



NEWS RELEASE

TVI Pacific's 30.66% owned TVIRD Signs Memorandum of Agreement on Restructuring of the Mabilo Project

5/23/2023

CALGARY, AB, May 23, 2023 /CNW/ - TVI Pacific Inc. (TSXV: TVI) (OTC Pink: TVIPF) ("**TVI**" or "**the Company**") is pleased to announce that TVI Resource Development Phils., Inc. ("**TVIRD**"), a Philippines corporation in which TVI holds a 30.66% interest, and its wholly-owned SageCapital Partners, Inc. ("**SageCapital**") has signed a binding agreement (the "**Agreement**") with RTG Mining Inc. ("**RTG**") (TSX: RTG, ASX: RTG) with respect to an agreed restructuring of the Mabilo Project ("**Mabilo**"). TVIRD holds a 60% indirect interest in Mabilo through SageCapital, a holding company incorporated under the laws of the Philippines which, in turn, owns 60% of the outstanding capital stock of Mt. Labo Exploration and Development Corporation ("**MLEDC**"), a Philippines mining and minerals exploration development company whose projects are based in Camarines Norte, Philippines, and which is the owner and operator of Mabilo.

HIGHLIGHTS:

- The Agreement provides the opportunity to now focus on finalizing the remaining permitting matters and financing plans for Mabilo, together with the surface rights, following which a commitment to development is expected to be formalized by the Board of MLEDC.
- The Agreement addresses the funding obligations of SageCapital and RTG and provides for a 1% net smelter royalty ("**NSR**") to SageCapital and a 2% NSR to RTG.
- MLEDC prepared a feasibility study on Mabilo in May of 2016 ("**Feasibility Study**"), which Feasibility Study was supported by a technical report entitled "Mabilo Project National Instrument 43-101 Technical Report"

prepared by Lycopodium Minerals Pty Ltd. dated and filed on May 2, 2016, with a mineral reserve and mineral resource effective date of November 2015. RTG, which holds a 40% interest in MLEDC through SRM Gold, has filed the Technical Report under RTG's SEDAR profile (the "Mabilo Technical Report"). The Mabilo Technical Report reflects a historical Probable Mineral Reserves estimate of 7.8Mt at 2.0% Cu, 2.0g/t Au, 8.8g/t Ag and 45.5% Fe. Metal price assumptions applied in the Mabilo Technical Report were US\$5,200/tonne for Cu, US\$1,125/oz for Au, US\$15/oz for Ag and US\$65/tonne for magnetite. TVI considers this report no longer current and cautions that it should not be relied upon. See "About Mabilo" below.

- Management and the directors of TVIRD believe that Mabilo has exploration potential as it remains open, down dip and along strike.
- Mabilo is covered by an approved Declaration of Mining Project Feasibility ("DMPF") and Environmental Compliance Certificate ("ECC") for initial direct shipping ore ("DSO") operations issued by the Mines and Geosciences Bureau and the Environmental Management Bureau, respectively, of the Department of Environment and Natural Resources of the Republic of the Philippines.

"We are excited to have reached an agreement with our partner, RTG, so as to allow us to move forward with yet another significant mining project for TVIRD and the TVI Pacific shareholders as well as for the Philippines", said Mr. Cliff James, Chairman and CEO of TVI and Chairman of TVIRD, "Mabilo is yet another great addition to TVIRD's portfolio of projects and may be expected to add considerable value and extended life to the Company."

About the Agreement

The Agreement provides the opportunity to now focus on finalizing the remaining permitting matters and financing plans for Mabilo, together with the surface rights, following which a commitment to development is expected to be formalized by the Board of MLEDC. TVIRD, through SageCapital, and RTG, through SRM Gold, will retain a 60% and 40% interest in MLEDC, respectively, and thereby a 60% and 40% interest in Mabilo. As a further result of the Agreement, SageCapital will receive a 1% NSR while RTG will receive a 2% NSR.

Recognizing the Loan Agreement between MLEDC and RTG dated March 30, 2021, and any and all advances that have been made by RTG in favor of MLEDC to date together with accrued interest, the Agreement provides for the repayment of this amount to RTG from the proceeds of Stage 1 of the project, the DSO. All amounts to be repaid had been previously recognized by TVIRD at the acquisition date of SageCapital and included in the consolidated accounts of TVIRD and shall be subject once again to audit and review by SageCapital and/or by an independent auditor appointed by SageCapital prior to the execution of the definitive agreement.

Recognizing further the disproportionate funding provided earlier to MLEDC by RTG, the Agreement addresses the immediate future funding obligations of SageCapital and RTG whereby the first US\$5M of funding for MLEDC (or 12 months, whichever is the earlier), will be provided pro-rata between SageCapital and RTG and thereafter

SageCapital will sole fund the next US\$5M of expenditure with all additional funding to be provided on a pro-rata basis;

About Mabilo

On January 31, 2022, TVIRD obtained control of SageCapital through the acquisition of all of its outstanding capital stock. This acquisition has further provided TVIRD an indirect 60% equity interest in MLEDC, as held by SageCapital. MLEDC is a Philippines mining and minerals exploration development company and the owner and operator of Mabilo.

