

# Trevali and Kria Complete Business Combination Creating a New Intermediate Base Metal Producer Platform

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**- Name change to Trevali Mining Corporation with two mines slated to enter production through 2011 and 2012**

**- Multiple Zinc-Lead-Copper-Silver assets in Peru & Canada**

VANCOUVER, BRITISH COLUMBIA -- ([Marketwire](#)) -- 04/08/11 -- [Trevali Mining Corporation](#) ('Trevali' or the 'Company') (TSX: TV) (OTCQX: TREVF) (FRANKFURT: 4TI) and [Kria Resources Ltd.](#) ('Kria') (TSX VENTURE: KIA) have received final approval from the Ontario Superior Court of Justice for a business combination, by way of a plan of arrangement, whereby Trevali has acquired all of the issued and outstanding common shares of Kria (the 'Kria Shares') and Kria has become a wholly-owned subsidiary of Trevali (the 'Transaction'). The Transaction was approved by shareholders on March 30, 2011, received final court approval on April 6, 2011, and closed effective on April 7, 2011. Following closing of the Transaction, 87,663,745 common shares of the combined company (the 'Trevali Shares') are issued and outstanding, of which 20,992,250 Trevali Shares were issued to Kria shareholders (representing 23.95% of the issued and outstanding Trevali Shares).

'Trevali now possesses an enhanced production pipeline with two new polymetallic mines planned to come on-stream over the next several months, first in New Brunswick, Canada at the Halfmile deposit, followed by the Santander mine project in west-central Peru - providing shareholders with increased cash-flow growth potential, lower risk with multiple production platforms and a strengthened management team,' stated Dr. Mark Cruise, President and CEO of Trevali. 'In conjunction with our mine development activity currently underway, the Company is also undertaking aggressive exploration and resource expansion drilling programs at Santander in addition to examining various options to unlock shareholder value from our Ruttan Copper deposit in northern Manitoba that also remains open for expansion.'

'We are very pleased to see the business combination with Trevali successfully close,' stated Mr. Mike Hoffman, President and CEO of Kria. 'The overwhelming shareholder support for this transaction indicates that shareholders recognize the intrinsic value in combining the assets under one company and we all look forward to the months ahead as Trevali drives forward on the production and exploration fronts.'

Additionally, Trevali has completed the final US\$5-million payment due to Xstrata Canada Corporation - Xstrata Zinc Canada Division ('[Xstrata](#)') under the July 2008 (amended July 15, 2009) purchase agreement between Kria and Xstrata to acquire the Halfmile and Stratmat properties near Bathurst, New Brunswick.

COMBINED COMPANY ASSETS - TREVALI MINING CORPORATION

ASSET	CURRENT STATUS	FUTURE
Santander Mine Project (Figure 1) (Peru) - Zinc-Lead-Silver	Mine Development (construction in progress), aggressive resource expansion and exploration program underway	Initial production anticipated Q1- 2012. Exploration upside.
Halfmile Deposit (Figure 2) (New Brunswick) - Zinc-Lead-Copper-Silver	Mine Development (toll-milling plant in place, breaking ground Q2-2011).	Initial production anticipated Q3- 2011. Exploration upside.
Stratmat Deposit (New Brunswick) - Zinc-Lead-Copper-Silver	Resources in place and PEA completed.	Anticipated future production in conjunction with Halfmile. Exploration upside.
Ruttan Deposit (Manitoba) - Copper-Zinc	Historical producer with considerable resources remaining.	Resource expansion drilling planned. Exploration upside.

To view Figures 1 and 2, please visit the following link:  
<http://media3.marketwire.com/docs/tvi408.pdf>.

## HIGHLIGHTS

- Operations diversified across two world-leading mining jurisdictions, Peru and Canada.
- Diversification from a single advanced project to two mine development projects, with production anticipated in 2011 - 2012.
- Significant increase in tonnages and contained metal in all resource categories, including over 1.7 billion pounds of indicated zinc resources and 2.8 billion pounds of inferred zinc resources, together with significant silver, lead and copper resources (Table 1).
- Excellent resource expansion potential at Santander where all four newly discovered polymetallic deposits (Magistral North, Central, South and Puajanca South) and the historic Santander Pipe, remain open for expansion at shallow-to-moderate depths.
- Robust, advanced project pipeline.
- Quality exploration portfolio at the Santander and Ruttan projects - numerous high priority targets currently undergoing drill testing at Santander.
- Trevali will have significant leverage to commodity price increases, specifically zinc, silver and lead in the near-term.
- Listing on the TSX with a Lima Stock Exchange (BVL) listing in progress, anticipated to result in improved stock liquidity and strong re-rating potential.
- World-leading strategic partners-Glencore International (at Santander) and Xstrata Zinc (toll-milling for Halfmile).
- Expanded talent pool of experienced geoscientists, mining engineers, management team and board of directors.

