Total
Land, buildings & infrastructure	12,075	7	-	-	(516)	848	12,414
Machinery, plant & equipment	21,456	1,467	-	-	(3,386)	1,497	21,034
Site preparation	30,502	3,561	-	1,034	(1,834)	2,182	35,445
Extensions under construction	3,449	876	-	(1,034)	-	242	3,533
Residential land and buildings	22,857	-	-	-	(64)	1,614	24,407
Mineral rights	48,159	-	-	-	(1,770)	3,384	49,773
	138,498	**5,911**	**-**	**-**	**(7,569)**	**9,767**	**146,607**

Reconciliation of property, plant and equipment (Year ended December 31, 2016)

	Opening balance	Additions	Disposals/ Write-offs	Transfers	Depreciation	FCTR	Total
Land, buildings & infrastructure	12,196	152	-	5	(1,498)	1,220	12,075
Machinery, plant & equipment	20,358	4,010	(587)	2,810	(7,231)	2,096	21,456
Site preparation	24,888	5,777	(70)	124	(2,979)	2,762	30,502
Extensions under construction	4,170	2,083	(199)	(2,990)	-	385	3,449
Residential land and buildings	20,702	-	-	-	(24)	2,179	22,857
Mineral rights	48,501	-	-	-	(5,196)	4,854	48,159
	130,815	**12,022**	**(856)**	**(51)**	**(16,928)**	**13,496**	**138,498**

The life of the RPZC mine has been calculated at 7.8 years as at 1 January 2017 (9.8 years as at January 1, 2016). This has impacted on the current year by increasing depreciation charges and will have an impact on depreciation charges in future years.

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

2. Property, plant and equipment (continued)

Mineral rights include:

- The right to use the Rosh Pinah Mine Grant number ML39, owned by PE Minerals Namibia (Proprietary) Limited. The mining license will expire in the year 2020. Negotiations with the Ministry of Mines and Energy in Namibia, by the group and PE Minerals Namibia (Proprietary) Limited, to renew the license will commence in 2018. Management does not foresee any reason for the license application to be denied.
- The at acquisition fair valuation of RPZC of the:
  - Rosh Pinah Mine Mineral Reserve; and,
  - Gergurab deposit on RPZC's exploration licence EPL 2616. RPZC has applied for a mineral retention licence over the mining area covering the Gergurab mineral deposit for future development. Negotiations are ongoing with the JV partner, Skorpion Zinc Mining Company (Pty) Ltd (Vedanta). EPL 2616 was endorsed by the Ministry of Mines and Energy on 16 November 2016. On expiry of the EPL 2616, RPZC will re-apply on the basis of further exploration activities. Management does not foresee any reason for the application to be denied.

3. Intangible assets

	June 30, 2017			December 31, 2016		
	Cost/ Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	1,556	(1,012)	544	1,349	(691)	658

Reconciliation of intangible assets – June 30, 2017

	Opening balance	Additions	Transfers	Amortisation	FCTR	Total
Computer software	658	-	-	(112)	(2)	544

Reconciliation of intangible assets – December 31, 2016

	Opening balance	Additions	Transfers	Amortisation	FCTR	Total
Computer software	691	107	-	(208)	68	658

Computer software arose by the developments and implementation that took place on the operating systems AMT, Honeywell, VIP, Syspro and IDU.

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

4. Interest in joint ventures

Joint ventures

Rosh Pinah Health Care (Proprietary) Limited (RPHC)

	% ownership interest June 30, 2017	% ownership interest December 31, 2016	Carrying amount June 30, 2017	Carrying amount December 31, 2016
Investment at cost	31	31	329	307
Accumulated impairment	-	-	(52)	(49)
	31	**31**	**277**	**258**

RPZC has joint control over the board to execute and comply with all policy and strategic directives.

RPHC is incorporated in Namibia for the purpose of owning assets leased to a health service provider for providing medical services to the employees of RPZC and other entities in town.

The initial cost of the joint venture was USD 0.329m (2016: USD 0.307m). Accumulated impairment as at June 30, 2017 amounted to USD 0.52k (December 31, 2016: USD 0.49k).

RoshSkor Township (Proprietary) Limited (RoshSkor)

	% ownership interest June 30, 2017	% ownership interest December 31, 2016	Carrying amount June 30, 2017	Carrying amount December 31, 2016
Amount owing by RoshSkor Township (Pty) Ltd	50	50	358	334
Accumulated impairment	-	-	(358)	(334)
	50	**50**	**-**	**-**

RoshSkor is owned jointly by RPZC and Skorpion Zinc. It is expected that the Rosh Pinah town will be proclaimed and taken over by the Namibian Government. There have been uncontrollable delays experienced with the various ministries responsible for the proclamation of the town, which have prevented the sale of assets from occurring in the current period. Management believes that the carrying value of USD 0.358m may not be recoverable and has been fully impaired in the prior years. The financial year-end of RoshSkor is June 30th, of each year.

The initial cost of the joint venture was USD 0.358m (2016: USD 0.334m). Accumulated impairment as at June 30, 2017 amounted to USD 0.358m (December 31, 2016: USD 0.334m).

The joint ventures and the impact of equity accounting are not material to the group.

5. Loans to (from) group companies

	June 30, 2017	December 31, 2016
Holding group		
Glencore Finance (Bermuda) Limited	(73,503)	(68,653)
	(73,503)	**(68,653)**

The loan is denominated in Namibia Dollar, is unsecured, interest free and has no fixed terms of repayment. The loan shall be repayable within 5 days of receiving written demand from the lender. The purpose of the loan was solely to pay the purchase price in respect of the acquisition of RPZC by the group.

During the year ended December 31, 2016, an amount of USD 5,812 million was paid back on the loan as a part repayment of the acquisition loan.

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Notes to the Condensed Interim Consolidation Financial Statements

Figures in thousands of United States Dollars

6. Inventories

	June 30, 2017	December 31, 2016
Plant spares and stores (consumables)	3,043	2,850
Finished goods	13,151	10,050
	16,194	12,900
Inventories (write-downs)	-	-
	16,194	**12,900**

The amount of inventories recognised as an expense in the period is reflected as cost of goods sold note 12.

7. Trade and other receivables

	June 30, 2017	December 31, 2016
Trade receivables	527	520
VAT	4,267	2,934
Prepayments	47	78
	4,841	**3,532**

8. Cash and cash equivalents

	June 30, 2017	December 31, 2016
Cash and cash equivalents consist of:		
Current accounts (NAD denominated)	2	270
Call accounts (NAD denominated)	2,652	5
CFC USD account (USD denominated)	6,166	5,098
Rehabilitation deposit account (NAD denominated)	20	18
	8,840	**5,391**

June 30, 2017 exchange rate used for conversion USD 1: NAD 13.10 (December 31, 2016: USD 1: NAD 14.02).

