



## **Interim Consolidated Financial Statements**

**For the Six Months Ended  
June 30, 2015 and 2014  
(Unaudited)**

TVI Pacific Inc.  
**Unaudited Interim Consolidated Statement of Financial Position**  
**June 30, 2015**  
(in Canadian dollars)



	June 30, 2015	December 31, 2014
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents (note 4)	\$ 786,981	\$ 1,066,073
Short-term deposits (note 4)	3,101,134	4,225,750
Derivative financial instrument (note 6)	1,262,359	372,087
Accounts receivable (note 5)	85,608	226,404
Notes receivable (note 6)	305,364	299,787
Due from related parties (note 7)	242,436	168,860
Prepaid expenses	129,253	78,720
<b>Total current assets</b>	<b>5,913,135</b>	<b>6,437,681</b>
<b>Non-current assets:</b>		
Investment in associates (note 8)	522,147	464,342
Investment in joint venture (note 9)	13,078,933	11,872,388
Total investments in associates and joint venture	13,601,080	12,336,730
Property and equipment	45,210	80,999
Exploration and evaluation assets (note 10)	790,725	2,721,219
Other assets (note 11)	243,449	242,614
<b>Total non-current assets</b>	<b>14,680,464</b>	<b>15,381,562</b>
<b>Total assets</b>	<b>\$ 20,593,599</b>	<b>\$ 21,819,243</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities (note 12)	\$ 268,412	\$ 234,856
Due to related parties (note 7)	84,370	70,035
Income tax payable	152,946	180,820
<b>Total current liabilities</b>	<b>505,728</b>	<b>485,711</b>
Deferred tax liability	622,521	591,366
<b>Total liabilities</b>	<b>1,128,249</b>	<b>1,077,077</b>
<b>Equity attributable to shareholders of the Company:</b>		
Share capital (note 13b)	32,972,145	32,972,145
Contributed surplus (note 13d)	6,706,204	6,546,839
Deficit	(17,684,569)	(15,483,520)
Translation reserves	(2,528,430)	(3,293,298)
<b>Total equity</b>	<b>19,465,350</b>	<b>20,742,166</b>
<b>Total liabilities and equity</b>	<b>\$ 20,593,599</b>	<b>\$ 21,819,243</b>

Commitment (note 19)  
Subsequent event (note 20)

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, 2015 and 2014**  
(in Canadian dollars)



	Three months ended June 30		Six months ended June 30	
	2015	2014	2015	2014
<b>Expenses:</b>				
Exploration costs (note 10)	\$ 2,179,698	\$ -	\$ 2,263,753	\$ -
Depreciation expense	5,218	6,129	10,536	12,654
Administrative and general costs (note 16)	755,401	963,609	1,318,958	1,797,577
<b>Total expenses</b>	<b>2,940,317</b>	<b>969,738</b>	<b>3,593,247</b>	<b>1,810,231</b>
<b>Operating loss</b>	<b>(2,940,317)</b>	<b>(969,738)</b>	<b>(3,593,247)</b>	<b>(1,810,231)</b>
<b>Other income (expenses):</b>				
Interest income (note 6)	18,222	5,255	129,965	18,771
Interest expense	(2,851)	-	(2,851)	-
Foreign exchange gain (loss) (note 18)	(53,631)	(230,593)	188,594	151,902
Other gains (losses) (note 6)	1,030,803	(3,301)	951,310	(25,584)
Share of gains (losses) of associates and joint venture (notes 8,9)	498,234	(662,093)	125,180	(1,755,946)
<b>Other income (expenses), net</b>	<b>1,490,777</b>	<b>(890,732)</b>	<b>1,392,198</b>	<b>(1,610,857)</b>
<b>Net loss</b>	<b>(1,449,540)</b>	<b>(1,860,470)</b>	<b>(2,201,049)</b>	<b>(3,421,088)</b>
<b>Other comprehensive income (loss):</b>				
Items that may be reclassified to profit or loss in subsequent periods:				
Foreign currency translation adjustment . foreign operations	(3,733)	(90,860)	28,363	16,098
Foreign currency translation adjustment . associates and joint venture	(534,027)	164,956	736,505	254,885
<b>Comprehensive loss</b>	<b>\$ (1,987,300)</b>	<b>\$ (1,786,374)</b>	<b>\$ (1,436,181)</b>	<b>\$ (3,150,105)</b>
Basic and diluted loss per share (note 14)	\$ (0.002)	\$ (0.003)	\$ (0.003)	\$ (0.005)
Weighted average number of common shares (note 14)	655,470,372	655,470,372	655,470,372	655,470,372

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

**TVI Pacific Inc.**  
**Unaudited Interim Consolidated Statements of Changes to Equity**  
**June 30, 2015 and 2014**  
**(in Canadian dollars)**

	Share capital (Note 13b)	Contributed surplus (Note 13d)	Retained earnings (deficit)	Accumulated other comprehensive income (loss)	Total equity
<b>January 1, 2015</b>	<b>\$ 32,972,145</b>	<b>\$ 6,546,839</b>	<b>\$ (15,483,520)</b>	<b>\$ (3,293,298)</b>	<b>\$ 20,742,166</b>
<b>Transactions with owners</b>					
Stock-based compensation	-	159,365	-	-	159,365
<b>Transactions with owners</b>	-	159,365	-	-	159,365
<b>Comprehensive income (loss)</b>					
Net loss	-	-	(2,201,049)	-	(2,201,049)
Other comprehensive income:					
Foreign currency translation adjustment	-	-	-	764,868	764,868
<b>Total comprehensive income (loss)</b>	-	-	(2,201,049)	764,868	(1,436,181)
<b>June 30, 2015</b>	<b>\$ 32,972,145</b>	<b>\$ 6,706,204</b>	<b>\$ (17,684,569)</b>	<b>\$ (2,528,430)</b>	<b>\$ 19,465,350</b>
<b>January 1, 2014</b>	<b>\$ 32,972,145</b>	<b>\$ 6,333,382</b>	<b>\$ (9,453,379)</b>	<b>\$ (4,366,656)</b>	<b>\$ 25,485,492</b>
<b>Transactions with owners</b>					
Stock-based compensation	-	59,782	-	-	59,782
<b>Transactions with owners</b>	-	59,782	-	-	59,782
<b>Comprehensive income (loss)</b>					
Net loss	-	-	(3,421,088)	-	(3,421,088)
Other comprehensive income:					
Foreign currency translation adjustment	-	-	-	270,983	270,983
<b>Total comprehensive income (loss)</b>	-	-	(3,421,088)	270,983	(3,150,105)
<b>June 30, 2014</b>	<b>\$ 32,972,145</b>	<b>\$ 6,393,164</b>	<b>\$ (12,874,467)</b>	<b>\$ (4,095,673)</b>	<b>\$ 22,395,169</b>

