



FOR IMMEDIATE RELEASE

TVI PACIFIC INC. ANNOUNCES SHARES-FOR-DEBT TRANSACTION

CALGARY, ALBERTA – July 17, 2026 – TVI Pacific Inc. ("TVI" or the "Corporation") announces that it has entered into a shares-for-debt agreement (the "Shares-for-Debt Agreement") with one of its shareholders, Prime Resources Holdings Inc. ("PRHI"), a corporation organized under the laws of the Philippines, pursuant to which TVI has agreed, subject to the satisfaction of all applicable conditions, to settle an aggregate of **C\$1,392,242.44** of indebtedness owing to PRHI through the issuance of **27,844,848 common shares** of the Corporation (the "Settlement Shares") at a deemed issue price of **C\$0.05** per Settlement Share (the "Shares-for-Debt Transaction").

The indebtedness to be settled pursuant to the Shares-for-Debt Transaction consists of **C\$1,181,348.41** in principal advanced by PRHI to the Corporation, together with accrued interest thereon of **C\$210,894.03**, calculated up to and including **June 30, 2026**, pursuant to unsecured promissory notes (the "Promissory Notes") issued by the Corporation to PRHI pursuant to the funding commitment agreement between the Corporation and PRHI dated May 27, 2024.

Background

The Shares-for-Debt Transaction is intended to strengthen TVI's balance sheet by eliminating indebtedness through the issuance of equity while preserving cash resources. Under the Shares-for-Debt Agreement, the indebtedness outstanding as of **June 30, 2026** will be satisfied through the issuance of the Settlement Shares. Interest accruing on the outstanding principal amount of the Promissory Notes from **July 1, 2026** up to, but excluding, the closing date of the Shares-for-Debt Transaction (the "Closing Date") will not be converted into equity and will instead be paid by the Corporation in cash at Closing (as defined below).

Upon closing of the Shares-for-Debt Transaction and payment of such post-June 30, 2026 accrued interest (the "Closing"), all amounts owing by the Corporation under the Promissory Notes will be fully satisfied and discharged, the Corporation will have no further obligations in respect thereof, and the Promissory Notes will be cancelled and discharged.

Principal Terms of the Shares-for-Debt Transaction

Pursuant to the Shares-for-Debt Agreement:

- the Corporation will issue **27,844,848 Settlement Shares** to PRHI;
- the Settlement Shares will be issued at a deemed price of **C\$0.05** per Settlement Share;
- the Settlement Shares will be issued in full satisfaction of indebtedness outstanding as of **June 30, 2026** in the aggregate amount of **C\$1,392,242.44**, comprising:
 - **C\$1,181,348.41** in principal; and
 - **C\$210,894.03** in accrued interest calculated up to and including June 30, 2026;
- interest accruing from **July 1, 2026** up to, but excluding, the Closing Date will be paid by the Corporation in cash at Closing and will not be satisfied through the issuance of Settlement Shares; and



- upon Closing, the issuance of the Settlement Shares, together with the cash payment of such post-June 30, 2026 accrued interest, will constitute full satisfaction and discharge of all obligations of the Corporation under the Promissory Notes, which will thereupon be cancelled and discharged.

Control Person and Related Party Disclosure

PRHI beneficially owns or exercises control or direction over approximately **19.90%** of the Corporation's issued and outstanding common shares. At Closing, PRHI is expected to beneficially own or exercise control or direction over approximately **22.85%** of TVI's issued and outstanding common shares and, accordingly, will become a **Control Person** of the Corporation under applicable Canadian securities laws.

As PRHI is a "related party" of the Corporation, the Shares-for-Debt Transaction and matters relating thereto 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 Corporation, in the absence of exemptions, to obtain a formal valuation and minority shareholder approval of the related party transactions.

Subject to the TSX Venture Exchange's ("TSXV") potential application of its discretion under section 3.1 of Policy 5.9, and pursuant to Sections 5.5(a), 5.5(b) and 5.7(1)(a) of MI 61-101, the Corporation intends to rely on exemptions from the formal valuation and minority shareholder requirements, respectively, as, in addition to no securities of the Corporation being listed or quoted on certain specified exchanges, the fair market value of the Settlement Shares to be issued to, and the consideration paid by, PRHI, is not more than 25% of the Corporation's market capitalization.

Completion of the Shares-for-Debt Transaction is subject to the acceptance of the TSXV, the approval of disinterested shareholders at TVI's upcoming annual general and special meeting of the Corporation's shareholders to be held on August 18, 2026 ("AGSM") in connection with the creation of a new Control Person, and the satisfaction or waiver of the other customary closing conditions contained in the Shares-for-Debt Agreement.

Statutory Hold Period

The Settlement Shares to be issued pursuant to the Shares-for-Debt Transaction will be subject to a statutory hold period under applicable Canadian securities laws expiring four months and one day from the date of issuance.

Closing Conditions

Closing of the Shares-for-Debt Transaction is subject to the satisfaction or waiver of the conditions set out in the Shares-for-Debt Agreement, including, without limitation, acceptance of the TSXV, approval of disinterested shareholders at the Corporation's AGSM in connection with the creation of a new Control Person, and the receipt of all other required corporate and regulatory approvals.

There can be no assurance that the Shares-for-Debt Transaction will be completed on the terms described herein or at all.



About TVI Pacific Inc.

TVI Pacific Inc. is a Canadian resource company focused on the acquisition and development of resource projects in the Asia-Pacific region. Through its investment in TVI Resource Development (Phils.), Inc., the Corporation has interests in producing and development-stage mining projects in the Philippines.

Forward-Looking Information

This news release contains forward-looking information and forward-looking statements (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. Forward-looking statements in this news release include, without limitation, statements regarding the anticipated completion of the Shares-for-Debt Transaction; the issuance of the Settlement Shares; the payment in cash of interest accruing after June 30, 2026; the anticipated cancellation and discharge of the Promissory Notes; the anticipated strengthening of the Corporation's balance sheet; PRHI becoming a Control Person of the Corporation; and the receipt of TSXV acceptance, disinterested shareholder approval at the AGSM, and other required approvals.

Forward-looking statements are based on management's current expectations, assumptions and beliefs and are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, the risk that the conditions to closing of the Shares-for-Debt Transaction are not satisfied, including receipt of TSXV acceptance and any required shareholder or regulatory approvals, as well as other risks and uncertainties applicable to the Corporation and its business.

Readers are cautioned not to place undue reliance on forward-looking statements. Except as required by applicable securities laws, the Corporation undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For further information, please contact:

TVI Pacific Inc.

Lolot D. Manigsaca

Chief Financial Officer

Tel: +63 2 7728 8491

Email: inquiry@tvipacific.com