9. Share capital and premium

	June 30, 2017	December 31, 2016
Authorised		
100 Ordinary shares of USD 1 each	-	-
Issued		
100 Ordinary shares of USD 1 each	-	-
	-	**-**

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

10. Provisions

June 30, 2017	At Acquisition Contingent liability	Environmental rehabilitation	Decommissioning	Severance pay	Total
Opening balance	3,382	3,347	673	1,330	8,732
Unwinding of interest	-	-	-	-	-
Change in cost	-	-	-	-	-
Change in rate	-	-	-	-	-
Change in LOM	-	-	-	-	-
Provision for the period	-	-	-	135	135
Payments	-	-	-	(43)	(43)
Foreign exchange translation	238	237	48	95	618
	3,620	**3,584**	**721**	**1,517**	**9,442**

December 31, 2016	At Acquisition Contingent liability	Environmental rehabilitation	Decommissioning	Severance pay	Total
Opening balance	3,059	2,292	462	1,052	6,865
Unwinding of interest	-	210	42	-	252
Change in cost	-	15	2	-	17
Change in rate	-	471	95	-	565
Change in LOM	-	80	16	-	96
Provision for the year	-	-	-	242	242
Payments	-	-	-	(83)	(83)
Foreign exchange translation	322	280	56	119	777
	3,382	**3,347**	**673**	**1,330**	**8,732**

Contingent liability

On the acquisition of RPZC, in terms of the provisions of IFRS 3: Business Combinations, the group raised a contingent liability denominated in Namibia Dollar equivalent to USD 3,620 million (December 31, 2016: USD 3,382 million) in respect of a dispute declared by the Namibian Ministry of Mines and Energy during 2009, relating to the manner that the group calculates royalties payable in terms of the Minerals (Prospecting and Mining) Act of 1992 (The Act), the royalties clauses of which were gazetted and implemented in 2006. The additional amount claimed by the Ministry relates to the period 2006 to 2009. These royalties have been calculated according to the group's interpretation of the relevant provisions of the Act. The group has obtained a legal opinion that confirms the group's interpretation is in line with Namibian legislation and is in line with worldwide generally accepted methods of calculating Royalties. There has been no further development on this dispute since the acquisition.

Other Namibia Dollar denominated contingent liabilities raised at acquisition of RPZC relate to guarantees provided by RPZC to Nampower (USD 0,132million), Ministry of Finance (USD 0,064million), Namwater (USD 0,047million) and a labour court case of (USD 0,143million).

Environmental rehabilitation

Provision is made for environmental rehabilitation costs where either a legal or a constructive obligation is recognised as a result of past events. Estimates are based upon costs that are regularly reviewed and adjusted as appropriate for new circumstances. The current estimate was discounted at a rate of 8.13% (2016: 8.13%) with an inflation adjustment of 7.00% (2016: 7.00%) over the current life of mine of 7.8 years at January 1, 2017 (9.8 years at January 1, 2016). The environmental plan has not been approved by the Minister of Mines and Energy and therefore could change once approval is obtained.

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

10. Provisions (continued)

Decommissioning

The decommissioning provision relates to decommissioning of property, plant and equipment where either a legal or a constructive obligation is recognised as a result of past events. Estimates are based upon costs that are regularly reviewed and adjusted as appropriate for new circumstances. The current estimate was discounted at a rate of 8.13% (2016: 8.13%) with an inflation adjustment of 7.00% (2016: 7.00%) over the current life of mine of 7.8 years at January 1, 2017 (9.8 years as at January 1, 2016).

Severance pay

The group has a liability for termination benefits payable to employees on dismissal, death, retrenchment or retirement at the age of 60 or 63. As the severance benefits are only payable on retirement or the involuntary termination of services from the side of the employer, this is accounted for as a post-retirement benefit. This plan is a defined benefit obligation. No other post-retirement benefits are provided to these employees. The benefit payable is a week's wages for each completed year of service.

An independent actuary carried out the most recent actuarial valuation of the present value of the defined benefit obligation in December 2015. The present value of the defined benefit obligation and the related current service costs and past service cost was measured using the Projected Unit Credit Method.

11. Trade and other payables

	June 30, 2017	December 31, 2016
Trade payables	3,504	3,782
Other payables	-	83
Employee benefits accrual		
- Accrued leave pay	1,165	932
- Accrued employee costs	212	87
Accruals	6,747	1,951
	11,628	**6,835**

No interest is charged on trade payables for the first 30 days from the date of the invoice. Thereafter, interest may be charged at rates between 1,5% and 2,5% per month on the outstanding balance. The group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

12. Operating expenses

	Six months ended June 30, 2017	2016
Cost by type		
Amortisation of intangible assets	112	95
Depreciation on property, plant and equipment	7,569	8,008
Energy	1,899	1,079
General charges	7,375	4,462
Movement on inventories	(2,368)	(265)
Transport	5,440	4,544
Raw materials and consumables	2,295	1,313
Repairs and maintenance	2,079	1,239
Employee costs	6,471	5,751
	30,872	**26,226**

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

13. Net financing (costs) income

	Six months ended June 30, 2017	2016
Interest expense and loan costs	(7)	-
Interest adjustment on non-current provisions*	-	-
Interest income	45	54
	38	**54**

See note 10 – Provisions.

14. Cash generated from operations

	Six months ended June 30, 2017	2016
Profit before taxation	13,520	1,448
Adjustments for:		
- Depreciation and amortisation	7,681	8,103
- Net financing (costs) income	(38)	(54)
- Re-measurement on the defined liability in profit or loss	135	121
- Foreign exchange revaluation of the cash balance	381	383
Changes in working capital:		
- Inventories	(3,294)	3,294
- Trade and other receivables	(1,309)	2,129
- Intergroup receivables	(2,087)	(6,465)
- Trade and other payables	4,795	(2,332)
- Intergroup payables	-	-
- Foreign currency translation effect on working capital movement	436	(2,466)
	20,220	**4,161**

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

15. Tax paid

	Six months ended June 30, 2017	2016
Balance at beginning of year	(1,389)	(422)
Current tax for the period recognised in profit or loss	(4,573)	(1,263)
Amount receivable at end of the period	(8,163)	(3,128)
Foreign currency translation	(163)	138
	11,157	**3,831**

16. Net finance income received

	Six months ended June 30, 2017	2016
Net financing cost as per statement of profit or loss and other comprehensive income	38	54
- Interest adjustment on non-current provision	-	-
	38	**54**

17. Related parties

Related parties represent directors of the company and fellow subsidiaries in the Glencore group and the minority shareholders of the RPZC.