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, 2015 and 2014**  
**(in Canadian dollars)**

	<b>Three months ended June 30</b>		<b>Six months ended June 30</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net loss before income tax	\$ (1,449,540)	\$ (1,860,470)	\$ (2,201,049)	\$ (3,421,088)
Adjustments for:				
Depreciation	5,218	6,129	10,536	12,654
Stock based compensation (note 13d)	78,889	41,231	159,365	59,782
Interest income	(18,222)	(5,255)	(129,965)	(18,771)
Unrealized foreign exchange loss (gain)	(66,500)	205,984	(295,902)	(129,729)
Other gains	(1,030,803)	-	(951,310)	-
Impairment loss (note 10)	1,985,834	-	1,985,834	-
Share of gains (income) of associates and joint venture (notes 8, 9)	(498,234)	662,093	(125,180)	1,755,946
Changes in working capital (note 17)	143,756	649,679	(27)	(503,091)
Interest received (paid)	(1,895)	40,691	-	40,955
Net income taxes received	32,337	-	58,467	-
<b>Net cash used in operating activities</b>	<b>(819,160)</b>	<b>(259,918)</b>	<b>(1,489,231)</b>	<b>(2,203,342)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Change in restricted cash	-	-	-	37,247
Change in short-term deposits	706,342	-	1,408,413	-
Change in notes receivable	(94,381)	256,671	(192,631)	256,671
Expenditure on investment in associates	-	-	-	(283,971)
Expenditures on property and equipment and other assets	-	(2,544)	(4,831)	(2,544)
Net increase in cash due to deconsolidation of subsidiaries	-	-	-	1,676,682
<b>Net cash generated from investing activities</b>	<b>611,961</b>	<b>254,127</b>	<b>1,210,951</b>	<b>1,684,085</b>
Effect of foreign exchange rates on cash	(3,861)	(292)	(812)	767
Net decrease in cash and cash equivalents	(211,060)	(6,083)	(279,092)	(518,490)
Cash and cash equivalents at beginning of the period	998,041	1,850,545	1,066,073	2,362,952
<b>Cash and cash equivalents at end of the period</b>	<b>\$ 786,981</b>	<b>\$ 1,844,462</b>	<b>\$ 786,981</b>	<b>\$ 1,844,462</b>

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

**1. Corporate information and nature of operations:**

TVI Pacific Inc. (%TVI+) is a publicly listed resource company incorporated in Alberta, Canada on January 12, 1987 under the Alberta Business Corporations Act and its shares are listed on the Toronto Stock Exchange. TVI, through its subsidiaries and investment in associates and joint ventures (together referred to as the "Company"), is focused on the production, development, exploration, and acquisition of resource projects in Southeast Asia. TVI is the ultimate parent company that is a direct or indirect participant in several joint venture projects in the Philippines, Papua New Guinea and Fiji, and also has an interest in an offshore Philippine oil property.

TVI holds a 30.66% interest in TVI Resource Development Phils., Inc. (%TVIRD+). TVIRD's assets include the Canatuan project, the Balabag gold-silver project, a 60% interest in the Agata nickel laterite project and DSO operations and various interests in the Agata processing project and exploration properties in the Philippines. At June 30, 2015, TVI also holds a 22.12% equity interest in Foyson Resources Limited ("Foyson"), an Australian company engaged in the commercialization of technologies related to plastics and biomass to fuel and energy conversion and the construction of a waste plastics-to-diesel conversion plant in Australia; as well as a 14.4% equity interest in Mindoro Resources Ltd. ("Mindoro"), a Canadian company engaged in mining and exploration in the Philippines. TVI also participates in the business of international petroleum exploration and development through its 100% owned subsidiary, TG World Energy Corp. (%TG World+) whose major area of focus is in the Philippines, through its affiliate TG World (BVI) Corp. (%TG BVI+).

TVI has established its principal business address at Suite 806, 505 2<sup>nd</sup> St. SW Calgary, Alberta, Canada T2P 1N8.

These interim consolidated financial statements were authorized for issue by the Board of Directors on August 11, 2015.

**2. Basis of preparation:**

These unaudited interim consolidated financial statements (%interim financial statements+) have been prepared in accordance with International Accounting Standards (%IAS+) 34, Interim Financial Reporting, using accounting policies consistent with the International Financial Reporting Standards (%IFRS+) issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee (%IFRIC+).

These 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, 2014 filed with the Canadian Securities Administrators.

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

**(a) Changes in accounting policies**

These interim financial statements follow the same accounting policies and methods of application as the audited consolidated financial statements for the year ended December 31, 2014. There are no new IFRSs or IFRIC interpretations that are effective for the period beginning January 1, 2015 that would be expected to have a material impact to the Company.

**2. Basis of preparation (continued):**

***(b) New standards, amendments and interpretations issued but not effective for the financial year beginning January 1, 2015***

IFRS 9, *Financial Instruments*, replaces existing requirements included in IAS 39, *Financial Instruments - Recognition and Measurement*. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit and loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit loss model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. The standard is effective for accounting periods beginning on or after January 1, 2018. Early adoption is permitted. The Company is assessing the full impact of IFRS 9.

