



Interim Consolidated Financial Statements

**For the Six Months Ended
June 30, 2022 and 2021
(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 June 30, 2022, 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 Statement of Financial Position
June 30, 2022
(in Canadian dollars)



	Notes	June 30, 2022	December 31, 2021
Assets			
Current assets:			
Cash and cash equivalents	4	\$ 523,160	\$ 497,725
Accounts receivable	5	13,516	11,954
Due from related parties	6(a)	2,947	6,501
Prepaid expenses		19,441	13,420
Total current assets		559,064	529,600
Non-current assets:			
Investment in joint venture	8	29,194,675	28,916,923
Property and equipment		18,331	16,938
Other assets		1,101	13,613
Total non-current assets		29,214,107	28,947,474
Total assets		\$ 29,773,171	\$ 29,477,074
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable and accrued liabilities	9	\$ 167,419	\$ 324,039
Due to related parties	6(b)	1,675,178	1,522,765
Total current liabilities		1,842,597	1,846,804
Non-current liabilities:			
Retirement benefit payable	10	51,455	55,093
Deferred tax liability	11	454,676	569,116
Total non-current liabilities		506,131	624,209
Total liabilities		2,348,728	2,471,013
Equity attributable to shareholders of the Company:			
Share capital	12(b)	33,016,445	33,016,445
Contributed surplus	12(d)	7,074,580	7,074,580
Deficit		(6,212,869)	(8,973,285)
Translation reserves		(6,453,713)	(4,111,679)
Total equity		27,424,443	27,006,061
Total liabilities and equity		\$ 29,773,171	\$ 29,477,074

Commitment (note 18)
Subsequent Events (note 19)

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)
June 30, 2022 and 2021
(in Canadian dollars)



	Notes	Three months ended June 30		Six months ended June 30	
		2022	2021	2022	2021
Expenses:					
Depreciation expense		\$ 1,484	\$ 1,379	\$ 2,824	\$ 2,862
Administrative and general costs	14	431,258	359,594	755,693	684,261
Total expenses		432,742	360,973	758,517	687,123
Operating loss		(432,742)	(360,973)	(758,517)	(687,123)
Other income (expenses):					
Interest income		224	110	310	227
Interest expense		(16,303)	(11,006)	(30,105)	(25,377)
Foreign exchange gain (loss)	16	10,016	1,483	8,955	(473)
Other gains (loss)	17	-	(2,550)	200,610	(2,550)
Share of income of joint venture	8	2,332,882	941,297	3,339,163	1,908,203
Other income (expenses), net		2,326,819	929,334	3,518,933	1,880,030
Net income (loss) before income tax		1,894,077	568,361	2,760,416	1,192,907
Income tax recovery (expense)		-	-	-	-
Net income (loss)		1,894,077	568,361	2,760,416	1,192,907
Other comprehensive income (loss):					
Items that may be reclassified to profit or loss in subsequent periods:					
Foreign currency translation adjustment – foreign operations		(2,646,964)	16,098	34,931	35,746
Foreign currency translation adjustment – joint venture		(912,535)	(475,547)	(2,376,965)	(1,081,859)
Comprehensive income (loss)		\$ (1,665,422)	\$ 108,912	\$ 418,382	\$ 146,794
Basic income (loss) per share	13	\$ 0.003	\$ 0.001	\$ 0.004	\$ 0.002
Diluted income (loss) per share	13	0.003	0.001	0.004	0.002
Weighted average number of common shares, basic	13	656,894,064	656,798,492	656,987,039	656,798,492
Weighted average number of common shares, diluted	13	679,668,013	683,769,223	679,668,013	683,769,223

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

TVI Pacific Inc.
Unaudited Interim Consolidated Statements of Changes in Equity
June 30, 2022 and 2021
(in Canadian dollars)