	June 30, 2017	December 31, 2016
Related party balances		
Loan accounts–owing (to) by related parties		
Glencore Finance (Bermuda) Limited	(73,503)	(68,653)
The loan is denominated in Namibia Dollar, is unsecured, interest free and has no fixed terms of repayment.		
Amount included in Intergroup receivables (Intergroup Payable) regarding related parties		
Glencore International AG	2,338	251
The loan is denominated in USD, is unsecured, interest free and has no fixed terms of repayment.		
Royalty owing (to) related parties		
PE Minerals Namibia (Proprietary) Limited	(2,026)	(1,043)

The loan is denominated in Namibia Dollar, is unsecured, interest free and has no fixed terms of repayment.

During the six months ended June 30, 2017, the group in the ordinary course of business, entered into various sale and purchase agreements with fellow subsidiaries, directors and shareholders. These transactions occurred under terms that are no less favourable than those arranged with third parties. During the six months ended June 30, 2017 and 2016, all of the group's zinc and lead sales were made to Glencore International AG.

The directors are considered the only persons with the authority to direct and control the strategy of the group. The directors and Executive Management team of RPZC have the responsibility to implement the strategy as set by the directors. The directors did not receive any emoluments from the Company or its subsidiaries.

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

18. Subsidiaries

Details of the group's material subsidiaries at the end of the reporting period are as follows.

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the group	
			2017	2016
Wilru Investments One Hundred and Thirty Four (Pty) Ltd	Holding company	Namibia	100%	100%
Rosh Pinah Zinc Corporation (Pty) Ltd	Mining	Namibia	80.09%	80.09%
Rosh Pinah Base Metals (Pty) Ltd	Investment	Namibia	100%	100%

18.1 Composition of the group

The group comprises one operating entity in Namibia, Rosh Pinah Zinc Corporation (Proprietary) Limited, which is held through the wholly owned subsidiary Wilru through direct and indirect shareholding by the group as follows:

	June 30, 2017	December 31, 2016
Direct holding	%	%
Wilru Investments One Hundred and Thirty Four (Pty) Ltd	30.04	30.04
Indirect holdings through wholly owned subsidiary companies		
Rosh Pinah Base Metals (Pty) Ltd	45.79	45.79
Rosh Pinah Mine Holdings (Pty) Ltd	4.26	4.26
	80.09	80.09
Non-controlling interest	19.91	19.91
	100.00	100.00

Details of non-wholly owned subsidiaries that have material non-controlling interests to the group are disclosed in note 18.2 below.

18.2 Details of non-wholly owned subsidiaries that have material non-controlling interests

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		June 30, 2017	**December 31, 2016**	**June 30, 2017**	**December 31, 2016**	**June 30, 2016**	**December 31, 2016**
		%	%	USD000	USD000	USD000	USD000
Rosh Pinah Zinc Corporation (Pty) Ltd	Namibia	19.91	19.91	1,675	751	28,825	26,699

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

19. Categories of financial instruments

June 30, 2017	Financial assets at amortised cost	Non-financial assets	Total
Assets			
Non-current assets			
Property, plant and equipment	**-**	146,607	**146,607**
Intangible assets	**-**	544	**544**
Investments in joint ventures	**-**	277	**277**
Total non-current assets	**-**	**147,428**	**147,428**
Current Assets			
Inventories	-	16,194	**16,194**
Trade and other receivables	546	4,295	**4,841**
Tax	-	8,136	**8,136**
Cash and cash equivalents	8,840	-	**8,840**
Intergroup receivables	2,338	-	**2,338**
Total current assets	**11,724**	**28,625**	**40,349**
Total assets	**11,724**	**176,053**	**187,777**

	Financial liabilities at amortised cost	Non-financial liabilities and equity	Total
Capital and reserves			
Share capital and reserves	-	42,176	**42,176**
Total equity	**-**	**42,176**	**42,176**
Non-current liabilities			
Deferred tax	-	51,028	**51,028**
Provisions	-	9,442	**9,442**
Total non-current liabilities	**-**	**60,470**	**60,470**
Current liabilities			
Trade and other payables	7,391	4,237	**11,628**
Intergroup borrowings	73,503	-	**73,503**
Total current liabilities	**80,894**	**4,237**	**85,131**
Total liabilities and equity	**80,894**	**106,883**	**187,777**

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

19. Categories of financial instruments (continued)

December 31, 2016	**Financial assets at amortised cost**	**Non-financial assets**	**Total**
Assets			
Non-current assets			
Property, plant and equipment	**-**	138,498	**138,498**
Intangible assets	**-**	658	**658**
Investments in joint ventures	**-**	258	**258**
Total non-current assets	**-**	**139,414**	**139,414**
Current Assets			
Inventories	-	12,900	**12,900**
Trade and other receivables	521	3,011	**3,532**
Tax	-	1,389	**1,389**
Cash and cash equivalents	5,391	-	**5,391**
Intergroup receivables	251	-	**251**
Total current assets	**6,163**	**17,300**	**23,463**
Total assets	**6,163**	**156,714**	**162,877**
	Financial liabilities at amortised cost	**Non-financial liabilities and equity**	**Total**
Capital and reserves			
Share capital and reserves	-	31,498	**31,498**
Total equity	**-**	**31,498**	**31,498**
Non-current liabilities			
Deferred tax	-	47,159	**47,159**
Provisions	-	8,732	**8,732**
Total non-current liabilities	**-**	**55,891**	**55,891**
Current liabilities			
Trade and other payables	3,866	2,969	**6,835**
Intergroup borrowings	68,653	-	**68,653**
Total current liabilities	**72,519**	**2,969**	**75,488**
Total liabilities and equity	**72,519**	**90,358**	**162,877**

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

20. Risk management

Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the group consists of debt, which includes the borrowings disclosed in note 5, cash and cash equivalents disclosed in note 8, and equity as disclosed in the consolidated statement of financial position.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial risk management

The centralised corporate treasury function at Glencore provides services to the Company and RPZC, the group's operating entity, co-ordinates access to domestic and international financial markets and manages the financial risks including risks relating to the group's operations through internal risk reports that analyse exposures by degree and magnitude of risks. These risks include market risks (including foreign currency risks, interest rate and price risk), credit and liquidity risk.

The group does not enter, into nor trades, financial instruments, including derivative financial instruments, for speculative purposes.