IFRS 15, *Revenue from contracts with customers*, deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 *Revenue* and IAS 11 *Construction contracts* and related interpretations. The standard is effective for annual periods beginning on or after January 1, 2018 and earlier application is permitted. The Company is assessing the impact of IFRS 15.

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 (including currency risk, and interest rate risk), liquidity risk, and credit risk.

The 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 financial statements as at December 31, 2014.

***a) Market Risk***

***(i) Currency risk***

For the six months ended June 30, 2015, the pro forma impact on net income (loss) if the US Dollar moved by 8% against the Canadian Dollar, with all other variables held constant, would be \$217,006.

The pro forma impact on net income (loss) if the Australian Dollar moved by 2% against the Canadian Dollar, with all other variables held constant, would be \$31,354. The pro-forma impact on net income (loss) of other currencies with all other variables held constant is not material for disclosure.

### 3. Financial risk management (continued):

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

	Average rate		Spot rate	
	Six months ended June 30, 2015	Year ended December 31, 2014	June 30, 2015	December 31, 2014
Canadian Dollar/US Dollar	1.2354	1.1045	1.2474	1.1601
Canadian Dollar/ Australian Dollar	0.9657	0.9963	0.9609	0.9479
Canadian Dollar/ Philippine Peso	0.0277	0.0249	0.0274	0.0260

#### b) *Interest rate risk*

The Company has exposure to interest rate risk since its note receivable and short-term deposits have fixed interest terms, regardless of changes in market conditions. The Company reviews its exposure to interest rate risk through regular monitoring of actual interest rates with market interest rates.

#### c) *Liquidity risk*

As at June 30, 2015, the Company has \$5.4 million available working capital surplus, as compared to a working capital surplus of \$6.0 million at December 31, 2014.

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 considered not significant.

	June 30, 2015	December 31, 2014
Due within 12 months:		
Accounts payable and accrued liabilities	\$ 268,412	\$ 234,856
Due to related parties	84,370	70,035
Income tax payable	152,946	180,820
	\$ 505,728	\$ 485,711

Note 12 includes a further breakdown and explanation of accounts payable and accrued liabilities.

#### d) *Credit risk*

The following are the components and aging of the accounts receivable:

	June 30, 2015	December 31, 2014
Tax refund	22%	34%
Advances to employees	19%	9%
Receivable from former non-controlling interest	-	48%
Other receivables	59%	9%
	100%	100%

	June 30, 2015	December 31, 2014
Neither past due nor impaired	\$ 69,220	\$ 39,208
Past due over 6 months but not impaired	16,388	187,196
	\$ 85,608	\$ 226,404

Note 5 includes a further breakdown and explanation of accounts receivable. The past due receivable as at June 30, 2015 includes advances to employees that are more than 6 months while the past due receivable as at December 31, 2014 included the receivable from former non-controlling interest that was subsequently collected in February 2015.



### 3. Financial risk management (continued):

The carrying amounts of cash and cash equivalents, short-term deposits, accounts receivable, notes receivable, derivative financial instruments and due from related parties at June 30, 2015 and December 31, 2014 represent the Company's maximum credit risk exposure.

#### e) *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 quote 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).*

The fair values disclosed for the Company's equity accounted investments in Foyson and Mindoro (note 8) fall under Level 1, while the non-recurring fair value disclosed for the exploration and evaluation assets (note 10) and derivative financial instrument (note 6) were classified under Level 3.

During the six months ended June 30, 2015, there were no transfers between levels in the fair value hierarchy of any fair value measurements. There were no changes in valuation techniques during the six months ended June 30, 2015.

The carrying value of the Company's financial assets and liabilities consisting of cash and cash equivalents, short-term deposits, accounts receivable, note receivable, due from and to related parties and accounts payable and accrued liabilities, approximate their fair values at June 30, 2015 and December 31, 2014 due to their short term nature.

#### f) *Capital risk management*

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

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. 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, 2015	December 31, 2014
Debt	\$ 352,782	\$ 304,891
Equity	21,993,780	24,035,464
Assets	20,593,599	21,819,243
Debt-to-equity	1.6%	1%
Debt-to-assets	1.7%	1%

**TVI Pacific Inc.**  
**Notes to the Unaudited Interim Consolidated Financial Statements**  
**June 30, 2015 and 2014**  
**(in Canadian dollars)**

**4. Cash and cash equivalents and short-term deposits:**

Cash and cash equivalents and short-term deposits consist of:

	June 30, 2015	December 31, 2014
Cash on hand	\$ 513	\$ 359
Cash in banks	786,468	1,065,714
Total cash on hand and in banks	786,981	1,066,073
Short-term deposits	3,101,134	4,225,750
	\$ 3,888,115	\$ 5,291,823

Cash in banks and short-term deposits earn interest at the prevailing bank deposit rates. The carrying amounts of cash and cash equivalents approximate their fair value.

Cash and cash equivalents and short-term deposits are denominated in the following currencies (Canadian Dollar equivalents):

	June 30, 2015	December 31, 2014
Canadian Dollars	\$ 851,877	\$ 2,632,881
US Dollars	2,735,000	2,576,975
Philippine Pesos	301,238	81,967
	\$ 3,888,115	\$ 5,291,823

Cash and cash equivalents and short-term deposits are held in the following countries:

	June 30, 2015	December 31, 2014
Canada	\$ 3,560,642	\$ 5,181,801
Philippines	324,914	107,643
Others	2,559	2,379
	\$ 3,888,115	\$ 5,291,823

**5. Accounts receivable:**

Accounts receivable consists of:

	June 30, 2015	December 31, 2014
Tax recoverable	\$ 18,952	\$ 76,618
Advances to employees	16,466	20,767
Receivable from former non-controlling interest	-	109,113
Goods and services tax receivable	14,615	15,711
Other receivables	35,575	4,195
	\$ 85,608	\$ 226,404

The receivable from former non-controlling interest of \$109,113 as at December 31, 2014 was fully collected during the period ended June 30, 2015.

