



NEWS RELEASE

TVI Pacific Inc. Announces Management Changes, Advance on Previously Announced Funding Commitment Agreement, and Issuance of Promissory Note

7/5/2024

CALGARY, AB, July 5, 2024 /CNW/ - TVI Pacific Inc. (TSXV: TVI) (OTC Pink: TVIPF) ("**TVI**" or the "**Company**") is pleased to announce the receipt of the principal amount of \$428,846.00 (the "**Loan**") under the Company's previously announced funding commitment agreement (the "**Funding Commitment Agreement**") with Prime Resources Holdings, Inc. (the "**Lender**"); that all resolutions presented for approval at the annual general and special meeting of shareholders (the "**Meeting**") held on June 27, 2024 were duly passed; and certain appointments and resignations of its executive management team following conclusion of the Meeting.

Promissory Note

In accordance with the terms of the Funding Commitment Agreement, the Lender advanced the Loan to TVI and evidenced by an unsecured interest-bearing promissory note (the "**Note**"). The Note accrues interest at a rate of prime plus 2.0% per annum and, subject to certain acceleration events, matures in December 2025.

As of the date hereof, \$741,632.36 has been advanced to the Company under the Funding Commitment Agreement. The Company intends to use the proceeds of the Loan to fund certain accrued expenses and for working capital and general corporate purposes.

Meeting Results and Changes in Management Team

In addition, TVI is pleased to report that shareholders approved all matters presented at the Meeting. A total of 313,063,414 common shares representing 42.97% of TVI's issued and outstanding common shares were voted at the Meeting. Each of the matters voted upon at the Meeting was set forth in the Company's management information circular dated May 28, 2024.

The Company is pleased to welcome Rex A. Camit, Edsel M. Abrasaldo, Eugene T. Mateo, Johnny C. Felizardo, and Yolanda L. Coronel-Armenta to its board of directors.

Immediately upon conclusion of the Meeting, Clifford M. James resigned from his role as President and Chief Executive Officer of TVI, and Patrick B. Hanna resigned as TVI's Chief Financial Officer. In connection with the resignations, the Company is pleased to announce the appointments of Love D. Manigsaca as Chief Financial Officer and Michael G. Regino as President and Chief Executive Officer, effective immediately.

Mr. Regino is the Managing Director of TVIRD and the Senior Vice President and Chief Operating Officer of St. Augustine Gold and Copper Ltd. Prior to these roles, he served as the President and Chief Executive Officer of the Philippines Social Security System (SSS), the state-run institution managing the social insurance program for the private, professional and informal sectors in the Philippines. With three decades of experience in business development, corporate finance, and marketing, Mr. Regino has worked across diverse industries including mining, real estate development, and construction. He graduated cum laude from Ateneo De Zamboanga University with a degree in Bachelor of Arts, major in Economics, and holds a Master of Business Administration from Ateneo de Manila University.

Mr. Love D. Manigsaca currently serves as the Director for Finance & Special Projects of TVI Resource Development (Phils), Inc. Prior to this role, he was the President at Greenstone Resources Corporation, the Mineral Production Sharing Agreement (MPSA) holder of the Siana and Mapawa Gold Projects under Red 5 Limited (ASX: RED) management. He also contributed to the academia as a former Assistant Professor in the School of Management at the University of the Philippines in Mindanao. Mr. Manigsaca is a Certified Public Accountant (Philippines), Certified Management Accountant, Certified Financial Modeler and Valuation Analyst, Certified Capital Markets and Securities Analyst, and Certified Global Business Analyst. Mr. Manigsaca graduated with a Bachelor of Science degree major in accounting from Xavier University, Philippines and a Master of Business Administration degree from Durham University, England, UK.

Related Party Transactions

The Lender is a "related party" of the Company, and the Loan, the entering into the Note and matters relating thereto (the "**Transactions**") are considered to be "related party transactions" within the meaning of Multilateral

Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") requiring the Company, in the absence of exemptions, to obtain a formal valuation and minority shareholder approval, of the related party transactions.

Pursuant to Sections 5.5(b) and 5.7(1)(f) of MI 61-101, the Company relied on exemptions from the formal valuation and minority shareholder requirements, respectively, as, in addition to no securities of the Company being listed or quoted on certain specified exchanges, the Loan is a non-convertible loan obtained on reasonable commercial terms that is not less advantageous to the Company than if the Loan were obtained from a person dealing at arm's length and not repayable, directly or indirectly, in equity or voting securities of the Company or a subsidiary.

