



Interim Consolidated Financial Statements

**For the Three Months Ended
March 31, 2021 and 2020
(Unaudited)**

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED
CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited consolidated interim financial statements of TVI Pacific Inc. for the interim reporting period ended March 31, 2021, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board, and are the responsibility of the Company's management.

The Company's independent auditors, PricewaterhouseCoopers LLP, have not performed a review of these consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada ("**CPA Canada**") for a review of interim financial statements by an entity's auditor.

TVI Pacific Inc.
 Unaudited Interim Consolidated Statements of Financial Position
 March 31, 2021
 (in Canadian dollars)



	Notes	March 31, 2021	December 31, 2020
Assets			
Current assets:			
Cash and cash equivalents	4	\$ 213,473	\$ 119,048
Accounts receivable	5	8,416	529,266
Due from related parties	6(a)	23,177	23,332
Prepaid expenses		13,323	18,832
Total current assets		258,388	690,478
Non-current assets:			
Investment in joint venture	8	18,435,374	18,074,780
Property and equipment		18,820	20,338
Other assets		14,014	14,357
Total non-current assets		18,468,209	18,109,475
Total assets		\$ 18,726,597	\$ 18,799,953
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable and accrued liabilities	9	\$ 364,970	\$ 518,858
Due to related parties	6(b)	1,303,568	1,248,617
Income tax payable		4	4
Total current liabilities		1,668,542	1,767,479
Deferred tax liability	10	769,880	788,931
Total liabilities		2,438,422	2,556,410
Equity attributable to shareholders of the Company:			
Share capital	11(b)	33,016,445	33,003,350
Contributed surplus	11(d)	7,074,580	7,080,925
Deficit		(20,682,585)	(21,307,131)
Translation reserves		(3,120,265)	(2,533,601)
Total equity		16,288,175	16,243,543
Total liabilities and equity		\$ 18,726,597	\$ 18,799,953

Commitment (note 16)

Subsequent Events (note 17)

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

On behalf of the Board:

"Clifford M. James"
 Clifford M. James, Director

"C. Brian Cramm"
 C. Brian Cramm, Director

TVI Pacific Inc.
 Unaudited Interim Consolidated Statements of Comprehensive Income (Loss)
 March 31, 2021 and 2020
 (in Canadian dollars)



	Notes	Three months ended March 31	
		2021	2020
Expenses:			
Depreciation expense		\$ 1,483	\$ 1,573
Administrative and general costs	13	339,038	504,504
Total expenses		340,521	506,077
Operating loss		(340,521)	(506,077)
Other income (expenses):			
Interest income		117	473
Foreign exchange gain (loss)	15	(1,956)	6,386
Other gains		-	42,760
Fair market valuation of equity investment	7	-	(1,708,498)
Share of gains of joint venture	8	966,906	1,183,376
Other income (expenses), net		965,067	(475,503)
Net income (loss) before income tax		624,546	(981,580)
Income tax recovery (expense)		-	-
Net income (loss)		\$ 624,546	\$ (981,580)
Other comprehensive income (loss):			
Items that may be reclassified to profit or loss in subsequent periods:			
Foreign currency translation adjustment – foreign operations		19,648	(64,836)
Foreign currency translation adjustment – associates and joint venture		(606,312)	1,493,393
Comprehensive income		\$ 37,882	\$ 446,977
Basic income (loss) per share	12	\$ 0.001	\$ (0.001)
Diluted income (loss) per share	12	0.001	(0.001)
Weighted average number of common shares, basic	12	656,603,516	655,537,039
Weighted average number of common shares, diluted	12	681,227,993	655,537,039

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

TVI Pacific Inc.
Unaudited Interim Consolidated Statements of Changes to Equity
March 31, 2021 and 2020
(in Canadian dollars)