Mabilo is located in Camarines Norte Province, Eastern Luzon, Philippines, one of the major traditional gold mining centers in the Philippines, and is covered by Philippines MPSA MLC-MRD V-459 Amended (Renewal) and two (2) additional blocks with an existing Exploration Permit (EP-019-202-V), covering 3,484.2 hectares and 165.9 hectares. With a near-surface deposit, Mabilo has potential for DSO and it is contemplated that mining will use an open-pit mining method prior to moving to a primary concentrate production through construction of a plant. Both the Declaration of Mining Project Feasibility for initial DSO operations and the Environmental Compliance Certificate were approved in 2020. The Mabilo mineralized deposit is classified as a copper-gold-iron skarn deposit that offers potential for multi-metal products, namely copper, gold and silver, with by-products magnetite (Fe₃O₄) and pyrite (FeS₂).

RTG, which holds a 40% interest in MLEDC through SRM Gold, has filed on December 18, 2015, under RTG's SEDAR profile a NI 43-101 compliant Mineral Resource estimate prepared on November 5, 2015, by CSA Global Ltd ("CSA Global") that includes:

Mineral Resource Estimate
as at November 2015

Classification	Million Tonnes	Cu %	Au g/t	Ag g/t	Fe %	Cu Metal (Kt)	Au Oz ('000s)	Fe Metal (Kt)
Indicated	8.9	1.9	2.0	9.8	45.6	169.3	577.6	4,034.5
Inferred	3.9	1.5	1.5	9.1	29.0	58.0	184.9	1,134.1
Total	12.8	1.8	1.9	9.6	40.5	227.3	762.5	5,168.6

The Mineral Resource estimate is based on data obtained from 99 diamond drillholes (18,201 meters) completed as of the end of September 2015 and a 0.3 g/t Au or 0.3% Cu grade cut-off. Holes were drilled on a nominal 40 meter by 40 meter drill pattern along strike, with infill to a nominal 20 meter by 20 meter in parts.

On May 2, 2016, RTG filed under its SEDAR profile a Feasibility Study for Mabilo supported by a NI 43-101 compliant technical report entitled "Mabilo Project National Instrument 43-101 Technical Report" ("**Mabilo Technical Report**") prepared by Lycopodium Minerals Pty Ltd. that incorporates the CSA Global Mineral Resource estimate.

The Feasibility Study has included mining, processing and infrastructure and a detailed financial analysis. By applying various constraints as ore dilution, mining, processing, metallurgical, economic and infrastructures factors, the Indicated Mineral Resource was converted into Probable Mineral Reserves that include:

Probable Mineral Reserve Estimate

Ore							Waste	Strip Ratio
Class	Type	Mt	Fe %	Au g/t	Cu %	Ag g/t	Mt	
Probable	Gold cap	0.351	40.1	3.11	0.38	3.26	77.13	10
	Supergene	0.104	36.5	2.20	20.70	11.90		
	Oxide Scarn	0.182	43.6	2.52	4.17	19.90		
	Fresh	7.155	45.9	1.97	1.70	8.73		
Total Probable Ore		7.792	45.5	2.04	1.95	8.79		

As summarized above, The Mabilo Technical Report reflects a historical Probable Mineral Reserves estimate of 7.8Mt at 2.0% Cu, 2.0g/t Au, 8.8g/t Ag and 45.5% Fe and includes 511koz gold and 152kt copper. Metal price assumptions applied in the Mabilo Technical Report were US\$5,200/tonne for Cu, US\$1,125/oz for Au, US\$15/oz for Ag and US\$65/tonne for magnetite. TVI considers the Mabilo Technical Report no longer current and cautions that it should not be relied upon.

To date 112 drillholes with a total meterage of 19,542 meters have been completed by MLEDC through its drilling program commencing in 2013 and ending in 2015.

TVI is not treating either the Mineral Resource estimate or the Probable Mineral Reserve estimate as current under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**") as a qualified person has not done sufficient work to classify the historical estimate as current, and the estimates should not be relied upon. Though historical, the estimates are fairly recent and were prepared to NI 43-101 standards, and TVIRD thus has no reason to believe they are not reliable within the context that they were initially prepared.

Qualified persons have not done sufficient work under NI 43-101 to verify the results of the Feasibility Study or to render it current and complete under NI 43-101, and therefore details of the Feasibility Study are not included in this news release. TVIRD currently does not plan to conduct any work to verify the historical estimates other than

using them to guide its exploration, resource modeling and possible development work. At the appropriate time, TVIRD plans to assess the mine development and production plan as included in the Feasibility Study in order to develop its own plan for further exploration and possible development. TVIRD is evaluating steps that would be required to upgrade or verify the foregoing historical estimates as current under NI 43-101 standards, which would include a review of past drill results and Quality Assurance/Quality Control procedures applied as well as possibly resource modeling with the involvement of a qualified person.