	Share capital (Note 12b)	Contributed surplus (Note 12d)	Deficit	Accumulated other comprehensive income (loss)	Total equity
January 1, 2022	\$ 33,016,445	\$ 7,074,580	\$ (8,973,285)	\$ (4,111,679)	\$ 27,006,061
Comprehensive income/(loss)					
Net income	-	-	2,760,416	-	2,760,416
Other comprehensive income:					
Foreign currency translation adjustment	-	-	-	(2,342,034)	(2,342,034)
Total comprehensive income (loss)	-	-	2,760,216	(2,342,034)	418,382
June 30, 2022	\$ 33,016,445	\$ 7,074,580	\$ (6,212,869)	\$ (6,453,713)	\$ 27,424,443
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	-	-	1,192,907	-	1,192,907
Other comprehensive income:					
Foreign currency translation adjustment	-	-	-	(1,046,113)	(1,046,113)
Total comprehensive income (loss)	-	-	1,192,907	(1,046,113)	146,794
June 30, 2021	\$ 33,016,445	\$ 7,074,580	\$ (20,114,224)	\$ (3,579,714)	\$ 16,397,087

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

TVI Pacific Inc.
Unaudited Interim Consolidated Statements of Cash Flows
June 30, 2022 and 2021
(in Canadian dollars)



	Notes	Three months ended June 30		Six months ended June 30	
		2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income (loss) before income tax		\$ 1,894,077	\$ 568,361	\$ 2,760,416	\$ 1,192,907
Adjustments for:					
Depreciation expense		1,484	1,379	2,824	2,862
Unrealized foreign exchange (gain) loss	16	(9,867)	(3,158)	(9,008)	(2,479)
Interest expense		16,303	11,006	30,105	25,377
Gain on sale of TG World (BVI) Corp	17	-	-	(200,610)	-
Share of loss (gains) of joint venture	8	(2,332,881)	(941,297)	(3,339,163)	(1,908,203)
Changes in working capital	15	74,034	29,320	102,277	442,082
Distribution from investment in joint venture, net of tax	8	684,446	394,704	684,446	394,704
Net cash used in operating activities		327,596	60,315	31,287	147,250
CASH FLOWS FROM FINANCING ACTIVITIES					
Shares issued – Options exercised	12(c)	-	-	-	6,750
Net cash used from financing activities		-	-	-	6,750
CASH FLOWS FROM INVESTING ACTIVITIES					
Expenditures on property and equipment and other assets		(2,662)	-	(4,417)	-
Net cash used from investing activities		(2,662)	-	(4,417)	-
Effect of foreign exchange rates on cash		(2,870)	575	(1,435)	1,315
Net decrease in cash and cash equivalents		322,064	60,890	25,435	155,315
Cash and cash equivalents at beginning of the period		201,096	213,473	497,725	119,048
Cash and cash equivalents at end of the period		\$ 523,160	\$ 274,363	\$ 523,160	\$ 274,363

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.

TVI holds a 30.66% interest in TVI Resource Development Phils., Inc. (“**TVIRD**”). TVIRD’s assets include the Balabag gold-silver mine, the Siana gold mine (“**Siana**”), a 60% interest in the Agata nickel laterite and Direct Shipping nickel/iron projects (“**AMVI**”) and interests in the Agata processing project, a 60% indirect interest in Mt. Labo Exploration and Development Corporation (“**MLEDC**”) and the Mabilo project (“**Mabilo**”) that MLEDC 100% owns and operates, and various other exploration properties in the Philippines. TVIRD holds the 60% indirect interest in MLEDC through its 100% ownership of SageCapital Partners, Inc. (“**SageCapital**”). At June 30, 2022, TVI also holds a 14.4% equity interest in Mindoro Resources Ltd. (“**Mindoro**”), a NEX listed issuer engaged in mining and exploration in the Philippines and a partner in AMVI. 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 August 12, 2022.