	Share capital (Note 10b)	Contributed surplus (Note 10d)	Deficit	Accumulated other comprehensive income (loss)	Total equity
January 1, 2021	\$ 33,003,350	\$ 7,080,925	\$ (21,307,131)	\$ (2,533,601)	\$ 16,243,543
Transaction with owners					
Options exercised	13,095	(6,345)	-	-	6,750
Total transaction with owners	13,095	(6,345)	-	-	6,750
Comprehensive income/(loss)					
Net income	-	-	624,546	-	624,546
Other comprehensive loss:					
Foreign currency translation adjustment	-	-	-	(586,664)	(586,664)
Total comprehensive income (loss)	-	-	624,546	(586,664)	37,882
March 31, 2021	\$ 33,016,445	\$ 7,074,580	\$ (20,682,585)	\$ (3,120,265)	\$ 16,288,175
January 1, 2020	\$ 32,974,070	\$ 7,095,205	\$ (22,600,212)	\$ (3,131,558)	\$ 14,337,505
Transaction with owners					
Stock-based compensation	-	-	-	-	-
Total transaction with owners	-	-	-	-	-
Comprehensive income/(loss)					
Net loss	-	-	(981,580)	-	(981,580)
Other comprehensive loss:					
Foreign currency translation adjustment	-	-	-	1,428,557	1,428,557
Total comprehensive income (loss)	-	-	(981,580)	1,428,557	446,977
March 31, 2020	\$ 32,974,070	\$ 7,095,205	\$ (23,581,792)	\$ (1,703,001)	\$ 14,784,482

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

TVI Pacific Inc.
Unaudited Interim Consolidated Statements of Cash Flows
March 31, 2021 and 2020
(in Canadian dollars)



	Notes	Three months ended March 31	
		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss) before income tax		\$ 624,546	\$ (981,580)
Adjustments for:			
Depreciation expense		1,483	1,573
Unrealized foreign exchange loss (gain)	15	679	(4,616)
Other losses (gain)		-	(34,081)
Fair market valuation of equity investments	7	-	1,708,499
Share of gains of joint venture	8	(966,906)	(1,183,376)
Changes in working capital	14	427,133	242,631
Proceeds from sale of IGES shares	7	-	115,938
Net cash generated (used) in operating activities		86,935	(135,012)
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures on property and equipment and other assets		-	(7,228)
Net cash used from investing activities		-	(7,228)
CASH FLOWS FROM FINANCING ACTIVITIES			
Shares issued – Options exercised	11(c)	6,750	-
Net cash generated from financing activities		6,750	-
Effect of foreign exchange rates on cash		740	2,798
Net increase (decrease) in cash and cash equivalents		94,425	(139,442)
Cash and cash equivalents at beginning of the period		119,048	467,063
Cash and cash equivalents at end of the period		\$ 213,473	\$ 327,621

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



1. Corporate information, nature of operations and going concern:

TVI Pacific Inc. (“**TVI**” or the “**Company**”) is a publicly listed resource company incorporated in Alberta, Canada on January 12, 1987 under the Alberta Business Corporations Act. TVI’s shares are listed on the TSX Venture Exchange. TVI is focused on the acquisition of diversified resource projects in the Asia Pacific region and on evaluating and acquiring interests in resource projects that can be rapidly developed and put into production to generate revenue and cash flows. TVI does not presently have an active resource property but holds equity and joint venture investments in resource companies engaged in production, development and/or exploration activities in the Philippines as well as the commercialization of plastics-to-fuel technology and biomass to fuel and energy conversion technologies in Australia and internationally.

TVI holds a 30.66% interest in TVI Resource Development Phils., Inc. (“**TVIRD**”). TVIRD’s assets include the 100% owned Balabag gold-silver project, a 60% interest in the Agata nickel laterite project and Direct Shipping Nickel/iron projects and interests in the Agata processing project and various other exploration properties in the Philippines. At March 31, 2021, TVI also holds a 2.97% equity interest in Integrated Green Energy Solutions Ltd (“**IGES**”), an Australian Stock Exchange (“**ASX**”) listed issuer engaged in the commercialization of technologies related to plastics and biomass to fuel and energy conversion and the construction of waste plastics-to-diesel conversion plants internationally but whose shares have been suspended from trading since January 2020 (see note 7), and holds also a 14.4% equity interest in Mindoro Resources Ltd. (“**Mindoro**”), a NEX listed issuer engaged in mining and exploration in the Philippines. TVI has established its principal business address at Suite 600, 505 2nd St. SW Calgary, Alberta, Canada T2P 1N8.

These consolidated financial statements were authorized for issue by the Board of Directors on May 25, 2021.