Table 1 - Trevali Mining Corporation Global Resource Estimates

	Tonnes	%Zn	%Pb	%Cu	Ag (gpt)	Zn (Mlbs)	Pb (Mlbs)	Cu (Mlbs)	Ag (Moz)
Indicated Resources									
								Contained metal	
Santander	5,858,000	3.86	1.35	0.08	44	498	174	10	8.3
Santander Tailings	1,656,000	2.74				100			
Halfmile	6,262,000	8.13	2.58	0.22	31	1,122	356	30	6.2
Total Indicated	13,776,000	6.07	1.99	0.15	37	1,720	530	41	14.5

Inferred Resources									
								Contained metal	
Santander	4,806,000	5.08	0.44	0.07	21	538	47	7	3.2
Halfmile	6,078,000	6.69	1.83	0.14	21	896	245	19	4.0
Stratmat	5,524,000	6.11	2.59	0.40	54	744	315	49	9.6
Ruttan	19,750,000	1.47	-	1.17	-	640	-	509	-
Total Inferred	36,158,000	3.54	0.76	0.73	15	2,818	607	584	16.9

Halfmile and Stratmat resources calculated on 5% Zinc equivalent grades, Ruttan on a 1% copper equivalent and Santander resources calculated at 3% Zinc equivalent grades. See Kria Press Releases of September 23, 2008; March 2, 2009; and February 23, 2009, for further information on resource estimates and Trevali Press Release of November 2, 2010, on Trevali resource estimate. In addition, detailed technical reports are available on [www.sedar.com](http://www.sedar.com).

## TRANSACTION SUMMARY

Pursuant to the Transaction, holders of Kria shares are entitled to receive 0.2 of a Trevali share for every one Kria share held. Outstanding options and warrants of Kria are to be adjusted in accordance with their terms so that the number of Trevali shares received upon exercise and the exercise price are adjusted proportionately to reflect the same exchange ratio. Additional information on the transaction is available in Trevali's and Kria's Information Circulars dated February 22, 2011 and that have been filed on SEDAR at [www.sedar.com](http://www.sedar.com).

## NAME CHANGE

In connection with the Transaction, the name of the Company has been changed to 'Trevali Mining Corporation' effective April 6, 2011.

## KRIA SHARES TO BE DELISTED

It is expected that Kria's shares will be delisted from the TSX Venture Exchange the week of April 11, 2011. Kria shareholders have received a letter of transmittal providing instructions on how to exchange their share certificates pursuant to the Transaction. Kria shareholders can also find a copy of the letter of transmittal on the SEDAR profile of Kria at [www.sedar.com](http://www.sedar.com).

## BOARD AND MANAGEMENT OF TREVALI

The newly combined company will draw on the expertise from both companies to fulfill management responsibilities. The newly combined board will comprise the current Trevali directors and Mr. Michael Hoffman from Kria. Dr. Mark Cruise will remain President and Chief Executive Officer of the combined company.

## **ABOUT TREVALI MINING CORPORATION**

Trevali, in conjunction with its partner, Glencore International A.G., has entered into a definitive development agreement for the Santander silver-lead-zinc project in the Central Peruvian Polymetallic Belt of west-central Peru that will see Glencore provide and operate on the property, a 2,000-tonne-per-day concentrate plant, undertake mining operations on a 'contractor/toll basis' and enter into a long-term concentrate off-take agreement with Trevali for 100% of the Santander project's production at benchmark terms. Pre-operation construction has recently commenced and mine commissioning is currently scheduled for late 2011 with full production to follow immediately thereafter.

Additionally, through its wholly owned subsidiary, Trevali Renewable Energy Inc., Trevali is undertaking a significant upgrade of the Tingo run-of-river hydroelectric generating facility along with transmission line upgrades and extensions to allow, in addition to supplying power to the mining operation on the property, the potential sale of surplus power into the Peruvian National Energy Grid.

Through its recent acquisition of Kria Resources, Trevali also holds the Halfmile and Stratmat polymetallic deposits near Bathurst, New Brunswick, and the Ruttan copper-zinc deposit in northern Manitoba. The Halfmile and Stratmat projects are optioned from Xstrata. Kria completed a preliminary economic assessment ('PEA') on its Halfmile project in September 2010 that indicated the project's economics improve if the mineral resource from its nearby Stratmat property is combined with the mineral resource from Halfmile Lake.