**6. Notes receivable:**

**(a) A\$400,000 note issued in 2014**

Pursuant to the heads of agreement (HWA) with Foyson in 2012, TVI had an outstanding note receivable from Foyson in the amount of A\$400,000 as at December 31, 2014. In October 2014, TVI and Foyson agreed to extend the due date of the loan to March 31, 2015, and to be provided the option to convert the loan to equity at any time prior to that date. Effective October 15, 2014, the total principal of the loan outstanding was agreed to be subject to 8% per annum interest, until converted or repaid. On February 23, 2015, the Company formalized a Conversion Agreement with Foyson whereby the loan principal of A\$400,000 can be converted to equity at A\$0.0025 per share while accrued interest will be paid in cash at the time the loan principal is either converted or repaid.

**6. Notes receivable (continued):**

The conversion option was approved by the shareholders of Foyson on March 31, 2015, and each share received at the time of conversion would also receive one option per share that may be exercised at a conversion price of A\$0.008 at any time through to their expiry on December 31, 2019. Australian Securities Exchange (ASX) rules require that the conversion of the principal be spread over a period of time, but is expected to be fully complete through 2015.

Further to Foyson shareholder approval on March 31, 2015, A\$211,528 of the loan was converted to Foyson shares on April 22, 2015, resulting in a further 84,611,264 shares provided to the Company, bringing the total Foyson shares held by the Company to 295,468,407 shares, representing a 22.12% equity interest in Foyson. 84,611,264 unlisted options were also received at time of conversion that have an exercise price of A\$0.008 and expiry date of December 31, 2019.

**(b) A\$100,000 note issued in February 2015**

The Company entered into a Capital Promissory Note Agreement on February 18, 2015, with Foyson through which it provided a further A\$100,000 that shall accrue interest at 12% per annum until the earlier of conversion date or maturity date. The maturity date is May 15, 2015 but the parties have mutually agreed to extend this date until such time the Note may be converted in compliance with ASX rules. The Note may be converted at a conversion price of A\$0.0029 to Foyson shares, at which time one option per share would also be received that may be exercised at a conversion price of A\$0.008 at any time through to their expiry on December 31, 2019. The conversion feature of the Note has been approved by the shareholders on March 31, 2015.

**(c) A\$100,000 note receivable issued in April 2015**

The Company entered into a second Capital Promissory Note Agreement on April 27, 2015, with Foyson through which it provided a further A\$100,000 that shall accrue interest at 12% per annum until the earlier of conversion date or maturity date. The maturity date is the earlier of September 30, 2015 or the business day immediately following a shareholders meeting to be held by Foyson to approve the conversion rights. The note may be converted at a conversion price of A\$0.0029 to Foyson shares, at which time one option per share would also be received that may be exercised at a conversion price of A\$0.008 at any time through to their expiry date on December 31, 2019. The conversion feature of this Note has been approved by the shareholders on July 30, 2015.

The option to convert the loan into shares is accounted for as a derivative instrument and was separately accounted for at fair value. The fair value of the conversion options presented as derivative financial instruments and the carrying amount of the notes receivable accreted using the effective interest method, plus accrued interest, are as follows:

	June 30, 2015	December 31, 2014
Derivative financial instruments:		
A\$188,472 loan (2014 - A\$400,000)	\$ 397,507	\$ 372,087
A\$100,000 loan	140,728	-
A\$100,000 loan	155,504	-
April 22, 2015 conversion	568,620	
	1,262,359	372,087
Notes receivable:		
A\$188,472 loan (2014 - A\$400,000)	151,741	299,787
A\$100,000 loan	87,519	-
A\$100,000 loan	38,436	
Interest receivable	27,668	
	\$ 305,364	\$ 299,787

**TVI Pacific Inc.**  
**Notes to the Unaudited Interim Consolidated Financial Statements**  
**June 30, 2015 and 2014**  
**(in Canadian dollars)**

**6. Notes receivable (continued):**

The Company recognized a gain on the fair value of the derivative financial instrument amounting to \$1,018,522 recorded in other gains (losses) in the statement of comprehensive income, while the interest income from the note receivable was \$144,023 during the six months ended June 30, 2015. The rest of the interest income is attributable to cash and short term deposits. The following assumptions were used by the Company to estimate the fair value of option obtained during the period at the inception date and reporting date:

	Risk free interest rate – average	Current share price	Expected volatility
A\$400,000 loan			
April 22, 2015	4%	A\$0.005	284%
June 30, 2015	4%	A\$0.007	260%
A\$100,000 loan			
February 18, 2015	4%	A\$0.002	350%
June 30, 2015	4%	A\$0.007	235%
A\$100,000 loan			
April 27, 2015	4%	A\$0.007	317%
June 30, 2015	4%	A\$0.007	225%

Total options held by TVI are 84,611,264 as provided April 22, 2015 upon part conversion of the loan as all previous options provided to TVI by Foyson have expired.

**7. Related party transactions:**

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

	Country of Incorporation	% Equity interest (Direct and Indirect)	
		June 30, 2015	December 31, 2014
Subsidiaries of TVI:			
TVI Limited	Anguilla	100%	100%
TG World	Canada	100%	100%
TVI Asia-Pacific Resources Corp.	Philippines	100%	-
Affiliates:			
TVI International Marketing Limited	Hong Kong	100%	100%
TVI Minerals Processing Inc.	Philippines	96%	100%
TG World (BVI) Corp.	British Virgin Islands	100%	100%
TG World Petroleum Limited	Bahamas	100%	100%
TG World Energy Inc.	United States	100%	100%
Associates/Joint Venture:			
TVIRD and affiliates	Philippines	30.66%	30.66%
Foyson (see note 20)	Australia	22.12%	20.06%
Mindoro	Canada	14.4%	14.4%

Transactions with related parties are entered into at the exchange amounts which are the amounts established and agreed to by the parties:

**(a) Due from related parties**

During the three and six months ended June 30, 2015, the Company had incurred management fees of \$123,957 and \$198,306 (June 30, 2014- \$180,979 and \$507,154). Management fees are paid to a corporation owned by the President of the Company for the services of the President, travel costs and support staff. During the six months ended June 30, 2015, the Company made advanced payments and at June 30, 2015, the amount receivable from the corporation was \$56,545 which formed part of the due from related parties in the statement of financial position (December 31, 2014 . \$147,305).