Going Concern

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”) and Interpretations of the International Financial Reporting Interpretations Committee (“**IFRIC**”), as well as Canadian generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

For the three months ended March 31, 2021, TVI reported a net income of \$624,546 (March 31, 2020 net loss - \$981,580) resulting primarily from the share of gains from joint venture (note 8). TVI had a working capital deficit of \$1,410,154 at March 31, 2021 (December 31, 2020 – \$1,076,997 working capital deficit). As at March 31, 2021, the Company had accounts payable and accrued liabilities of \$364,970 (December 31, 2020 - \$518,858) and a payable to related parties of \$1,303,568 (December 31, 2020 - \$1,248,617) but has no other outstanding loans payable or any annual expenditure obligations, apart from the Company’s office lease.

These circumstances lend significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

During the three months ended March 31, 2021, TVI received a dividend of \$516,908 from TVIRD that had been declared in December 2020 (March 31, 2020 – no dividends were received). The Company did not sell any IGES during the three months ended March 31, 2021 ((March 31, 2020 - \$115,938 gross proceeds received). The Company’s ability to continue as a going concern is dependent upon its ability to fund its operations, IGES’ resumption of trading of its securities on the ASX and the Company’s ability to sell a portion of its investment in IGES shares, distributions from its joint venture investment in TVIRD and the ability of TVI to develop its resource projects and generate positive cash flows from operations. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Basis of preparation:

(a) Statement of compliance

These consolidated interim financial statements (“**consolidated interim financial statements**”) have been prepared in accordance with IFRS issued by the International Accounting Standards Board and Interpretations of the IFRIC, as well as generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and settlement of liabilities in the normal course of business as they become due.

These consolidated interim financial statements do not include all the information required in annual financial statements in accordance with IFRS and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2020. These consolidated interim financial statements have not been reviewed by the Company’s auditor.

(b) Basis of measurement

These consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value (note 3b). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The consolidated interim financial statements are presented in Canadian Dollars which is the functional and reporting currency of TVI.

(c) New standards, amendments and interpretations issued but not yet effective:

The following new interpretations and amendments have been issued and are applicable for annual periods beginning on or after January 1, 2021. The Company is in the process of completing its assessment but does not expect the standard to have a material impact on the consolidated financial statements.

i) Amendment to IFRS 7, IFRS 9, and IFRS 16 (Interest Rate Benchmark Reform):

The IASB issued new guidance in response to the interest rate benchmark reform in August 2020 that is to be effective for annual periods beginning on or after January 1, 2021. The new guidance provides the use of a practical measure to account for the change in the basis for determining the contractual cash flows as a result of the cessation of the London Interbank Offered Rate (“**LIBOR**”) benchmark and is expected to apply to such considerations as the discount rate used by the Company in performing future impairment tests. The Company is continually monitoring and assessing the situation for any potential impacts resulting from the amendment.

There are no other new standards, amendments and interpretations that are not yet effective that would be expected to have a material impact on the Company.

3. Financial risk management:

The Company’s activities expose it to a variety of financial risks: market risk (currency risk, interest rate risk and price risk), liquidity risk and credit risk. The Company’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company’s financial performance. The Board of Directors has the overall responsibility for the establishment and oversight of the Company’s risk management framework.

3. Financial risk management (continued):

The consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements. They should be read in conjunction with TVI's audited consolidated financial statements for the year ended December 31, 2020.

a) Financial risk management

i) Currency risk

For the three months ended March 31, 2021:

- (a) The impact on net income (loss) if the US Dollar moved by 5% against the Canadian Dollar, with all other variables held constant, would be \$5,916.
- (b) The impact on net income (loss) if the Philippine Peso moved by 5% against the Canadian Dollar, with all other variables held constant would be \$1,095.

The impact on net income (loss) of other currencies with all other variables held constant is not material for disclosure.