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

21. Risk management (continued)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The group's risk to liquidity is a result of the funds available to cover future commitments. The group manages liquidity risk through an ongoing review of future commitments and credit facilities. The directors determine borrowing capacity from time to time as authorised by the shareholder. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

Attention is drawn to the fact that at June 30, 2017, the group has net current liabilities amounting to USD 44,784 million (2016: USD 52,024 million) which arises because of the inter-group funding loan with a fellow subsidiary Glencore Finance (Bermuda) Limited amounting to USD 73,503 million (2016: USD 68,653 million) which has a demand feature. The purpose of the loan was solely to fund the purchase of the subsidiary companies of the group in 2012. To date, the group has not been requested to repay the loan in full and the group has only made repayments on the loan out of excess available cash resources. The directors have no reason to believe that the loan will be called or that the lender will require the loan to be recalled within the next 12 months from the date of these financial statements. In the unlikely event that this were to transpire, the directors believe that sufficient alternative funding can be sourced to ensure the continued operation of the group.

Interest rate risk

As the group has no significant interest-bearing assets, the group's income and operating cash flows are substantially independent of changes in the market interest rates.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, and trade debtors. The group only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

The group's zinc and lead sales were made to Glencore International AG in Europe. For both lead and zinc, provisional payments of 100% are made based on provisional weight, moisture, assays and the metal quotation applicable. Inter-group receivables consist of Glencore International AG with whom the group has had a long-standing relationship.

Except as detailed below, the carrying amount of financial assets recorded in the consolidated financial statements represents the group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

	June 30, 2017	December 31, 2016
Financial instrument		
Cash and cash equivalents	8,840	5,391
Trade and other receivables	546	521
Intergroup receivables	2,338	251

Notes to the Condensed Interim Consolidated Financial Statements

Figures in thousands of United States Dollars

21. Risk management (continued)

The group does not have any significant credit risk exposure to any other single counterparty or any group of counterparties having similar characteristics other than the entities within the Glencore Plc group with who the company trades as referred to above. The credit risk on liquid funds is limited because the counterparties are mainly banks with high credit ratings assigned by international credit rating agencies.

The group strives to stipulate terms with clients when it enters into sales contracts. It is expected of each customer that these payment terms are adhered to. Where debtors' balances become past due, the normal procedures are followed to recover the debt. Where applicable, new payment terms may be arranged to ensure that the debt is fully recovered. The credit quality of the above assets deemed to be neither past due nor impaired is considered to be within norm.

All the group's financial assets with renegotiated terms have been classified as past due and or impaired.

Before the financial instruments could be impaired, they are evaluated for the possibility of any recovery as well as the time at which the debt has been long outstanding. No collateral was held by the group as security over the financial assets as at June 30, 2017 and December 31, 2016.

Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar against the NAD. The Namibian operations have a NAD functional currency and therefore are exposed to the movement between the NAD and the USD.

The group does not hedge foreign exchange fluctuations.

Foreign currency exposure for the Namibian operations at the end of the reporting period	**June 30, 2017**	**December 31, 2016**
Current assets		
CFC Bank Account (USD)	6,166	1,512

Exchange rates used for conversion are:

	June 30, 2017	**December 31, 2016**
	NAD/USD	NAD/USD
Average spot rate	13.22	14.58
Closing spot rate	13.10	14.02

There were no guarantees provided to banks to secure financing.

22. Events after the reporting period

Glencore plc ("Glencore") announced on August 31, 2017 that it had closed the previously announced definitive agreement with Trevali Mining Corporation ("Trevali"), whereby Trevali would purchase Glencore's 80% interest in the Rosh Pinah mine in Namibia ("Rosh Pinah") and 90% interest in the Perkoa mine in Burkina Faso ("Perkoa").

The directors are not aware of any other matter or circumstance arising since the June 30, 2017, not otherwise dealt with in the consolidated financial statements, which could significantly affect the operations or the results of the group.

Schedule A-3

Pro forma condensed interim consolidated statements of income and comprehensive income for the nine months ended September 30, 2017

(attached)

Pro Forma

Condensed Interim Consolidated Statements of Income and Comprehensive Income

For the Nine Months Ended September 30, 2017

(Unaudited – Prepared by Management)

TREVALI MINING CORPORATION
Pro Forma Condensed Consolidated Statement of Income and Comprehensive Income
For the Nine Months Ended September 30, 2017
(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

	Trevali Mining Corporation	Glencore Assets (Note 6)	Pro forma Adjustments	Note 4	Pro forma Consolidated
REVENUES	$ 188,047	$ 192,699	$ -		$ 380,746
Mining operating expenses					
Production costs	68,612	59,511	-		128,123
Smelting, refining and freight	49,836	51,515	-		101,351
Royalty expense	1,592	6,442	-		8,034
Depreciation, depletion and amortization	19,824	22,978	20,248	a	63,050
	139,864	140,446	20,248		300,558
GROSS PROFIT	48,183	52,253	(20,248)		80,188
GENERAL AND ADMINSTRATIVE EXPENSE	5,023	-	-		5,023
Income before other items	43,160	52,253	(20,248)		75,165
OTHER ITEMS					
Loss on foreign exchange	(6,922)	(1,628)	-		(8,550)
Interest expense	(16,279)	(9,612)	8,945	b	(16,946)
Business acquisition costs	(12,259)	-	-		(12,259)
Other income	882	103	-		985
Income (loss) before income taxes	8,582	41,116	(11,303)		38,395
Current tax (expense) recovery	(2,573)	(11,220)	-		(13,793)
Deferred tax (expense) recovery	(10,946)	1,037	1,067	a,b	(8,842)
Net income (loss) for the period	$ (4,937)	$ 30,933	$ (10,236)		$ 15,760
Attributable to:					
Equity holders of the consolidated entity	$ (5,055)	$ 27,961	$ (9,457)		$ 13,449
Non-controlling interests	118	2,972	(779)		2,311
	$ (4,937)	$ 30,933	$ (10,236)		$ 15,760
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified subsequently to net income (loss)					
Unrealized loss on available-for-sale investments	(153)	-	-		(153)
Comprehensive income (loss) for the period	$ (5,090)	$ 30,933	$ (10,236)		$ 15,607
Basic and diluted income (loss) per share					
Basic	$ (0.01)				$ 0.02
Diluted	$ (0.01)				$ 0.02
Weighted average number of shares outstanding					
Basic	449,703,952		368,405,188		818,109,140
Diluted	449,703,952		368,405,188		818,109,140

The accompanying notes are an integral part of these pro forma unaudited condensed consolidated financial statements.