Going Concern

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) issued by the International Accounting Standards Board (“**IASB**”) and interpretations of the International Financial Reporting Interpretations Committee (“**IFRIC**”) on the basis of accounting principles applicable to a going concern, which assume the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

For the six months ended June 30, 2022, TVI reported a net income of \$2,760,416 (June 30, 2021 – net income of \$1,192,907) resulting primarily from the share of gains from joint venture (note 8). TVI had a working capital deficit of \$1,283,532 at June 30, 2022 (December 31, 2021 – \$1,317,205 working capital deficit). As at June 30, 2022, the Company had accounts payable and accrued liabilities of \$167,419 (December 31, 2021 - \$324,039) and a payable to related parties of \$1,675,178 (December 31, 2021 - \$1,522,765) but has no other outstanding loans payable or any annual expenditure obligations.

During the six months ended June 30, 2022, TVI received a dividend of \$684,446 from TVIRD (net of Philippine dividend withholding tax (June 30, 2021 – \$394,704 dividend received net of Philippine withholding tax). The Company’s ability to continue as a going concern is dependent upon possible distributions from its joint venture investment in TVIRD, which the Company does not control. This undertaking, while significant, is not sufficient in and of itself to enable the Company to fund all aspects of its operations and, accordingly, management is pursuing other financing alternatives to fund the Company’s operations and to pursue interests in resource projects in the Asia Pacific region that can be rapidly developed and put into production to generate revenue and cash flows so it can continue as a going concern. Nevertheless, there is no assurance that these initiatives will be successful.

These material uncertainties 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.

The Company’s ability to continue as a going concern is dependent upon its ability to fund its operations, 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

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

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 IASB and Interpretations of the IFRIC.

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, 2021. 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 interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The consolidated 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, 2022. 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 IAS 16 (Proceeds before intended use):

The IASB issued new guidance in response to accounting and reporting of proceeds received against a respective asset while the asset continues to be prepared for its intended use. Specifically, the amendment (i) prohibits an entity from deducting from the cost of an item of property, plant and equipment (“**PP&E**”) any proceeds received from selling items produced while the entity is preparing the asset for its intended use, (ii) requires an entity to clarify that it is “testing whether the asset is functioning properly” when it assesses the technical and physical performance of the asset and (iii) requires certain related disclosures. The amendment is applied retroactively.

The Company is continually monitoring the situation and assessing for any potential impacts 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 and interest rate 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.

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, 2021.

a) Financial risk management

i) Currency risk

For the six months ended June 30, 2022:

- (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 \$18,523.
- (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 \$641.

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	
	Six months ended June 30, 2022	Year ended December 31, 2021	June 30, 2022	December 31, 2021
Canadian Dollar/US Dollar	1.2715	1.2535	1.2886	1.2678
Canadian Dollar/ Philippine Peso	0.0254	0.0254	0.0234	0.0251

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) Liquidity risk

As at June 30, 2022, the Company has a \$1.3 million working capital deficit (December 31, 2021 - working capital deficit of \$1.3 million) (see note 1: Going Concern).

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.

	June 30, 2022	December 31, 2021
Due within 12 months:		
Accounts payable and accrued liabilities	\$ 167,419	\$ 324,039
Due to related parties	1,675,178	1,522,765
	\$ 1,842,597	\$ 1,846,804

3. Financial risk management (continued):

The Company remains focused upon conserving cash through reducing expenditures but to continue operations and to fund expenses and settle liabilities the Company is presently dependent on possible distributions from its joint venture investment in TVIRD, which the Company does not control.

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

iv) 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 six months ended June 30, 2022, 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 June 30, 2022 and December 31, 2021 due to their short-term nature.

c) Capital risk management

The Company monitors capital on the basis of the debt-to-equity and the 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.