Kria's Halfmile zinc-lead-silver-copper project is located in the Bathurst Massive Sulphide Belt of New Brunswick, Canada. Advanced permitting and engineering studies are in progress with proposed production at a rate of 2,000-tonnes-per-day anticipated to commence in mid-2011.

Please refer to the Kria's technical reports filed on SEDAR for details regarding the NI 43-101 compliant resource estimates on Halfmile, Stratmat and Ruttan. Prices and other assumptions mentioned in this press release are Kria's internal assumptions and estimates. Additional information is available at [www.kriaresources.com](http://www.kriaresources.com). The scientific and technical contents of this press release relating to Kria have been supervised, reviewed and approved by Dayle Rusk, P. Geo., Vice President Exploration of Kria, and Mike Hoffman, P. Eng., both of whom are Qualified Persons as defined under NI 43-101 guidelines.

The common shares of Trevali are currently listed on the TSX (symbol TV). For further details on Trevali, readers are referred to the Trevali's web site ([www.trevali.com](http://www.trevali.com)) and to Canadian regulatory filings on SEDAR at [www.sedar.com](http://www.sedar.com).

## **Qualified Person and Quality Control/Quality Assurance**

EurGeol Dr. Mark D. Cruise, Trevali's President and CEO and a qualified person as defined by National Instrument 43-101, has supervised the preparation of the scientific and technical information that forms the basis for this news release. Dr. Cruise is not independent of the Company, as he is an officer and shareholder.

The work programs at Santander were designed by, and are supervised by, Mark D. Cruise, President & CEO, Trevali, Tim Kingsley (Senior Geologist) and Tansy O'Connor-Parsons (Chief Geochemist), who together are responsible for all aspects of the work, including the quality control/quality assurance programs. On-site personnel at the project rigorously collect and track samples which are then security sealed and shipped to ACME Laboratories, Vancouver, for assay. ACME's quality system complies with the requirements for the International Standards ISO 9001:2000 and ISO 17025: 1999. Analytical accuracy and precision are monitored by the analysis of reagent blanks, reference material and replicate samples. Quality control is further assured by the use of international and in-house standards. Blind certified reference material is inserted at regular intervals into the sample sequence by Trevali personnel in order to independently assess analytical accuracy. Finally, representative blind duplicate samples are routinely forwarded to ACME and an ISO compliant third party laboratory for additional quality control.

On Behalf of the Board of Directors of KRIA RESOURCES LTD.

Michael Hoffman  
President

On Behalf of the Board of Directors of TREVALI MINING CORPORATION

Mark D. Cruise  
President

*This news release contains 'forward-looking statements' within the meaning of the United States private securities litigation reform act of 1995 and 'forward-looking information' within the meaning of applicable Canadian securities legislation. Statements containing forward-looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and the company does not intend, and does not assume any obligation to, update such statements containing the forward-looking information. Such forward-looking statements and information include, but are not limited to statements as to: the accuracy of estimated mineral reserves and resources, anticipated results of future exploration, and forecast future metal prices, anticipated results of future electrical sales and expectations that environmental, permitting, legal, title, taxation, socio-economic, political, marketing or other issues will not materially affect estimates of mineral reserves. These statements reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.*

*These statements reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained in this news release and the company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in spot and forward markets for silver, zinc, base metals and certain other commodities (such as natural gas, fuel oil and electricity); fluctuations in currency markets (such as the Peruvian sol versus the U.S. dollar); risks related to the technological and operational nature of the Company's business; changes in national and local government, legislation, taxation, controls or regulations and political or economic developments in Canada, the United States, Peru or other countries where the Company may carry on business in the future; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected geological or structural formations, pressures, cave-ins and flooding); risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards; employee relations; relationships with and claims by local communities and indigenous populations; availability and increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses and permits and the presence of laws and regulations that may impose restrictions on mining; diminishing quantities or grades of mineral reserves as properties are mined; global financial conditions; business opportunities that may be presented to, or pursued by, the Company; the Company's ability to complete and successfully integrate acquisitions and to mitigate other business combination risks; challenges to, or difficulty in maintaining, the Company's title to properties and continued ownership thereof; the actual results of current exploration activities, conclusions of economic evaluations, and changes in project parameters to deal with unanticipated economic or other factors; increased competition in the mining industry for properties, equipment, qualified personnel, and their costs.*

*Investors are cautioned against attributing undue certainty or reliance on forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.*

*The TSX Venture Exchange has in no way passed upon the merits of the Transaction and has not approved or disapproved of the contents of this news release. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

**For more information, please contact**

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