Mr. Michael James Bue, Bsc. Eng, M.Eng, P.Eng, a "qualified person" for the purposes of NI 43-101 has reviewed the Mabilo Technical Report on behalf of TVI. To the best of the knowledge, information and belief of TVI, there is no new material scientific or technical information that would make the disclosure of the Mineral Resources in this release inaccurate or misleading. Revisions to the Mabilo Technical Report are required to reflect current technical advances, environmental standards and economic parameters. As a result, TVI considers the Feasibility Study and accompanying Mabilo Technical Report to be no longer current and should not be relied upon.

The scientific and technical content of the above description of Mabilo has been sourced from publicly available documents filed under RTG's SEDAR profile (that may be accessed at <https://www.sedar.com/>) and ASX profile (that may be accessed at <https://www2.asx.com.au/markets/company/RTG>).

TVIRD is currently proceeding with various organizational, community-related, permitting and site clean-up matters while considering next steps at Mabilo.

Additional information related to the Mabilo Project may be found on the TVIRD website at <https://tvird.com.ph/>.

Qualified Persons

The Qualified Person responsible for the scientific and technical content of this press release is Mr. Michael James Bue, Bsc. Eng, M.Eng, P.Eng. Mr. Bue has acted as the Qualified Person in compliance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") reporting requirements by virtue of his membership in the Professional Engineers of Ontario and Canadian Institute of Mining and Metallurgy and has confirmed compliance of this press release with NI 43-101 requirements.

About TVI Resource Development Phils., Inc.

TVIRD, a Philippine corporation in which TVI holds a 30.66% interest, is a diversified mining company that focuses on the acquisition, exploration, development and production of resource projects in the Philippines. TVIRD owns 100% of the Balabag gold/silver mine, 100% of the Siana gold mine and Mapawa project, a 60% indirect interest in the Mabilo project, and a 60% interest in Agata Mining Ventures Inc.

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 currently holds a 30.66% equity interest in TVIRD, a Philippines corporation. Through TVIRD, TVI has ownership in a currently producing gold mine and a nickel/iron mine. Funded by these producing mines, two recent corporate acquisitions by TVIRD have provided potential for many additional immediate opportunities. The first of these opportunities expected to come onstream is the Siana gold mine at which equipment has been rehabilitated and commissioning of the plant has commenced in line with TVIRD's plan to restart operations.

IMPORTANT INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This News Release includes certain "forward-looking statements" within the meaning of Canadian securities legislation including, among others, statements made or implied relating to the interpretation of exploration results, accuracy of mineral resource and mineral reserve estimates, parameters and assumptions used to estimate mineral reserves and mineral resources, realization of mineral reserve and mineral resource estimates, estimated economic results of the Mabilo Project, future operational and financial results, including estimated cashflow and the timing thereof, estimated expenditures, expansion, exploration and development activities and the timing thereof, including expectations regarding the DSO, plans for progressing Stage 2 development, completion of a debt funding package, the negotiation of contracts for start-up works and offtake arrangements and the completion of merged documentation, TVIRD's objectives, strategies to achieve those objectives, TVIRD's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations. All statements, other than statements of historical fact, included herein, are forward-looking statements. 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 are based upon the opinions and expectations of management of the Company 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, 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.

Forward-looking statements are based upon the opinions and expectations of management of the Company as at the effective date of such statements and, in certain cases, information supplied by third parties. Although the Company believes 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 and should not be read as guarantees of future performance or results. These factors include, but are not limited to, such things as: (i) general economic conditions in Canada, the Philippines and elsewhere; (ii) volatility of prices for precious metals, base metals, and other commodities; (iii) commodity supply and demand; (iv) fluctuations in currency and interest rates; (v) inherent risks associated with the exploration and development of mining properties, including but not limited to geological characteristics, metallurgical characteristics of the mineralization, uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits, the availability of equipment and facilities necessary to complete development and the ability to develop adequate processing capacity; (vi) the cost of consumables and mining and processing equipment; (vii) unforeseen technological and engineering problems; (viii) ultimate recoverability of reserves; (ix) production, timing, results and costs of exploration and development activities; * political factors, political stability or civil unrest, including but not limited to acts of sabotage or terrorism; (xi) availability of financial resources or third-party financing; (xii) changes in laws or regulations (domestic or foreign); (xiii) changes in administrative practices; (xiv) changes in exploration plans or budgets; (xv) the availability of skilled labour; (xvi) the failure of parties to contracts with the Company and TVIRD to perform as agreed, including its joint venture partners; (xvii) the impact of the COVID-19 pandemic; and (xviii) extreme weather conditions and forces of nature (i.e. typhoons, heavy rains, earthquakes, and the like) that may disrupt operations and explorations.

The Company does not have control over TVIRD nor does it have any involvement in the management or decisions of TVIRD or control over financial reporting and internal controls of TVIRD. The Company relies on the internal controls and financial reporting controls of TVIRD and their failure to maintain effectiveness or comply with applicable standards may adversely affect TVI.

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

Various risks to which the Company is exposed in the conduct of its business (including mining activities) are described in detail in the Company's Annual Information Form for the year ended December 31, 2022, which was filed on SEDAR on May 15, 2023 and is available under the Company's profile at www.SEDAR.com.

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 release.

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