1. DESCRIPTION OF THE TRANSACTION

The accompanying unaudited pro forma condensed interim consolidated statement of income and comprehensive income (the "Pro Forma Statement of Income and Comprehensive Income") of Trevali Mining Corporation ("Trevali" or the "Company") has been prepared by the management of Trevali to give effect to the share purchase agreements entered into by Trevali and Glencore International AG ("Glencore") dated March 13, 2017, subsequently amended (the "Agreements"), and finalized on August 31, 2017. Pursuant to the Agreements, Trevali acquired certain Glencore assets (the "Glencore Assets") (the "Acquisition"), consisting of:

(i) Glencore's 100% interest in GLCR Limited, the entity that owns, among other assets, an indirect 80% interest in the Rosh Pinah zinc mine and mill ("Rosh Pinah") and a 39% interest in the Gergarub project, both in Namibia;
(ii) Glencore's 100% interest in Boundary Ventures Limited, the entity that owns, among other assets, an indirect 90% interest in the Perkoa zinc mine and mill in Burkina Faso ("Perkoa"); and,
(iii) an option to acquire a 100% interest in Glencore's Heath Steele property in Canada and certain related exploration properties and assets.

The purchase consideration consisted of $245,216 in cash and the issuance of 193,432,310 Trevali common shares to Glencore, with a fair value of $219,443, for a total purchase price of $464,659. After the completion of the transaction, Glencore became a 25.6% shareholder of Trevali. Additional information on the Acquisition is provided in Note 3 ("Purchase of the Rosh Pinah and Perkoa Mines") of Trevali's recently filed condensed interim consolidated financial statements for the nine months ended September 30, 2017.

2. BASIS OF PRESENTATION

The unaudited Pro Forma Statement of Income and Comprehensive Income has been prepared in connection with the Acquisition for illustrative purposes only and gives effect to the Acquisition as described in Note 3 of Trevali's recently filed condensed interim consolidated financial statements for the nine months ended September 30, 2017.

The unaudited Pro Forma Statement of Income and Comprehensive Income for the nine months ended September 30, 2017 gives effect to the Acquisition by the Company as if it had occurred as at January 1, 2017. The preparation of this Pro Forma Statement of Income and Comprehensive Income is based on the historical financial statements of the Company and the Glencore Assets (Note 6), all of which were prepared using International Financial Reporting Standards as issued by the International Accounting Standards Board.

The activity of the Glencore Assets constitutes a business, as defined by IFRS 3, and consequently, the Company has applied the principles of IFRS 3 in the accounting for the acquisition of the Glencore Assets. Trevali's unaudited condensed interim consolidated financial statements for the nine months ended September 30, 2017 reflect the Acquisition of the Glencore Assets as of August 31, 2017, and include operating results from the Glencore Assets, subsequent to August 31, 2017, for the one-month period to September 30, 2017. The total purchase price of $464,659 has been preliminarily allocated to the underlying assets acquired and liabilities assumed based upon their estimated fair values at the date of acquisition.

2. BASIS OF PRESENTATION (Cont'd)

This Pro Forma Statement of Income and Comprehensive Income has been prepared from the information derived from the following:

a) The Trevali's unaudited condensed interim consolidated financial statements as at and for the nine months ended September 30, 2017;
b) GLCR Limited's unaudited condensed interim consolidated financial statements as at and for the eight months ended August 31, 2017; and,
c) Boundary Ventures Limited's unaudited condensed interim consolidated financial statements as at and for the eight months ended August 31, 2017.

This unaudited Pro Forma Statement of Income and Comprehensive Income is not indicative of the operating results that may have been achieved if the Acquisition had been completed on the dates or for the periods presented, nor do they purport to project the results of operations of the consolidated entities for any future period or as of any future date. The Pro Forma Statement of Income and Comprehensive Income does not reflect any historical cost savings, operating synergies, or enhancements that the combined company may have achieved as a result of the Acquisition.

3. SIGNIFICANT ACCOUNTING POLICIES

This unaudited Pro Forma Statement of Income and Comprehensive Income has been compiled using the significant accounting policies as set out in the audited consolidated financial statements of Trevali as at and for the years ended December 31, 2016 and 2015.

In preparing the Pro Forma Statement of Income and Comprehensive Income, a review was undertaken to identify accounting policy differences of the Glencore Assets where the impact was potentially material and could be reasonably estimated. The significant accounting policies of the Glencore Assets conform in all material respects to those of Trevali.

(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

4. PRO FORMA ADJUSTMENTS

The unaudited Pro Forma Statement of Income and Comprehensive Income reflect the following adjustments to give effect to the combination, as if the Acquisition had occurred on January 1, 2017.

a) An adjustment, in the amount of $20,248, to reflect the depreciation and depletion for the eight-month period between the assumed Acquisition date of January 1, 2017 and the actual Acquisition date of August 31, 2017; and,
b) The elimination of interest on intercompany debt of $8,945 incurred by the Glencore Assets between January 1, 2017 and August 31, 2017. The outstanding debt was acquired by Trevali on the acquisition of the Glencore Assets on August 31, 2017.

5. PRO FORMA LOSS PER SHARE

The weighted average shares outstanding have been adjusted to reflect the issuance date on the shares issued to Glencore on the purchase of the Glencore Assets on August 31, 2017 and the bought deal financing that was closed on August 31, 2017 as if they had both occurred on January 1, 2017.

The bought deal financing consisted of 220,455,000 common shares at C$1.20 per share for gross proceeds of C$264,546 ($211,029), less share issue costs of C$13,537 ($10,655), for net proceeds of C$251,009 ($200,374), to finance part of the Acquisition, repay existing Trevali debt and provide working capital to the Company. Additional detail on the bought deal financing is provided in the Company's condensed interim consolidated financial statements for the nine months ended September 30, 2017.

For the nine months ended September 30, 2017		
Company weighted average number of common shares outstanding – basic		449,703,952
Company weighted average number of common shares outstanding – diluted		449,703,952
Adjustments to the weighted average number of common shares issued:		
-on the purchase of the Glencore Assets		172,176,012
-as per the bought deal financing		196,229,176
		368,405,188
Pro forma weighted average number of common shares outstanding – basic		818,109,140
Pro forma weighted average number of common shares outstanding – diluted		818,109,140
Pro forma earnings attributable to common shareholders	$	15,760
Pro forma earnings per share – basic	$	0.02
Pro forma earnings per share – diluted	$	0.02

(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

6. GLENCORE ASSETS

Glencore Assets Combined Statements of Operations and Comprehensive Income
For the eight months ended August 31, 2017

	GLCR Limited	Boundary Ventures Limited	Reclass [(1)] Adjustments	Combined Glencore Assets
REVENUES	$ 70,301	$ 86,336	$ 36,062	$ 192,699
Mining operating expenses				
Production costs	22,102	37,409	-	59,511
Smelting, refining and freight	6,974	8,479	36,062	51,515
Royalty expense	3,828	2,614	-	6,442
Depreciation, depletion and amortization	10,310	12,668	-	22,978
	43,214	61,170	36,062	140,446
GROSS PROFIT	27,087	25,166	-	52,253
OTHER ITEMS				
Loss on foreign exchange	(79)	(1,549)	-	(1,628)
Interest expense	(7)	(9,605)	-	(9,612)
Other income (expenses)	103	-	-	103
Income before income taxes	27,104	14,012	-	41,116
Current tax (expense) recovery	(11,220)	-	-	(11,220)
Deferred tax (expense) recovery	1,037	-	-	1,037
Net income and comprehensive income for the period	$ 16,921	$ 14,012	$ -	$ 30,933
Attributable to:				
Equity holders of the consolidated entity	$ 13,552	$ 14,409	$ -	$ 27,961
Non-controlling interests	3,369	(397)	-	2,972
	$ 16,921	$ 14,012	$ -	$ 30,933

Notes:
(1) Certain reclassifications have been made to the statements of operations and comprehensive income of GLCR Limited and Boundary Ventures Limited in the preparation of the pro forma consolidated statement of income and comprehensive loss to conform to the financial statement presentation currently adopted by Trevali, and to align the accounting policies of GLCR Limited and Boundary Ventures Limited to those applied by Trevali.

