



## **TriMetals Mining Inc.'s Subsidiary, South American Silver, Awarded Approximately US\$28 million (including interest) in Arbitration Proceedings against the Government of Bolivia**

DENVER, Colorado, November 23, 2018 -- **TriMetals Mining Inc.** (TSX: TMI) (OTCQX:TMIAF), (the "Company"), announces that on November 22, 2018, an Arbitration Tribunal of the Permanent Court of Arbitration in The Hague, Netherlands, issued an award awarding the Company's wholly-owned Bermudan subsidiary, South American Silver Limited ("South American Silver") US\$18.7 million in amounts invested and approximately US\$9 million in interest thereon running from August 1, 2012 to present, for a total of approximately US\$28 million (the "Award"). The Award relates to South American Silver's claims against the Plurinational Government of Bolivia ("Bolivia") arising from Bolivia's unlawful expropriation of South American Silver's investments in the Malku Khota silver-indium-gallium project (the "Malku Khota Project").

South American Silver, which the majority of the Tribunal confirmed to be a protected investor under the bilateral investment treaty between the Government of the United Kingdom and Bolivia for the Promotion and Protection of Investments (the "Treaty"), despite Bolivia's objections to jurisdiction and the dissent of the arbitrator appointed by Bolivia in this regard, commenced formal arbitration proceedings on April 30, 2013 under the Arbitration Rules of the United Nations Commission on International Trade Law ("UNCITRAL") in respect of Bolivia's breaches of the Treaty, including the requirement to pay prompt, just and adequate compensation for the unlawful expropriation of the Malku Khota Project, provide fair and equitable treatment to South American Silver's investment and provide full protection and security to foreign investors and their investments.

On May 23, 2013, the Company entered into an agreement with a third-party funder (the "Fund"), to fund South American Silver's future costs and expenses related to the arbitration proceedings. The Fund specializes in the funding of international arbitration proceedings and in providing assistance with the enforcement of arbitration awards. This non-brokered funding was made on a non-recourse basis and includes costs and expenses of the enforcement of any award rendered by the Arbitration Tribunal. In consideration for the funding, the Company and South American Silver will pay to the Fund a portion of the monies received from Bolivia resulting from the Award. These fees, costs and expenses will potentially reduce funds received by South American Silver by as much as one-third of the amount of the Award.

Holders of the Company's Class B shares have a collective entitlement to 85% of the net cash (after deducting all costs, taxes and expenses and the Fund's portion thereof), received by the Company from the Award.

Eric Edwards, President and CEO of the Company stated, "We are disappointed at the outcome of the international arbitration process and especially with the quantum of damages awarded to South American Silver, which we consider insufficient and are still evaluating. Given the more than two years the Tribunal spent considering the evidence and drafting the award, including detailed damages calculations and technical evidence presented by renowned quantum and

mining experts, regarding the size and quality of the massive deposit at Malku Khota and fair market value of the expropriated asset, we certainly expected a more properly reasoned, just and fair outcome and an adequate amount of compensation as opposed to simply awarding amounts invested or “sunk costs” resulting from Bolivia’s illegal conduct. We are still evaluating the award and its contents in order to consider next steps, including, among other things, seeking annulment of the award or enforcement under the New York Convention should Bolivia refuse to pay or unduly delay payment of the amounts due and owing.”

The Company notes that one of the three arbitrators on the Tribunal, Professor Francisco Orrego Vicuña (now deceased), strongly disagreed with the opinion set out in the Award and stated that he believed, among other things, the Tribunal placed too much of the blame for any issues with the indigenous communities upon South American Silver when it is Bolivia that is responsible for maintaining public order. He also stated there was evidence that Bolivia wanted to take over the Malku Khota Project before any social unrest arose and expressed the view that South American Silver was not afforded due process which was, in his view, “reduced to mere symbolism devoid of objective review.”

The Company also notes that Professor Orrego Vicuña believed the Tribunal should have found a violation of the Fair and Equitable Treatment Obligation and a failure to provide Full Protection and Security to South American Silver’s investment. Most troubling is his view that this resulted “in compensation well below that suggested by information available and the experts’ and valuator’s reports” (indeed the Company notes that the Government of Bolivia has stated, in its announcement regarding the Award, that the State now owns the Malku Khota deposit which Bolivia values at US\$8 billion, despite arguing during the arbitration that South American Silver’s \$307.2 million valuation of the Malku Khota Project was exaggerated). Nevertheless, Professor Orrego Vicuña felt the need to vote with the Presiding Arbitrator in order to avoid the Award remaining “in a state of suspension or hibernation, without the Presiding Arbitrator being able, under the UNCITRAL Rules, to decide without a majority.”

### **About TriMetals Mining Inc.**

TriMetals Mining Inc. (TSX: TMI and OTCQX: TMIAF) is a growth-focused mineral exploration company creating value through the exploration and development of the near-surface Gold Springs gold-silver project in mining-friendly Nevada and Utah, U.S.A.

The Company’s Class B shares are listed on the Toronto Stock Exchange under “TMI.B”. Note that the Class B shares have no interest in the properties or assets of the Company other than the collective entitlement to 85% of the net cash after expenses received by the Company from award or settlement in relation to South American Silver’s arbitration proceeding against Bolivia for the expropriation of the Malku Khota project in 2012.

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### **Forward-looking Statements**

*Certain statements contained herein constitute “forward-looking information” under applicable Canadian securities laws (“forward-looking statements”). Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as “shall”, “will”, and similar expressions. The statements regarding prompt payment and settlement of the compensation award owed by Bolivia are also forward-looking statements. These forward-looking statements are based on*

*current expectations and entail various risks and uncertainties. Actual results may materially differ from expectations if known and unknown risks or uncertainties affect our business or if our estimates or assumptions prove inaccurate. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements, include, but are not limited to, the prompt settlement and payment of arbitration awards in a customary manner and in accordance with the Arbitration Tribunal's final decision, risks that settlement may not be reached with the Government of Bolivia regarding the arbitration award and payment thereof, and other risks more fully described in the Company's Annual Information Form and continuous disclosure documents, which are available on SEDAR at [www.sedar.com](http://www.sedar.com). The assumptions made in developing the forward-looking statements include: the settlement and payment of arbitration awards in a customary manner and in accordance with the Arbitration Tribunal's final decision.*

*Readers are cautioned not to place undue reliance on the forward-looking statements contained in this press release. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason. Unless otherwise indicated, forward-looking statements in this press release describe the Company's expectations as of the date hereof.*