The Transactions were approved by the board of directors of the Company (the "**Board**"), who are independent for the purposes of the Note, being all directors other than Messrs. James, Regino, and Manuel Paolo Villar. Neither the Company nor, to the knowledge of the Company after reasonable inquiry, the Lender, have knowledge of any material information concerning the Company or its securities that has not been generally disclosed. No special committee of the Board was established in connection with the Transactions as the entire Board was engaged in respect thereof, and, other than Messrs. James, Villar and Regino, who abstained from voting on the Transactions, no materially contrary view or abstention was expressed or made by any director of the Company in relation thereto.

Neither the Company nor any director or senior officer of the Company has knowledge, after reasonable inquiry, of any prior valuation in respect of the Company that relates to the subject matter of or is otherwise relevant to the Transactions, which has been made in the 24 months prior to the date of this News Release. The Company did not file a material change report more than 21 days before the expected closing as the details of the Transactions were not finalized until immediately prior to its issuance, and the Company wished to close the Transactions as soon as practicable for sound business reasons.

About TVI Pacific Inc.

TVI Pacific Inc. is a Canadian resource company focused on mining projects in the Philippines, one of the most prolifically mineralized countries in the world. TVI maintains a strong presence in the Philippines through its 30.66% equity interest in TVIRD, a Philippines corporation. Through TVIRD, TVI has ownership in TVIRD's 100%-owned Balabag gold/silver mine, a currently producing mine, and is focused on ramping-up to commercial production at TVIRD's recently restarted 100%-owned Siana gold mine. TVIRD also has in its portfolio of projects its 100%-owned Mapawa project (gold), a 60% indirect interest in the Mabilo project (a copper-gold-iron skarn deposit that offers potential for multi-metal products, namely copper, gold and silver, with by-products magnetite and pyrite), and a 60% interest in Agata Mining Ventures Inc. (nickel/iron DSO mine).

IMPORTANT INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

Certain information set out in this News Release constitutes forward-looking information. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "believe", "scheduled", "to be", "will be" and similar expressions. Forward-looking statements in this News Release include, but are not limited to: statements and information concerning the Company's intended use of the proceeds from the Note; the Company's future activities and operations; and the terms of the Note, including acceleration thereof.

Forward-looking statements in this News Release are based upon the opinions and expectations of management of the Company and, in certain cases, information supplied by third parties as at the effective date of such statements. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and that information received from third parties is reliable, it can give no assurance that those expectations will prove to have been correct.

Forward-looking statements are subject to certain risks and uncertainties (known and unknown) that could cause actual outcomes to differ materially from those anticipated or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the Company being unable to use the proceeds of the Note as described; legal or regulatory impediments regarding the Note, accrued and unpaid interest thereon; the Company defaulting on the Note or the Funding Commitment Agreement and consequences thereof; the proceeds being insufficient for the Company's purposes; the acceleration of maturity of the Note in accordance with the terms thereof upon the occurrence of certain events; the Company's inability to repay the Note on its maturity date or at all; the Company being unable to raise additional funds on terms acceptable to the Company or at all; the availability of future drawdowns under the Funding Commitment Agreement; the value of the Company's assets; the availability of distributions to the Company from its joint venture interest in TVIRD and results of operations thereof; liquidity and results of operations; and general risks such as changes in commodities and base metal prices general economic conditions in the Philippines and elsewhere, litigation, legislative, environmental and other judicial, regulatory, political and competitive developments, geopolitical risk, delays or failures to receive Board, shareholder or regulatory approvals, operational risks, risks related to meeting the continued listing requirements of the TSX Venture Exchange, those additional risks described in detail in the Company's Annual Information Form for the year ended December 31, 2023, which was filed on SEDAR+ on April 29, 2024, and is available under the Company's profile at www.sedarplus.ca, and other matters discussed in News Release.

Accordingly, readers should not place undue reliance upon the forward-looking statements contained in this News Release and such forward-looking statements should not be interpreted or regarded as guarantees of future outcomes.

The forward-looking statements contained in this News Release are made as of the date hereof and the Company does not undertake any obligation to update or to revise any of the included forward-looking statements, except as required by applicable securities laws in force in Canada. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Neither 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 News Release.

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