**7. Related party transactions (continued):**

At June 30, 2015, the Company's remaining receivable from the joint ventures in the Philippines was \$185,891 (December 31, 2014 - \$21,555), presented as part of due from related parties in the statement of financial position and relating to services provided by TVI Pacific to the joint ventures.

**(b) Due to related parties**

During the three and six months ended June 30, 2015, the Company incurred directors fees of \$61,938 and \$110,875 (June 30, 2014- \$63,938 and \$121,875). At June 30, 2015, the fees payable to directors were \$61,938 which formed part of the due to related parties in the statement of financial position (December 31, 2014 - \$47,938).

During the three and six months ended June 30, 2015, the Company incurred \$60,806 and \$125,099 (June 30, 2014- \$36,137 and \$70,283) to a corporation controlled by a director and officer of TVIRD for administrative expenses. The Company owed the corporation \$17,654 at June 30, 2015 which formed part of the due to related parties in the statement of financial position (December 31, 2014 - \$12,786).

At June 30, 2015, the Company's remaining payable to the joint ventures in the Philippines was \$4,778 (December 31, 2014 - \$9,311), presented as part of due to related parties in the statement of financial position.

**(c) Other related party transactions**

An additional loan of A\$100,000 was issued by the Company each in February 2015 and April 2015 (note 6). The carrying amount of outstanding notes receivable from Foyson was \$305,364 as at June 30, 2015 (December 31, 2014 - \$299,787).

On December 12, 2014, TVIRD provided a bridge loan to Mindoro in the amount of \$500,000 on which an annual interest rate of 8% shall fully apply on any unpaid portion until what was agreed to be the earlier of the maturity date of January 31, 2015 or upon receipt of the proceeds from a proposed convertible debenture offering by Mindoro. At time of reporting, the bridge loan has not been extended beyond June 30, 2015, nor has it been called. The parties continue to consider options going forward while interest continues to accrue at 8% per annum on the total loan balance.

TVI's interest in joint venture, TVIRD, has also entered into a management contract with the corporation owned by the President of TVI for the services of the President starting January 1, 2014. As a result, the cost of ongoing services previously charged by this corporation directly to TVI, have been reduced.

**8. Investment in associates:**

The following are the associates of the Company as at June 30, 2015:

	Foyson	Mindoro	Total
January 1, 2014	\$ 808,639	\$ 439,811	\$ 1,248,450
Additional investment	592,371	-	592,371
Share of net loss	(1,077,620)	(449,216)	(1,526,836)
Share of other comprehensive income	140,952	9,405	150,357
December 31, 2014	\$ 464,342	\$ -	\$ 464,342
Additional investment	402,665	-	402,665
Share of net loss	(337,888)	-	(337,888)
Share of other comprehensive income	(6,972)	-	(6,972)
June 30, 2015	\$ 522,147	\$ -	\$ 522,147

## 8. Investment in associates (continued):

The Company has determined that it has significant influence by virtue of its representation on the Board of Directors of the associates and various other contractual terms.

As at June 30, 2015, the fair values of the investments in Foyson and Mindoro which have been calculated based on the number of shares held by the Company multiplied by share price of each associate at June 30, 2015, were \$1,987,409 and \$427,794, respectively. The total unrecognized proportionate share of net losses of Mindoro during the period ended June 30, 2015 and cumulatively, amounted to \$526,752 and \$1,644,981, respectively.

### (a) Investment in Foyson

Foyson is a publicly listed company incorporated in Australia, with shares listed on the ASX. Its annual reporting period ends at June 30.

As at June 30, 2015, TVI held 295,468,407 shares in Foyson, representing 22.12% of Foyson's issued capital (see note 6).

The Company's share of Foyson's result of operations, assets and liabilities are as follows:

	Six months ended June 30, 2015	Year ended December 31, 2014
Share of comprehensive loss	\$ (344,860)	\$ (936,668)
Share of total current assets	85,833	37,433
Share of total assets	3,506,433	3,092,113
Share of total current liabilities	359,154	212,148
Share of total liabilities	359,154	212,148

### (b) Investment in Mindoro

Mindoro is a publicly listed company incorporated in Canada with shares listed on the TSX Venture Exchange and Frankfurt Stock Exchange. Its annual reporting period ends at December 31.

As at June 30, 2015, TVI owns 42,779,353 units of Mindoro, representing approximately 14.4% holding in the capital of Mindoro. Each unit consists of one common share and one common share purchase warrant that entitles TVI to purchase one additional share, at a price of \$0.10 per share. The 18,779,353 units can be exercised at any time and from time to time until September 28, 2017, while the other 24 million units can be exercised until October 10, 2017. Assuming the exercise of all of the warrants acquired, TVI would hold 85,558,706 shares, representing approximately 25.2% in the capital of Mindoro.

### (c) Commitments in respect of associates

On August 28, 2012, TVI signed the following agreements relating to the following joint venture projects contemplated by the HOA with Foyson:

- i) Amazon Bay Iron Sands Project (AB) . (i) TVI committed to a minimum expenditure of A\$2 million in the 12 months following the later of the date on which all applicable joint venture conditions are satisfied and the date of the Tranche 1 Closing; (ii) TVI agreed to refund Foyson for any expenditures incurred on AB since July 1, 2012, to a maximum of A\$200,000 creditable against TVI's spending commitments; (iii) TVI would earn a 10% interest in AB as a result of initial expenditure; (iv) TVI would have the right to earn a further 20% in AB by spending an additional A\$5.5 million within 12 months following the expiration of the initial earning period; (v) during the two earning periods and up to the end of the second earning period, TVI and Foyson may, at TVI's expense, carry out a feasibility study of a DSO operation. If a DSO project is determined to be feasible, TVI would have the right to undertake the development to earn a 51% interest in the DSO project area. TVI was also provided the option to advance \$10 million to Foyson to acquire the remaining 50% in AB held by Titan Mines.