The following significant exchange rates have been applied during the current year and prior year:

	Average rate		Spot rate	
	Three months ended	Year ended	March 31, 2021	December 31, 2020
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Canadian Dollar/US Dollar	1.2660	1.3415	1.2575	1.2732
Canadian Dollar/ Australian Dollar	0.9782	0.9247	0.9572	0.9835
Canadian Dollar/ Philippine Peso	0.0262	0.0270	0.0261	0.0267

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no significant interest-bearing assets or liabilities for which the interest rate fluctuates, the Company's income (loss) and operating cash flows are not significantly impacted by changes in market interest rates. The Company did start to accrue interest in October 2020 on unpaid Management and directors' fees (note 6(b)) that is calculated on total unpaid fees due at a rate of four percent (4%) per annum, calculated daily and compounded annually.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk) whether those changes are caused by factors specific to the individual financial instrument, its issuer or factors affecting all similar financial instruments in the market or a market segment. Exposure to other price risk is primarily in investment in equity securities of IGES where changes in quoted prices on investments in equity securities have historically impacted the underlying value of the investment prior to this investment being fully written-down at March 31, 2020 (see note 7(a)).

iv) Liquidity risk

As at March 31, 2021, the Company has a \$1.4 million working capital deficit (December 31, 2020 - working capital deficit of \$1.1 million) (see note 1: Going Concern).

3. Financial risk management (continued):

The table below summarizes the Company's financial liabilities by relevant maturity groupings based on contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

Balances due within 12 months equal their carrying balances, as the impact of discounting is not considered to be significant.

	March 31, 2021	December 31, 2020
Due within 12 months:		
Accounts payable and accrued liabilities	\$ 364,970	\$ 518,858
Due to related parties	1,303,568	1,248,617
Income tax payable	4	4
	\$ 1,668,542	\$ 1,767,479

The Company remains focused upon conserving cash through reducing expenditures but to continue operations and to fund expenses and to settle liabilities the Company is presently dependent on possible distributions from its joint venture investment in TVIRD, which the Company does not control, and the sale of portions of its interest in IGES shares, although IGES' shares are currently suspended and TVI has fully written-down to nil its investment in IGES given current information available (see note 7(a)).

Note 9 includes a further breakdown and explanation of accounts payable and accrued liabilities.

v) Credit risk

Credit risk arises from the potential that a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, accounts receivable, due from related parties and other assets.

The Company manages credit risk associated with cash by maintaining its cash deposits in accounts with creditworthy banks, which were approved by the Board of Directors.

b) Fair value measurements recognized in the statement of financial position

The analysis of financial instruments that are measured subsequent to initial recognition at fair value can be classified into Levels 1 to 3 based on the degree to which fair value is observable.

- Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the three months ended March 31, 2021, there were no transfers between levels in the fair value hierarchy of any fair value measurements. There were no changes in valuation techniques.

The carrying value of the Company's financial assets and liabilities consisting of cash and cash equivalents, short-term deposits, accounts receivable, due from and to related parties and accounts payable and accrued liabilities, approximate their fair values at March 31, 2021 and December 31, 2020 due to their short-term nature.

3. Financial risk management (continued):

c) Capital risk management

The Company monitors capital on the basis of the debt-to-equity and debt-to-assets ratios. Debt is composed of accounts payable and accrued liabilities and due to related parties. Equity comprises all components of equity other than amounts in accumulated other comprehensive income (loss). Assets are defined as the Company's total current and non-current assets. The Company's strategy is to improve the debt-to-equity ratio in order to secure access to financing at a reasonable cost by maintaining a good credit rating.

	March 31, 2021	December 31, 2020
Debt	\$ 1,668,538	\$ 1,767,475
Equity	19,408,440	18,777,144
Assets	18,726,597	18,799,953
Debt-to-equity	9%	9%
Debt-to-assets	9%	9%

The debt-to-equity and debt-to-assets ratios have been largely influenced by amounts due to related parties (note 6(b)) which continue to include deferred management and directors' fees since January 2017.

4. Cash and cash equivalents:

Cash in banks and money market funds earn interest at the prevailing market rates. The carrying amounts of cash and cash equivalents approximate their fair value.

Cash and cash equivalents consist of:

<i>reported in Canadian dollar equivalents</i>	March 31, 2021	December 31, 2020
Cash on hand	\$ 650	\$ 667
Cash in banks	212,823	118,381
Total cash on hand and in banks	213,473	119,048

Cash and cash equivalents are denominated in the following currencies:

<i>reported in Canadian dollar equivalents</i>	March 31, 2021	December 31, 2020
US Dollars	\$ 118,312	\$ 61,498
Canadian Dollars	73,259	29,406
Philippine Pesos	21,902	28,144
Total cash on hand and in banks	\$ 213,473	\$ 119,048

Cash and cash equivalents are held in the following countries:

<i>reported in Canadian dollar equivalents</i>	March 31, 2021	December 31, 2020
Canada	\$ 138,250	\$ 41,688
Philippines	32,865	34,283
Singapore	42,358	43,077
Total cash on hand and in banks	\$ 213,473	\$ 119,048

5. Accounts receivable:

Accounts receivable consist of:

	March 31, 2021	December 31, 2020
Goods and services tax receivable	\$ 3,416	\$ 7,358
Dividends receivable	-	516,908
Others	5,000	5,000
Total Accounts Receivable	\$ 8,416	\$ 529,266

Dividends receivable at December 31, 2020 were fully received in January 2021.