	June 30, 2022	December 31, 2021
Debt	\$ 1,842,597	\$ 1,846,804
Equity	33,878,156	31,117,740
Assets	29,773,171	29,477,074
Debt-to-equity	5%	6%
Debt-to-assets	6%	6%

3. Financial risk management (continued):

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>	June 30, 2022	December 31, 2021
Cash on hand	\$ 353	\$ 626
Cash in banks	522,807	497,099
Total cash on hand and in banks	\$ 523,160	\$ 497,725

Cash and cash equivalents are denominated in the following currencies:

<i>reported in Canadian dollar equivalents</i>	June 30, 2022	December 31, 2021
US Dollars	\$ 370,450	\$ 421,738
Canadian Dollars	139,888	49,350
Philippine Pesos	12,822	26,637
	\$ 523,160	\$ 497,725

Cash and cash equivalents are held in the following countries:

<i>reported in Canadian dollar equivalents</i>	June 30, 2022	December 31, 2021
Canada	\$ 462,586	\$ 423,338
Singapore	43,017	42,484
Philippines	17,557	31,903
	\$ 523,160	\$ 497,725

5. Accounts receivable:

Accounts receivable consist of:

	June 30, 2022	December 31, 2021
Goods and services tax receivable	\$ 8,516	\$ 6,954
Others	5,000	5,000
Total Accounts Receivable	\$ 13,516	\$ 11,954

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)	
		June 30, 2022	December 31, 2021
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 ⁽¹⁾	British Virgin Islands	0%	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%

(1) The sale of 100% of shares of TG World (BVI) Corporation by TG World Energy Corp. was completed on March 1, 2022.

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

	June 30, 2022	December 31, 2021
TVIRD	\$ 2,947	\$ 6,501
	\$ 2,947	\$ 6,501

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

(b) Due to related parties

	June 30, 2022	December 31, 2021
Seajay Management	\$ 722,831	\$ 654,941
Director's fee	766,014	711,084
Due to Officers	171,144	134,534
Regent Parkway	15,189	18,777
Exploration Drilling Corporation	-	3,429
Total due to related parties	\$ 1,675,178	\$ 1,522,765

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 deferred management fees have only been paid in part with \$30,107 paid during the six months ended June 30, 2022 (June 30, 2021 - \$44,000). Deferred management fees of \$40,125 and \$80,250 related to services of the President were incurred during the three and six months ended June 30, 2022, respectively (June 30, 2021 - \$40,125 and \$80,250, respectively) and \$7,543 for other payments were incurred during the six months ended June 30, 2022 (June 30, 2021 - \$5,317).

6. Related party transactions (continued):

During the three and six months ended June 30, 2022, the Company accrued interest expense of \$6,755 and \$12,270, respectively, on the unpaid Management fees (June 30, 2021 - \$5,908 and \$11,015, respectively).

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 deferred directors' fees have only been paid in part with \$31,623 paid during the six months ended June 30, 2022 (June 30, 2021 - nil). Deferred directors' fees of \$49,375 and \$74,750 were incurred during the three and six months ended June 30, 2022, respectively (June 30, 2021 - \$43,125 and \$66,250, respectively). During the three and six months ended June 30, 2022, the Company accrued interest expense of \$8,552 and \$15,745, respectively on the unpaid Director's fees (June 30, 2021 - \$6,718 and \$12,567, respectively).

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

During the three and six months ended June 30, 2022, the Company also incurred expenses of \$51,702 and \$112,891, respectively (June 30, 2021 - \$25,259 and \$71,578, respectively) 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 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 June 30, 2022, 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 June 30, 2022, a further proportionate share of net losses has 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:

The carrying value of the investment in joint venture is adjusted at each reporting period to account for TVI's proportionate share of net income realized by the Philippine entities during the respective reporting period as well as TVI's proportionate share of other comprehensive loss arising from foreign exchange revaluation of TVIRD's stockholder's equity and the receipt of dividends from joint venture.