## 8. Investment in associates (continued):

Of the amount of the total spending commitment in relation to the joint venture arrangements with Foyson, the Company has incurred a total of \$1,985,834 (equivalent A\$2 million) for the Amazon Bay project. On July 25, 2014, its 10% earned interest in the Amazon Bay tenement was formally registered with the PNG MRA after having been earlier approved by the Minister for Mining on June 5, 2014. The total spending of \$1,985,834, previously presented as exploration and evaluation assets in the consolidated financial statements was written-down and recorded as exploration costs during the period ended June 30, 2015 (note 10).

On July 25, 2014, TVI provided notice to Foyson of its intent to not proceed with the Stage 2 farm-in of Amazon Bay.

On March 16, 2015, Foyson and TVI entered into a Royalty Agreement with third parties, with respect to Amazon Bay, whereby Foyson and TVI shall be responsible to pay their proportionate share of a royalty on all minerals extracted and concentrate produced from Amazon Bay and sold. The royalty is set at 0.5% of gross revenue less all costs incurred in connection with shipping or transporting the respective minerals or concentrate from the port of loading to the point of delivery to the purchaser.

- i) New Ireland Gold/Copper ("NI") and Massau and Tanga Islands ("MTI") - (i) TVI committed to spend A\$100,000 for each project, within nine months of the granting of the tenements; and (ii) such expenditure would earn TVI the right to match any third party offer to farm into NI or MTI, received during the year of the expenditure by TVI or during the 12 months following the finalization of the information memorandum on NI or MTI.

## 9. Investment in joint venture:

	June 30, 2015	
Investment in joint venture at January 1, 2014	\$	10,675,596
Share of net loss		(88,294)
Share of other comprehensive income		1,285,086
Investment in joint venture at December 31, 2014		11,872,388
Share of net income		463,068
Share of other comprehensive income		743,477
Investment in joint venture at June 30, 2015	\$	13,078,933

The Company's share of the joint ventures' result of operations, assets and liabilities for the six months ended June 30, 2015 are as follows:

	June 30, 2015		December 31, 2014	
Share of revenue	\$	4,556,738	\$	5,888,238
Share of comprehensive income		1,206,545		1,196,792
Share of total current assets		9,127,853		8,138,973
Share of total assets		23,629,805		20,650,825
Share of total current liabilities		4,541,664		4,239,965
Share of total liabilities		7,825,291		6,125,186

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

#### 10. Exploration and evaluation assets:

The carrying amount and the related movement of the exploration and evaluation assets are as follows:

	June 30, 2015	December 31, 2014
Beginning balance	\$ 2,721,219	\$ 1,882,078
Addition (note 8c)	-	1,985,834
Foreign currency translation	55,340	170,760
Impairment loss	(1,985,834)	(1,317,453)
Ending Balance	\$ 790,725	\$ 2,721,219

The balance at June 30, 2015 consists of petroleum and natural gas properties located in the Philippines. During the period ended June 30, 2015, the Company's 10% interest in the Amazon Bay tenement amounting to \$1,985,834 was fully written-down and recorded as exploration costs, as substantial expenditures on further exploration and evaluation of the project are not currently planned.

##### Philippines

TG World holds a 12.5% working interest in Service Contract 54A (SC 54A) in the Philippines. SC 54A is situated offshore west of the Palawan islands. The project operator is Nido Petroleum Limited of Perth, Australia (Nido) who owns a 42.4% working interest in the project.

During the year ended December 31, 2014, the Company recorded a provision for impairment of the exploration and evaluation assets amounting to \$1,317,453.

As at June 30, 2015, the partners were re-evaluating the opportunities and considering various options under the service contract.

#### 11. Other assets:

Other assets are composed of:

	June 30, 2015	December 31, 2014
Option to purchase TVIRD shares	\$ 232,020	\$ 232,020
Others	11,429	10,594
	\$ 243,449	\$ 242,614

During the year ended December 31, 2014, TVI paid \$232,020 as an option to acquire the remaining Class B shares of TVIRD held by a non-controlling interest holder, representing a 0.92% interest in TVIRD, upon execution of TVIRD's listing on the Philippine Stock Exchange within an agreed time. The total net purchase price is expected to be US \$500,000, including the payment, plus 10% of (i) the initial public offering (IPO) value of the Class B shares, to be calculated as if they were included in the TVIRD IPO, or (ii) the average price of the Class B shares during the first 5 trading days of TVIRD's listing, whichever is higher.

#### 12. Accounts payable and accrued liabilities:

Account consists of the following:

	June 30, 2015	December 31, 2014
Trade payables	\$ 117,197	\$ 72,349
Deferred revenue	-	3,981
Other accrued expenses	151,215	158,526
	\$ 268,412	\$ 234,856

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



**13. 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**

The total number of common shares since January 1, 2014 up to June 30, 2015 was 655,470,372 in the amount of \$32,972,145.

**(c) Share options**

The Company has a share 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 six years and expire no more than 5 years from the date of grant.

In June 2015 and February 2015, the Company granted share options to officers of the Company.