6. Related party transactions:

The interim consolidated financial statements include the financial statements of TVI and the following subsidiaries, associates and joint venture:

	Country of Incorporation	% Equity interest (Direct and Indirect)	
		March 31, 2021	December 31, 2020
Subsidiaries of TVI:			
TVI Limited	Anguilla	100%	100%
TG World Energy Corp	Canada	100%	100%
TVI Asia Pacific Resource Corporation	Philippines	100%	100%
TVI International Marketing Limited	Hong Kong	100%	100%
TVI Minerals Processing Inc.	Philippines	90%	90%
TG World (BVI) Corporation	British Virgin Islands	100%	100%
TG World Energy Inc.	United States	100%	100%
Associates/Joint Venture:			
TVIRD and affiliates	Philippines	30.66%	30.66%
Mindoro	Canada	14.40%	14.40%

Transactions with related parties are entered into at the exchange amounts which are the amounts established and agreed to by the parties. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

(a) Due from related parties

	March 31, 2021	December 31, 2020
TVIRD	\$ 6,789	\$ 6,944
Due from Officers	16,388	16,388
Total due from related parties	\$ 23,177	\$ 23,332

The Company's receivable from TVIRD relates to reimbursable expenses and services provided by TVI Pacific to TVIRD.

Due from Officers includes advances to officers of the Company to acquire shares in joint venture on behalf of the Company.

6. Related party transactions (continued):

(b) Due to related parties

	March 31, 2021	December 31, 2020
Seajay Management	\$ 603,403	\$ 564,206
Director's fee	563,375	540,250
Due to Officers	122,461	113,466
Regent Parkway	10,770	27,042
Exploration Drilling Corporation	3,559	3,653
Total due to related parties	\$ 1,303,568	\$ 1,248,617

Management fees related to services of the President were first deferred commencing in February 2016 and have continued to be deferred since that time as the Company is actively working to conserve cash. Since that time only management fees related to calendar year 2016 were paid out in 2018 and a \$44,000 part payment against each of 2017 and 2018 uncompensated fees has also been paid out. Deferred management fees of \$40,125 related to services of the President were incurred during the three months ended March 31, 2021 (March 31, 2020 - \$40,125).

Directors' fees were first deferred commencing in January 2016 and have continued to be deferred since that time as the Company is actively working to conserve cash. Since that time only directors' fees related to calendar year 2016 were paid out in 2018 while the balance of past and current year charges have continued to be deferred. Deferred directors' fees of \$23,125 were incurred during the three months ended March 31, 2021 (March 31, 2020 - \$27,125).

A portion of compensation due annually to the Chief Financial Officer has been deferred commencing in 2017.

During the three months ended March 31, 2021, the Company also incurred expenses of \$46,320 (March 31, 2020 - \$49,873) for administrative services provided by Regent Parkway, a corporation controlled by a director and officer of TVI.

7. Investment in equity securities:

(a) Investment in Integrated Green Solutions Ltd

IGES is a publicly listed company incorporated in Australia with shares listed on the ASX. Its annual reporting period ends at June 30. TVI holds 11,705,894 shares as at March 31, 2021 representing a 2.97% holding (December 31, 2020 – 11,705,894 IGES shares held representing a 2.97% interest).

TVI has written-down to nil the fair market value of its equity interest in IGES during the year ended December 31, 2020, following the suspension from trading of IGES securities announced by the ASX on January 20, 2020, under Listing Rule 17.3 pending further enquiries by the ASX on issues of funding. As at the date of these consolidated interim financial statements IGES has not yet resolved issues with the ASX so as to allow trading to resume. In TVI's valuation of its investment, TVI has also considered the negative net asset position of IGES that was reported in its most recent report and a creditor's statutory demand placed against IGES by an investor during the year ended 2020.