	June 30, 2022	
Investment in joint venture at January 1, 2021	\$	18,074,780
Share of net income		4,458,345
Share of bargain purchase gain on acquisition of Siana		9,200,325
Share of other comprehensive loss		(25,009)
Foreign exchange revaluation of other comprehensive income		(1,593,584)
Cash distribution from joint venture received, net of taxes of \$211,400		(1,197,934)
Investment in joint venture at December 31, 2021		28,916,923
Share of net income		3,339,163
Foreign exchange revaluation of other comprehensive income		(2,376,965)
Cash distribution from joint venture received, net of taxes \$120,785		(684,446)
Investment in joint venture at June 30, 2022	\$	29,194,675

8. Investment in joint venture (continued):

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 as well as the 100% owner and operator of the Balabag gold/silver mine and Siana gold mine.

A bargain purchase gain was recorded by TVIRD in 2021 with respect to its acquisition of Greenstone Resources Corporation (“**GRC**”) and the associated Siana gold mine. Purchase consideration to acquire 100% of the outstanding equity of GRC, the owner and operator of Siana and the Mapawa Project, consisted of US \$19 million cash and a 3.25% net smelter return royalty (“**NSR**”), for which the management of TVIRD estimated and recorded contingent consideration based on an estimate of the expected NSR payments related to the potential open pit mining operations at Siana. Management determined that a reliable estimate with respect to NSR payments related to the potential underground mining operations at Siana cannot be reasonably determined at this time. Management of TVIRD considered also in its analysis of the purchase price allocation the fair value of the acquired physical assets that was determined by an independent appraiser engaged by TVIRD for this purpose. The purchase price allocation and related fair value exercise determined that the fair value of acquired net assets exceeded the total purchase consideration resulting in a bargain purchase gain of \$30.0 million (the Company’s share of this gain is \$9.2 million). Management of TVIRD concluded that the bargain purchase gain is appropriate to record based on their analysis and the related fair value exercise, as well as consideration of facts and circumstances that led the seller of Siana to dispose of all of their Philippines operations which led to advantageous purchase terms for TVIRD.

On January 31, 2022, TVIRD obtained control of SageCapital and therewith a 60% indirect interest in MLEDC and Mabilo that MLEDC 100% owns and operates. TVIRD has advised that, further to IFRS 3 and the guidance provided therein with respect to accounting for business combinations, it will finalize the accounting for its acquisition of SageCapital after consideration of a measurement period to better determine the value of certain aspects of the acquisition. The measurement period ends on the earlier of the date when the acquirer receives the information that it needs (or determines that it cannot obtain the information) and one year after the acquisition date. Purchase consideration to acquire 100% of the outstanding equity of SageCapital includes staged payments, the first of which has consisted of US \$3 million cash and US \$3 million in listed shares of companies affiliated with a principal shareholder of TVIRD, the price per share of which is equivalent to the 15-day volume weighted average price. The balance of the purchase consideration is to be paid through the measurement period at which time TVIRD may more accurately calculate and record the resulting difference between purchase consideration and identifiable net assets. The purchase consideration includes also a 0.70% NSR, for which the management of TVIRD estimated and recorded contingent consideration based on an estimate of the expected NSR payments related to the potential open pit mining operations at Mabilo. New information that may become available to TVIRD may impact the accounting for its acquisition of SageCapital and such adjustments may thereby also impact the financial statements of TVI.

8. Investment in joint venture (continued):

TVIRD has declared and paid out cash dividends through the six months ended June 30, 2022, as reflected in the table below:

Date Received	Total TVIRD Dividend Declared		Total TVI International Marketing Share			
			Prior to Philippine Dividend Withholding Tax		Net of Philippine Dividend Withholding Tax	
	PHP (millions)	\$CAD (thousands)	PHP (millions)	\$CAD (thousands)	PHP (millions)	\$CAD (thousands)
April 18, 2022	60.0	\$ 1,473.3	18.4	\$ 451.7	15.6	\$ 384.0
June 15, 2022	47.4	1,152.6	14.5	353.4	12.4	300.4
Total	107.4	\$ 2,625.9	32.9	\$ 805.1	28.0	\$ 684.4

Dividends received from the joint venture reduce the book value of investment in joint venture. As of June 30, 2022, investment in joint venture has been reduced by a total of \$4.8 million in dividends received to date by TVI, after payment of Philippine dividend withholding tax, since TVIRD started to distribute dividends in 2017.