	Six months ended June 30, 2015		Year ended December 31, 2014	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of period	45,850,000	\$ 0.021	50,220,275	\$ 0.046
Issued	18,050,000	0.015	33,500,000	0.015
Forfeited	-	-	(500,000)	0.018
Expired	-	-	(37,370,275)	0.049
Options outstanding, end of period	63,900,000	\$ 0.019	45,850,000	\$ 0.021
Options exercisable, end of period	19,866,667	\$ 0.026	9,166,666	\$ 0.039

Price range	Number outstanding	Weighted average remaining contractual life (years)	Number Exercisable
\$ 0.015 . 0.022	50,150,000	4.31	10,700,001
0.023 . 0.033	11,750,000	2.43	7,166,666
0.051 . 0.075	2,000,000	0.90	2,000,000
\$ 0.015 . 0.075	63,900,000	3.86	19,866,667

The fair value of share options granted during the year ended June 30, 2015 was \$0.014 per share (June 30, 2014 - \$0.014 per share). The following table sets out the assumptions used by the Company to estimate the fair value of awards granted during the period:

	Three and six months ended June 30, 2015	Three and six months ended June 30, 2014
Risk free interest rate . average	0.76%	1.31%
Expected life (in years)	5	5
Expected volatility	176%	158%
Estimated forfeiture rate	10%	10%

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

During the three and six months ended June 30, 2015, a net of \$78,889 and \$159,365 (June 30, 2014 - \$41,231 and \$59,782) of stock-based compensation was charged to the consolidated statement of comprehensive income (loss).

**TVI Pacific Inc.**  
**Notes to the Unaudited Interim Consolidated Financial Statements**  
**June 30, 2015 and 2014**  
**(in Canadian dollars)**

**13. Share capital (continued):**

	<b>Six months ended June 30, 2015</b>		<b>Year ended December 31, 2014</b>	
Contributed surplus, beginning of period	\$	6,546,839	\$	6,333,382
Stock-based compensation		159,365		215,464
Options forfeited		-		(2,007)
Contributed surplus, end of period	\$	6,706,204	\$	6,546,839

**14. Per share data:**

	<b>Three months ended June 30</b>		<b>Six months ended June 30</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Net loss	\$ (1,449,540)	\$ (1,860,470)	\$ (2,201,049)	\$ (3,421,088)
Weighted average number of shares, basic and diluted	655,470,372	655,470,372	655,470,372	655,470,372
Basic and diluted loss per share	(0.002)	(0.003)	(0.003)	(0.005)

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) based on the monetary value of the subscription rights attached to 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.

**15. Segmented information:**

The Company's revenue from mining, extraction, production and selling of metal concentrates to an external client is indirectly recognized within the Company's investment in joint venture, through the application of the equity method. The Company's segmented information is reported in the same way as internal reporting provided to TVI's executive management to make decisions about resource allocation and performance assessment of the operating segments.

The Company has two reporting segments:

- mining exploration in Fiji and investments in associates and joint venture with mining activities in the Philippines and Papua New Guinea; and
- petroleum exploration in the Philippines

The Company's corporate operations does not earn revenue and incurs expenses that are considered incidental to the activities of the Company and therefore does not meet the definition of an operating segment as defined in IFRS 8, *Operating Segments*.

**Geographic information:**

	<b>Revenues</b>		<b>Property and equipment and exploration and evaluation assets</b>	
	<b>For six months ended June 30, 2015</b>	<b>For six months ended June 30, 2014</b>	<b>June 30, 2015</b>	<b>December 31, 2014</b>
Philippines	\$ -	\$ -	\$ 790,725	\$ 735,385
Papua New Guinea	-	-	-	1,985,834
Canada	-	-	45,210	80,999
	\$ -	\$ -	\$ 835,935	\$ 2,802,218

Mining segments' operating results in the table below include TVI's 30.66% interest in the Philippine joint venture entities whose summarized financial information is presented in note 9, interest in Foyson and Mindoro (note 8), as well as the exploration costs incurred in Fiji.



**15. Segmented information (continued):**

	Three months ended June 30, 2015				Three months ended June 30, 2014			
	Mining	Petroleum Exploration	Corporate	Total	Mining	Petroleum Exploration	Corporate	Total
Administrative and general costs	\$ -	\$ (24,446)	\$ (730,955)	\$ (755,401)	\$ (3,496)	\$ (49,161)	\$ (910,952)	\$ (963,609)
Exploration costs	(2,179,698)	-	-	(2,179,698)	-	-	-	-
Depreciation expense	-	(381)	(4,837)	(5,218)	-	(478)	(5,651)	(6,129)
	(2,179,698)	(24,827)	(735,792)	(2,940,317)	(3,496)	(49,639)	(916,603)	(969,738)
Interest income	-	-	18,222	18,222	22	4	5,229	5,255
Interest expense	-	(2,851)	-	(2,851)	-	-	-	-
Foreign exchange gains (loss)	-	(2,302)	(51,329)	(53,631)	936	(8,505)	(223,024)	(230,593)
Other gains (loss)	-	(1,848)	1,032,651	1,030,803	(3,301)	-	-	(3,301)
Share of loss of associates and joint venture	498,234	-	-	498,234	(650,455)	-	(11,638)	(662,093)
Net income (loss)	\$ (1,681,464)	\$ (31,828)	\$ 263,752	\$ (1,449,540)	\$ (656,294)	\$ (58,140)	\$ (1,146,036)	\$ (1,860,470)
Assets	\$ 13,844,529	\$ 975,461	\$ 5,773,609	\$ 20,593,599	\$ 9,629,153	\$ 2,867,211	\$ 10,863,211	\$ 23,359,575
Liabilities	-	-	1,128,249	1,128,249	10,257	2,818	951,331	964,406
Capital expenditures	-	-	-	-	-	-	2,544	2,544

  