TVI measures its investment in IGES as an investment in equity securities at Fair Value Through Profit or Loss ("FVTPL") under IFRS 9.

7. Investment in equity securities (continued):

Fair Market Value:		
	March 31, 2021	March 31, 2020
Investment in IGES, January 1	\$ -	\$ 1,790,355
Fair market valuation of equity investment	-	(1,708,498)
Book value of sold shares of investment in IGES	-	(81,857)
Investment in IGES, end of period	\$ -	\$ -

IGES Shares Held:		
	March 31, 2021	March 31, 2020
Investment in IGES, January 1	11,705,894	12,266,741
Shares sold through period	-	(560,847)
Investment in IGES, end of period	11,705,894	11,705,894

(b) Investment in Mindoro

Mindoro is a publicly listed company incorporated in Canada with shares listed on the NEX. The annual reporting period of Mindoro ends as at December 31.

As at March 31, 2021, TVI holds 42,779,353 common shares of Mindoro, representing a 14.4% holding in the capital of Mindoro.

The book value of the Company's investment in Mindoro was reduced to \$nil in March 2014 as a result of recording TVI's proportionate share of net losses since having acquired the investment. As at March 31, 2021, a proportionate share of net losses in excess of \$3.5 million had been incurred by Mindoro and will offset any future proportionate share of net income that Mindoro may realize at a future date.

8. Investment in joint venture:

	March 31, 2021	
Investment in joint venture at January 1, 2020	\$	13,849,841
Share of net income		4,513,227
Share of other comprehensive loss		(87,513)
Foreign exchange revaluation of other comprehensive income		697,623
Cash distribution from joint venture received, net of taxes of \$67,321		(381,490)
Cash distribution from joint venture receivable, net of taxes of \$91,220		(516,908)
Investment in joint venture at December 31, 2020		18,074,780
Share of net income		966,906
Foreign exchange revaluation of other comprehensive income		(606,312)
Investment in joint venture at March 31, 2021	\$	18,435,374

TVI continues to hold 30.66% of the issued and outstanding shares of TVIRD (through TVI Marketing). TVIRD continues to be the operator of the Agata joint ventures.

TVIRD has not declared and paid out any additional cash dividends in the current year as of March 31, 2021 (see note 17: Subsequent Events). Dividends received from the joint venture reduce the book value of investment in joint venture. As of March 31, 2021, investment in joint venture has been reduced by a total of \$2.9 million in dividends received to date by TVI since TVIRD started to distribute dividends in 2017.



9. Accounts payable and accrued liabilities:

Accounts payable consist of the following:

	March 31, 2021		December 31, 2020	
Trade payables	\$	174,395	\$	266,954
Other accrued expenses		190,575		251,904
Total Accounts Payable	\$	364,970	\$	518,858

Accrued expenses include accruals of personnel expenses, consultancy and other professional fees.

10. Income taxes:

Deferred tax liability of \$769,880 at March 31, 2021 (December 31, 2020 - \$788,931) as follows:

	March 31, 2021		December 31, 2020	
TVI Minerals	\$	675,865	\$	693,741
TVI Asia-Pacific Resources Corp		90		93
TG World BVI Corp		93,925		95,097
Deferred Tax Liability	\$	769,880	\$	788,931

11. Share capital:

(a) Authorized

Unlimited common voting shares without nominal or par value.

Unlimited preferred non-voting shares without nominal or par value, issuable in series, none of which have been issued.

(b) Issued and fully paid

	March 31, 2021		March 31, 2020	
	Shares (#)	Value (\$)	Shares (#)	Value (\$)
Common shares, January 1	656,537,039	\$ 33,003,350	655,537,039	\$ 32,974,070
Options exercised during period	450,000	13,095	1,000,000	29,280
Common shares, end of period	656,987,039	\$ 33,016,445	656,537,039	\$ 33,003,350

(c) Share options

The Company has a stock option plan pursuant to which options may be granted to directors, officers, and employees of the Company. The options generally vest over a period of up to three years and expire no more than 5 years from the date of grant.

There were no stock options granted during the three months ended March 31, 2021 and twelve months ended December 31, 2020.

During the three months ended March 31, 2021, a total of 450,000 stock options were exercised and a total of 1,000,000 stock options exercised during the 12 months ended December 31, 2020. These stock options were exercised by non-insiders of TVI.