9. Accounts payable and accrued liabilities:

Account consists of the following:

	June 30, 2022	December 31, 2021
Trade payables	\$ 79,645	\$ 213,887
Other accrued expenses	87,774	110,152
Total Accounts Payable	\$ 167,419	\$ 324,039

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

10. Retirement benefit payable:

TVI Asia Pacific Resources Corporation provides a retirement benefit to its employees based on provisions of the RA.7641 "Philippine Retirement Law", and commenced recognizing non-current retirement benefit payable at December 31, 2021.

11. Income taxes:

Deferred tax liability of \$464,676 at June 30, 2022 (December 31, 2021 - \$569,116) as follows:

	June 30, 2022	December 31, 2021
TVI Minerals	\$ 464,867	\$ 497,735
TVI Asia-Pacific Resources Corp	(10,191)	(10,912)
TG World BVI Corp	-	82,293
Deferred Tax Liability	\$ 454,676	\$ 569,116

12. 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.

12. Share capital (continued):

(b) *Issued and fully paid*

	June 30, 2022		June 30, 2021	
	Shares (#)	Value (\$)	Shares (#)	Value (\$)
Common shares, January 1	656,987,039	\$ 33,016,445	656,537,039	\$ 33,003,350
Options exercised during period	-		450,000	13,095
Common shares, end of period	656,987,039	\$ 33,016,445	656,987,039	\$ 33,016,445

(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 six months ended June 30, 2022, and twelve months ended December 31, 2021.

During the six months ended June 30, 2022, no options were exercised while a total of 450,000 stock options were exercised during the six months ended June 30, 2021. These stock options were exercised by non-insiders of TVI.

	June 30, 2022		December 31, 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of period	39,900,000	\$ 0.015	40,350,000	\$ 0.015
Issued	-	-	-	-
Exercised	-	0.015	450,000	0.015
Options outstanding, end of period	39,900,000	\$ 0.015	39,900,000	\$ 0.015
Options exercisable, end of period	39,900,000	\$ 0.015	39,900,000	\$ 0.015

Price range	Number outstanding	Weighted average remaining contractual life (years)	Number Exercisable
\$ 0.015	39,900,000	0.504	39,900,000

As TVI has been in a continuous black-out period since 2019 and through to June 30, 2022, stock options that had been originally scheduled to expire in May 2019 and June 2020 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 and six months ended June 30, 2022, \$nil (June 30, 2021 - \$6,345) of stock-based compensation was charged to the consolidated statement of comprehensive income.

	Six months ended June 30, 2022	Six months ended June 30, 2021
Contributed surplus, beginning of period	\$ 7,074,580	\$ 7,080,925
Stock-based compensation		(6,345)
Contributed surplus, end of period	\$ 7,074,580	\$ 7,074,580



13. Per share data:

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Net income (loss)	\$ 1,894,077	\$ 568,361	\$ 2,760,416	\$ 1,192,907
Weighted average number of shares, basic	656,987,039	656,798,492	656,987,039	656,798,492
Weighted average numbers of shares, diluted	679,668,013	683,769,223	679,668,013	683,769,223
Basic income (loss) per share	0.003	0.001	0.004	0.002
Diluted income (loss) per share	0.003	0.001	0.004	0.002

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.