Schedule A-4

Pro forma condensed interim consolidated statement of
financial position as at December 31, 2016 and condensed interim consolidated
statement of income and comprehensive income for the year ended December 31, 2016

(attached)

Pro Forma

Condensed Consolidated Financial Statements

For the Year Ended December 31, 2016

(Unaudited – Prepared by Management)

TREVALI MINING CORPORATION
Pro Forma Condensed Consolidated Statement of Financial Position
As at December 31, 2016
(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

	Trevali Mining Corporation	Glencore Assets (Note 7)	Pro forma Adjustments	Note 5	Pro forma Consolidated
ASSETS					
Current					
Cash and cash equivalents	$ 11,136	$ 7,363	$ 48,196	a, b, c, d	$ 66,695
Restricted cash	3,534	-	-		3,534
Accounts receivable	29,219	15,575	-		44,794
Current taxes receivable	-	1,389	-		1,389
Investment	856	-	-		856
Prepaid expenses and other	2,030	256	-		2,286
Inventory	7,183	38,601	10,938	e	56,722
	53,958	63,184	59,134		176,276
Reclamation bonds	8,861	-	-		8,861
Non-current receivable	3,800	-	-		3,800
Investment in joint ventures	-	258	-		258
Exploration and evaluation assets	9,118	-	-		9,118
Property, plant and equipment	333,909	180,333	373,338	f	887,580
Goodwill	-	-	90,525	f	90,525
	$ 409,646	$ 243,775	$ 522,997		$ 1,176,418
LIABILITIES					
Current					
Accounts payable and accrued liabilities	$ 16,674	$ 36,912	$ 4,250	i	$ 57,836
Due to related parties	3,542	10,254	-		13,796
Interest payable	472	-	(472)	d	-
Current debt owing to Glencore	-	134,799	(134,799)		-
Current portion of finance leases	10,782	-	(10,764)		18
Current portion of long-term debt	14,690	-	(14,427)	d	263
	46,160	181,965	(156,212)		71,913
Debt owing to Glencore	-	207,326	(207,326)		-
Finance leases	11,393	-	(11,340)		53
Long-term debt	42,944	-	143,140	c, d	186,084
Provisions	33,468	16,050	-		49,518
Deferred tax liabilities	18,774	47,159	90,525	j	156,458
	152,739	452,500	(141,213)		464,026
EQUITY					
Capital stock	336,712	106,172	312,405	a, b, g	755,289
Share-based payment reserve	22,100	-	-		22,100
Cumulative translation adjustment	(55,878)	4,991	(4,991)	g	(55,878)
Retained earnings (deficit)	(46,027)	(311,670)	295,561	g, i	(62,136)
	256,907	(200,507)	602,975		659,375
Non-controlling interest	-	(8,218)	61,235	e, f, g	53,017
	256,907	(208,725)	664,210		712,392
	$ 409,646	$ 243,775	$ 522,997		$ 1,176,418

The accompanying notes are an integral part of these pro forma unaudited condensed consolidated financial statements.

TREVALI MINING CORPORATION
Pro Forma Condensed Consolidated Statement of Operations and Comprehensive Income
For the Year Ended December 31, 2016
(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

	Trevali Mining Corporation	Glencore Assets (Note 7)	Pro forma Adjustments	Note 5	Pro forma Consolidated
REVENUES	$ 149,647	$ 217,912	$ -		$ 367,559
Mining operating expenses					
Production costs	50,314	86,572	-		136,886
Smelting, refining and freight	51,218	82,006	-		133,224
Royalty expense	1,510	5,909	-		7,419
Depreciation, depletion and amortization	18,234	30,064	22,690	h	70,988
	121,276	204,551	22,690		348,517
Gross profit	28,371	13,361	(22,690)		19,042
GENERAL AND ADMINSTRATION EXPENSE	4,824	-	-		4,824
Income before other items	23,547	13,361	(22,690)		14,218
OTHER ITEMS					
Gain (loss) on foreign exchange	102	(12,796)	-		(12,694)
Loss on derivatives	(341)	-	451	d	110
Interest expense	(9,142)	(14,849)	12,640	c, d	(11,351)
Other income	744	(305)	-		439
Impairment of non-current assets	(487)	-	-		(487)
Income (loss) before income taxes	14,423	(14,589)	(9,599)		(9,765)
Current tax (expense) recovery	(778)	(4,965)	-		(5,743)
Deferred tax (expense) recovery	(4,436)	2,689	1,137	l	(610)
Net income (loss) for the year	$ 9,209	$ (16,865)	$ (8,462)		$ (16,118)
Attributable to:					
Equity holders of the consolidated entity	$ 9,209	$ (12,795)	$ (7,760)		$ (11,346)
Non-controlling interests	-	(4,070)	(702)	c, d, e	(4,772)
	$ 9,209	$ (16,865)	$ (8,462)		$ (16,118)
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified subsequently to net income (loss)					
Translation adjustment	4,201	11,044	-		15,245
Comprehensive income (loss) for the year	$ 13,410	$ (5,821)	$ (8,462)		$ (873)
Basic and diluted income (loss) per share					
Basic	$ 0.02				$ (0.01)
Diluted	$ 0.02				$ (0.01)
Weighted average number of shares outstanding					
Basic	381,832,281		413,887,310		795,719,591
Diluted	385,093,824		413,887,310		798,981,134

The accompanying notes are an integral part of these pro forma unaudited condensed consolidated financial statements.