11. Share capital (continued):

	March 31, 2021		December 31, 2020	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of period	40,350,000	\$ 0.015	41,450,000	\$ 0.015
Issued	-	-	-	-
Exercised	450,000	0.015	1,000,000	0.015
Options outstanding, end of period	39,900,000	\$ 0.015	40,350,000	\$ 0.015
Options exercisable, end of period	39,900,000	\$ 0.015	40,350,000	\$ 0.015

Price range	Number outstanding	Weighted average remaining contractual life (years)	Number Exercisable
\$ 0.015	39,900,000	0.75	39,900,000

As TVI has been in a continuous black-out period since stock options were originally scheduled to expire in May 2019 and June 2020, these stock options have been extended in accordance with the Company's stock option plan. The black-out period has applied to all insiders.

(d) *Stock-based compensation and contributed surplus*

During the three months ended March 31, 2021, \$nil (March 31, 2020 - \$nil) of stock-based compensation was charged to the consolidated statement of comprehensive income.

	Three months ended March 31, 2021	Three months ended March 31, 2020
Contributed surplus, beginning of period	\$ 7,080,925	\$ 7,095,205
Stock-based compensation	(6,345)	-
Contributed surplus, end of period	\$ 7,074,580	\$ 7,095,205

12. Per share data:

	Three months ended March 31, 2021	Three months ended March 31, 2020
Net income (loss)	\$ 624,546	\$ (981,580)
Weighted average number of shares, basic	656,603,516	655,537,039
Weighted average numbers of shares, diluted	681,227,993	655,537,039
Basic income (loss) per share	0.001	(0.001)
Diluted income (loss) per share	0.001	(0.001)

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares consisting of share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) through the outstanding share options. The number of shares calculated above is compared with the number of shares that would have been issued assuming the exercise of the share options.



13. Expenses by nature:

	Three months ended March 31	
	2021	2020
Personnel costs	\$ 149,505	\$ 144,863
Contracted services	49,131	202,264
Professional fees	44,392	47,803
Travel and transportation	27,731	34,180
Investor relations	17,824	14,036
Interest on promissory notes	14,371	-
Insurance	14,117	19,989
Rent	13,297	25,332
Taxes and licenses	4,966	7,179
Utilities	2,361	2,914
Materials and supplies	414	2,126
Others	929	3,818
Total administrative and general costs	\$ 339,038	\$ 504,504

14. Changes in working capital:

	Three months ended March 31	
	2021	2020
Accounts receivable	\$ 520,851	\$ 1,617
Prepaid expenses	5,580	31,951
Trade accounts payables and accrued liabilities	(153,724)	181,280
Due to/from related parties	54,426	27,783
Total changes in working capital	\$ 427,133	\$ 242,631

Dividends receivable, included in Accounts Receivable at December 31, 2020 were fully received in January 2021.

15. Foreign exchange gain:

	Three months ended March 31	
	2021	2020
Unrealized foreign exchange gain (loss)	\$ (679)	\$ 4,616
Realized foreign exchange gain (loss)	(1,277)	1,770
	\$ (1,956)	\$ 6,386

The unrealized foreign exchange gain (loss) during the period ended March 31, 2021 and 2020 pertains to the conversion of \$US bank accounts.

16. Commitment:

The Company has revised its agreement with respect to its corporate office premises at March 31, 2021, such that the agreement for office premises is month-to-month and no commitments are in effect beyond 30 days.



17. Subsequent Events:

On April 23, 2021, TVIRD made its first repayment against the US \$28.5 million 5-year term Omnibus Loan and Surety Agreement with China Banking Corporation that had been announced on October 22, 2019 to finance development activities at Balabag. The payment was in the amount of US \$2.2 million and included \$0.4 million of interest.

On May 14, 2021, the TVIRD Board of Directors declared a dividend of 60 million Philippine pesos (\$1.5 million) to be issued among all shareholders of record as of May 15, 2021. TVI Marketing received on May 17, 2021 a dividend of 18.4 million Philippine pesos (\$0.5 million), prior to Philippine dividend tax in the amount of 2.8 million Philippine pesos (\$0.07 million), and the net amount of 15.7 million Philippine pesos (\$0.4 million) was then transferred through to TVI as repayment intercompany advances.

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