14. Expenses by nature:

	Six months ended June 30	
	2022	2021
Personnel costs	\$ 367,404	\$ 315,533
Professional fees	115,055	116,003
Contracted services	93,919	110,515
Travel and transportation	56,164	30,937
Advertising and investor relations	41,291	40,901
Insurance	37,553	28,677
Rent	25,035	26,226
Taxes and licenses	6,618	6,440
Utilities	6,206	4,906
Materials and freight	1,068	1,191
Others	5,380	2,932
Total administrative and general costs	\$ 755,693	\$ 684,261

The company completed a review of presentation of its administrative and general costs and it was determined that certain amounts reflected as interest on promissory notes were more appropriately reflected as interest expense. Prior period comparative amounts have been classified to conform to the current period presentation. For the six months ended June 30, 2021, \$25,377 was reclassified from interest on promissory notes to interest expense.

15. Changes in working capital:

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Accounts receivable	\$ 796	\$ 983	\$ (1,562)	\$ 521,834
Prepaid expenses	(6,999)	(10,082)	(18,283)	(4,502)
Property and equipment	398	-	398	-
Due from related parties	13,253	-	12,562	-
Trade accounts payables and accrued liabilities	161,337	1,133	57,516	(152,591)
Due to related parties	59,112	48,292	124,397	102,718
Retirement obligation	(7,276)	-	(7,276)	-
Income tax payable	(146,587)	-	(65,475)	-
Total changes in working capital	\$ 74,034	\$ 40,326	\$ 102,277	\$ 467,459

16. Foreign exchange gain (loss):

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Unrealized foreign exchange gain (loss)	\$ 9,867	\$ 3,158	\$ 9,008	\$ 2,479
Realized foreign exchange gain (loss)	149	(1,675)	(53)	(2,952)
	\$ 10,016	\$ 1,483	\$ 8,955	\$ (473)

The unrealized foreign exchange gain (loss) during the period ended June 30, 2022, and 2021 pertains to the conversion of \$US bank accounts.

17. Other gains (loss):

On March 1, 2022, TG World Energy Corp. completed the sale of 100% of TG World (BVI) Corporation shares to Saccasco Limited (ASX: SGC), an Australian-based energy company, together with the total balance of intercompany receivables owing by TG World (BVI) Corporation to TG World Energy Corp. The consideration paid to TG World Energy Corp. includes a cash payment of A\$1 and a royalty (which will be payable (to a maximum of US \$530,000) after commercial production is achieved at SC54A). The Company has not recorded the royalty as a contingent asset and will record it only once received. Saccasco Limited has also assumed certain liabilities that were outstanding at the level of TG World (BVI) Corporation on March 1, 2022. The sale has resulted in a net gain of \$200,610.

18. Commitment:

The Company has revised its agreement with respect to its corporate office premises such that at June 30, 2022, the agreement for office premises is month-to-month and no commitments are in effect beyond 30 days.

19. Subsequent Events:

On July 25, 2022, TVIRD made its sixth repayment in relation to the 5-year term loan with China Banking Corporation in the amount of US \$2.2 million and including US \$0.3 million interest, bringing the total principal repaid to date against the US \$28.5 million loan facility to US \$11.4 million.



Corporate Head Office:

Suite 600, 505 2nd St. SW
Calgary, Alberta
Canada T2P 1N8
Telephone: (403) 265-4356
Email: tv-info@tvipacific.com
Web: www.tvipacific.com

Corporate Directory:

Clifford M. James, President and Chief Executive Officer
Telephone: (403) 265-4356
Email: tv-info@tvipacific.com

Patrick B. Hanna, Chief Financial Officer
Telephone: (403) 265-4356
Email: tv-info@tvipacific.com

Registrar and Transfer Agent:

Computershare Trust Company of Canada
800, 324–8th Avenue SW
Calgary, Alberta, Canada T2P 2Z2
Telephone: (403) 267-6800

Share Listing:

TSX Venture Exchange Symbol: TVI

Auditors:

PricewaterhouseCoopers LLP
3100, 111–5th Avenue SW
Calgary, Alberta, Canada T2P 5L3
Telephone: (403) 509-7500