1. DESCRIPTION OF THE TRANSACTION

The accompanying unaudited pro forma condensed consolidated financial statements (the "Pro Forma Statements") of Trevali Mining Corporation ("Trevali" or the "Company") have been prepared to give effect to the Share Purchase Agreements entered into by Trevali and Glencore International AG ("Glencore") dated March 13, 2017, subsequently amended on dated March 29, 2017, and closed on August 31, 2017 (the "Agreements"). Pursuant to the Agreements, Trevali acquired certain Glencore assets (the "Glencore Assets") (the "Acquisition"), consisting of:

(i) Glencore's 100% interest in GLCR Limited, the entity that owns, among other assets, an indirect 80% interest in the Rosh Pinah zinc mine and mill ("Rosh Pinah") and a 39% interest in the Gergarub project, both in Namibia;
(ii) Glencore's 100% interest in Boundary Ventures Limited, the entity that owns, among other assets, an indirect 90% interest in the Perkoa zinc mine and mill in Burkina Faso ("Perkoa"); and,
(iii) an option to acquire a 100% interest in Glencore's Heath Steele property in Canada and certain related exploration properties and assets.

The purchase consideration consisted of $245,216 in cash (raised through both debt and equity) and the issuance of 193,432,310 Trevali common shares to Glencore, with a fair value of $219,443. After the completion of the transaction, Glencore became a 25.6% shareholder of Trevali.

Trevali funded a portion of the cash consideration through a senior secured credit facility of $190,000. The proceeds from this credit facility was used to acquire the Glencore Assets and to refinance Trevali's existing long-term debt.

In connection with the Acquisition, Trevali also completed a bought deal private placement for 220,455,000 common shares of Trevali at a price of C$1.20 per share for gross proceeds to the Company of C$264,546 ($211,029).

The accompanying unaudited pro forma condensed consolidated financial statements of Trevali have been prepared to give effect to the Acquisition and the financing of the Acquisition.

2. BASIS OF PRESENTATION

The unaudited pro forma condensed consolidated financial statements (the "Pro Forma Statements") have been prepared in connection with the Acquisition for illustrative purposes only and give effect to the Acquisition and other transactions pursuant to the assumptions described in Note 4. The unaudited pro forma condensed consolidated statement of financial position as at December 31, 2016 gives effect to the Acquisition by the Company as if it had occurred as at December 31, 2016. The unaudited pro forma condensed consolidated statement of operations and comprehensive income for the year ended December 31, 2016 give effect to the Acquisition as if it had occurred on January 1, 2016. The preparation of these Pro Forma Financial Statements is based on the historical financial statements of the Company and the Glencore Assets (Note 7), all of which were prepared using International Financial Reporting Standards as issued by the International Accounting Standards Board.

(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

2. BASIS OF PRESENTATION (Cont'd)

These Pro Forma Statements have been prepared from the information derived from, and should be read in conjunction with, the following:

a) The Trevali's audited consolidated financial statements as at and for the year ended December 31, 2016;
b) GLCR Limited's audited consolidated financial statements as at and for the year ended December 31, 2016; and,
c) Boundary Ventures Limited's audited consolidated financial statements as at and for the year ended December 31, 2016.

These Pro Forma Statements are not indicative of the operating results or financial conditions that may have been achieved if the Acquisition had been completed on the dates or for the periods presented, nor do they purport to project the results of operations or financial position of the consolidated entities for any future period or as of any future date. These Pro Forma Statements do not reflect any historical cost savings, operating synergies, or enhancements that the combined company may have achieved as a result of the Acquisition.

3. SIGNIFICANT ACCOUNTING POLICIES

These unaudited pro forma condensed consolidated financial statements have been compiled using the significant accounting policies as set out in the audited consolidated financial statements of Trevali for the year ended December 31, 2016.

In preparing the Pro Forma Financial Statements, a review was undertaken to identify accounting policy differences of the Glencore Assets where the impact was potentially material and could be reasonably estimated. Further accounting policy differences may be identified after the integration of the Acquisition. The significant accounting policies of the Glencore Assets are believed to conform in all material respects to those of Trevali, except as noted in Note 5.

4. PURCHASE PRICE ALLOCATION

The activity of the Glencore Assets constitutes a business, as defined by IFRS 3, and consequently, the Company has applied the principles of IFRS 3 in the accounting for the acquisition of the Glencore Assets.

A summary of the preliminary purchase price to the acquired assets and liabilities assumed is as follows:

Trevali purchase consideration:		
193,432,310 Trevali common shares	$	219,443
Cash consideration		245,216
Total consideration	$	464,649

(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

4. PURCHASE PRICE ALLOCATION (Cont'd)

The preliminary purchase price has been allocated to the following identifiable assets and liabilities based on their estimated fair values as of December 31, 2016:

		Pro forma Presentation
Cash and cash equivalents	$	7,363
Accounts receivable		15,575
Current taxes receivable		1,389
Prepaid expenses and other		256
Inventories		49,539
Other long-term assets		258
Property, plant and equipment		553,671
Goodwill		90,525
Accounts payable and accrued liabilities		(36,912)
Due to related parties		(10,254)
Provisions		(16,050)
Deferred tax liabilities		(137,684)
Non-controlling interest		(53,017)
	$	464,659

For the purposes of these Pro Forma Financial Statements, the difference between the total consideration paid over the net identifiable assets to be acquired has been included within the estimate of the fair value of property, plant and equipment with the remaining amount allocated to goodwill. The estimate of the fair value of property, plant, and equipment is preliminary, however, and subject to change. The fair value of the net assets to be acquired will ultimately be determined within a year after the closing of the Acquisition. The actual fair value of the assets and liabilities may differ materially from the amounts disclosed above in the assumed pro forma purchase price allocation due to changes in fair values, as further analysis is completed.

5. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma consolidated financial statements reflect the following assumptions and adjustments to give effect to the combination, as if the Acquisition had occurred on December 31, 2016 for the consolidated statement of financial position and January 1, 2016 for the consolidated statement of operations and comprehensive income. Assumptions relating to the share price of Trevali are based on the Trevali share price at or about the date of the related Management Information Circular. Assumptions and adjustments made are as follows:

a) An adjustment to reflect the issuance of 193,432,310 Trevali common shares to Glencore, as established in the Agreements, with a fair value of $219,443, based on Trevali's closing share price of C$1.43 per share (and a US$ to C$ exchange rate of 1.2605) on the day before the closing of the Agreements, and a payment of $245,216, for a total purchase price of $464,659;
b) An adjustment to reflect the bought deal financing of 220,455,000 common shares at C$1.20 per share for gross proceeds of C$264,546 ($211,029), less share issue costs of C$13,357 ($10,655) for net proceeds of C$251,189 ($200,374), to finance part of the Acquisition, repay existing Trevali debt and provide working capital to the Company;
c) Adjustments to reflect the $190,000 debt financing, net of $3,916 financing fees, undertaken by Trevali to finance part of the Acquisition, and used to repay existing Trevali debt and provide the Company with working capital. An interest rate of LIBOR plus 3.5% has been assumed on the debt financing and was recorded in interest expense;
d) Adjustments to reflect the repayment of existing Trevali debt, including the working capital facility, the finance lease on the Santander concentration plant and the senior secured notes, of $57,371 and accrued interest payable of $472, totaling $57,843;
e) An adjustment of $10,938 to the book value of the Glencore Assets' inventory to reflect its fair value as at December 31, 2016;
f) The acquisition cost of $464,659 has been allocated to the acquired assets and liabilities on a pro forma basis as described in Note 4. Management has not yet completed its determination of the fair value of all identifiable assets and liabilities acquired, including the Heath Steele property option. For pro forma purposes, the excess of the purchase consideration over the carrying value of net assets of the Glencore Assets has been assigned to inventory ($10,938), property, plant and equipment ($373,338) and goodwill ($90,525);
g) Historical equity and non-controlling balances of the Glencore Assets have been eliminated, along with debt totaling $342,125, owing to Glencore;
h) An adjustment, in the amount of $22,690, to reflect the depreciation and depletion adjustment based on the fair value adjustment on the property, plant and equipment and management's estimate of resources, and to conform to the Company's accounting policies;
i) To account for estimated transaction costs of $4,250 relating to the Acquisition. Transaction costs have not been included in the pro forma consolidated statement of comprehensive loss given their non-recurring nature; and,
j) A long-term deferred tax liability of $90,525, related to the fair value adjustment of property, plant and equipment and other pro forma adjustments, has been reflected and will be reversed through income as the underlying adjustment to the asset is consumed.

(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

6. PRO FORMA LOSS PER SHARE

The weighted average shares outstanding have been adjusted to reflect the additional shares resulting from transactions described in Notes 4 and 5 as of December 31, 2016, after giving effect to the Acquisition as if it had occurred January 1, 2016.

For the year ended December 31, 2016		
Company weighted average number of common shares outstanding – basic		381,832,281
Company weighted average number of common shares outstanding – diluted		385,093,824
Common shares to be issued:		
-on the purchase of the Glencore Assets (Note 5a)		193,432,310
-as per the bought deal financing (Note 5b)		220,455,000
		413,887,310
Pro forma weighted average number of common shares outstanding – basic		795,719,591
Pro forma weighted average number of common shares outstanding – diluted		798,981,134
Pro forma loss attributable to common shareholders	$	(11,346)
Pro forma loss per share – basic	$	(0.01)
Pro forma loss per share – diluted	$	(0.01)

(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

7. GLENCORE ASSETS

Glencore Assets Combined Statement of Financial Position as at December 31, 2016

	GLCR Limited (1)	Boundary Ventures Limited	Reclass (1) Adjustments	Combined Glencore Assets
ASSETS				
Current				
Cash and cash equivalents	$ 5,391	$ 1,972	$ -	$ 7,363
Accounts receivable	3,532	17,664	(5,621)	15,575
Intergroup receivables	251	-	(251)	-
Current taxes receivable	1,389	-	-	1,389
Prepaid expenses and other	-	-	256	256
Inventory	12,900	25,701	-	38,601
	23,463	45,337	(5,616)	63,184
Intangible assets	658	57	(715)	-
Investment in joint ventures	258	-	-	258
Property, plant and equipment	138,498	41,120	715	180,333
	$ 162,877	$ 86,514	$ (5,616)	$ 243,775
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$ 6,835	$ 45,947	$ (15,870)	$ 36,912
Due to related parties	-	-	10,254	10,254
Current debt owing to Glencore	68,653	66,146	-	134,799
	75,488	112,093	(5,616)	181,965
Debt owing to Glencore	-	207,326	-	207,326
Provisions	8,732	6,333	985	16,050
Deferred tax liabilities	47,159	-	-	47,159
Other long-term liabilities	-	985	(985)	-
	131,379	326,737	(5,616)	452,500
EQUITY				
Capital stock	-	106,172	-	106,172
Cumulative translation adjustment	(8,795)	13,786	-	4,991
Retained earnings (deficit)	13,594	(325,264)	-	(311,670)
	4,799	(205,306)	-	(200,507)
Non-controlling interest	26,699	(34,917)	-	(8,218)
	31,498	(240,223)	-	(208,725)
	$ 162,877	$ 86,514	$ (5,616)	$ 243,775

Notes:
(1) Certain reclassifications have been made to the historical financial statements of GLCR Limited and Boundary Ventures Limited in the preparation of the pro forma consolidated financial statements to conform to the financial statement presentation currently adopted by Trevali, and to align the accounting policies of GLCR Limited and Boundary Ventures Limited to those applied by Trevali.

(Unaudited and expressed in thousands of United States dollars, except share and per share amounts)

7. GLENCORE ASSETS (cont'd)

Glencore Assets Combined Statement of Comprehensive Loss for the year ended December 31, 2016

	GLCR Limited (1)	Boundary Ventures Limited	Reclass (1) Adjustments	Combined Glencore Assets
REVENUES	$ 66,381	$ 96,294	$ 55,237	$ 217,912
Mining operating expenses				
Production costs	30,118	47,894	8,560	86,572
Smelting, refining and freight	9,124	17,645	55,237	82,006
Royalty expense	3,438	2,471	-	5,909
Depreciation, depletion and amortization	17,136	12,928	-	30,064
	59,816	80,938	63,797	204,551
Gross profit	6,565	15,356	(8,560)	13,361
OTHER ITEMS				
Loss on foreign exchange	-	(12,097)	(699)	(12,796)
Interest expense	(212)	(14,637)	-	(14,849)
Other income (expenses)	(305)	(9,259)	9,259	(305)
Income (loss) before income taxes	6,048	(20,637)	-	(14,589)
Current tax (expense) recovery	(4,965)	-	-	(4,965)
Deferred tax (expense) recovery	2,689	-	-	2,689
Net income (loss) for the year	$ 3,772	$ (20,637)	$ -	$ (16,865)
Attributable to:				
Equity holders of the consolidated entity	$ 3,021	$ (15,816)	$ -	$ (12,795)
Non-controlling interests	751	(4,821)	-	(4,070)
	$ 3,772	$ (20,637)	$ -	$ (16,865)
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to net income (loss)				
Translation adjustment	2,798	8,246	-	11,044
Comprehensive income (loss) for the year	$ 6,570	$ (12,391)	$ -	$ (5,821)

Notes:
(1) Certain reclassifications have been made to the historical financial statements of GLCR Limited and Boundary Ventures Limited in the preparation of the pro forma consolidated financial statements to conform to the financial statement presentation currently adopted by Trevali, and to align the accounting policies of GLCR Limited and Boundary Ventures Limited to those applied by Trevali.