	Six months ended June 30, 2015				Six months ended June 30, 2014			
	Mining	Petroleum Exploration	Corporate	Total	Mining	Petroleum Exploration	Corporate	Total
Administrative and general costs	\$ -	\$ (48,312)	\$ (1,270,646)	\$ (1,318,958)	\$ (17,550)	\$ (234,743)	\$ (1,545,284)	\$ (1,797,577)
Exploration costs	(2,263,753)	-	-	(2,263,753)	-	-	-	-
Depreciation expense	-	(749)	(9,787)	(10,536)	-	(956)	(11,698)	(12,654)
	(2,263,753)	(49,061)	(1,280,433)	(3,593,247)	(17,550)	(235,699)	(1,556,982)	(1,810,231)
Interest income	-	1,875	128,090	129,965	44	16	18,711	18,771
Interest expense	-	(2,851)	-	(2,851)	-	-	-	-
Foreign exchange gains (loss)	-	6,372	182,222	188,594	7,427	(11,720)	156,195	151,902
Other gains (loss)	-	(5,397)	956,707	951,310	(29,683)	4,099	-	(25,584)
Share of income (loss) of associates and joint venture	125,180	-	-	125,180	(1,246,697)	-	(509,249)	(1,755,946)
Net loss	\$ (2,138,573)	\$ (49,062)	\$ (13,414)	\$ (2,201,049)	\$ (1,286,459)	\$ (243,304)	\$ (1,891,325)	\$ (3,421,088)
Assets	\$ 13,844,529	\$ 975,461	\$ 5,773,609	\$ 20,593,599	\$ 9,629,153	\$ 2,867,211	\$ 10,863,211	\$ 23,359,575
Liabilities	-	-	1,128,249	1,128,249	10,257	2,818	951,331	964,406
Capital expenditures	-	-	4,831	4,831	-	-	2,544	2,544

**TVI Pacific Inc.**  
**Notes to the Unaudited Interim Consolidated Financial Statements**  
**June 30, 2015 and 2014**  
**(in Canadian dollars)**

**16. Expenses by nature:**

	<b>Six months ended June 30, 2015</b>		<b>Six months ended June 30, 2014</b>	
Personnel costs	\$	253,039	\$	609,444
Stock-based compensation		159,365		59,782
Contracted services		282,797		460,331
Professional fees		241,958		250,854
Advertising and investor relations		90,662		110,066
Travel and transportation		111,617		116,518
Rent		48,174		54,886
Insurance		49,252		50,072
Taxes and licenses		31,735		50,774
Utilities		14,129		11,990
Materials and supplies		24,603		10,327
Freight		752		1,013
Others		10,875		11,520
<b>Total administrative and general costs</b>	<b>\$</b>	<b>1,318,958</b>	<b>\$</b>	<b>1,797,577</b>

**17. Changes in working capital:**

	<b>Three months ended June 30 2015</b>		<b>Three months ended June 30 2014</b>		<b>Six months ended June 30 2015</b>		<b>Six months ended June 30 2014</b>	
Accounts receivable	\$	(8,027)	\$	891,859	\$	99,913	\$	1,104,599
Prepaid expenses		(50,524)		(69,359)		(50,533)		(28,697)
Trade accounts payables and accrued liabilities		40,600		(59,852)		9,834		(1,501,600)
Due to related parties		161,707		(112,969)		(59,241)		(77,393)
	<b>\$</b>	<b>143,756</b>	<b>\$</b>	<b>649,679</b>	<b>\$</b>	<b>(27)</b>	<b>\$</b>	<b>(503,091)</b>

**18. Foreign exchange gain:**

	<b>Three months ended June 30 2015</b>		<b>Three months ended June 30 2014</b>		<b>Six months ended June 30 2015</b>		<b>Six months ended June 30 2014</b>	
Unrealized foreign exchange gain (loss)	\$	66,500	\$	(205,984)	\$	295,902	\$	129,729
Realized foreign exchange gain (loss)		(120,131)		(24,609)		(107,308)		22,173
	<b>\$</b>	<b>(53,631)</b>	<b>\$</b>	<b>(230,593)</b>	<b>\$</b>	<b>188,594</b>	<b>\$</b>	<b>151,902</b>

The unrealized foreign exchange gain during the period ended June 30, 2015 and 2014 include the gains on the revaluation of USD-denominated short-term deposits and accounts receivable, respectively. The realized foreign exchange gain during the period ended June 30, 2014 is attributable to the settlement of intercompany payables.

**19. Commitment:**

The Company has entered into a lease contract with respect to its corporate office premises that is to commence April 1, 2015. The lease is for a three-year term through to March 31, 2018, and the total rent payments up to the end of the lease contract in March 2018 amounts to \$179,177, inclusive of base rent, estimated operating expense and taxes.

**20. Subsequent events:**

At an Extraordinary General Meeting (EGM) held by Foyson on July 30, 2015, the approval of Foyson shareholders was received, for full conversion of the balance of the loan provided to Foyson by TVI Pacific and the Capital Promissory Notes held by TVI Pacific, effective on July 31, 2015 providing a further 144,354,248 shares in Foyson and 144,354,248 unlisted options. TVI Pacific now holds a total of 439,822,659 shares in Foyson, or 28.26% of the total outstanding shares, and 228,965,512 options as at July 31, 2015. The options are exercisable prior to December 31, 2019 and have an exercise price of A\$0.008.

***Corporate Head Office:***

Suite 806, 505 2nd St. SW  
Calgary, Alberta  
Canada T2P 1N8  
Telephone: (403) 265-4356  
Facsimile: (403) 264-7028  
Email: [tv-info@tvipacific.com](mailto:tv-info@tvipacific.com)  
Web: [www.tvipacific.com](http://www.tvipacific.com)

***Corporate Directory:***

Clifford M. James, President and Chief Executive Officer  
Telephone: (403) 265-4356  
Facsimile: (403) 264-7028  
Email: [tv-info@tvipacific.com](mailto:tv-info@tvipacific.com)

Patrick B. Hanna, Chief Financial Officer  
Telephone: (403) 265-4356  
Facsimile: (403) 264-7028  
Email: [tv-info@tvipacific.com](mailto:tv-info@tvipacific.com)

Shirley Anthony, VP Corporate Communications  
Telephone: (403) 265-4356  
Facsimile: (403) 264-7028  
Email: [tv-info@tvipacific.com](mailto:tv-info@tvipacific.com)

***Registrar and Transfer Agent:***

Computershare Trust Company of Canada  
600, 530. 8<sup>th</sup> Avenue SW  
Calgary, Alberta, Canada T2P 3S8  
Telephone: (403) 267-6800

***Share Listing:***

Toronto Stock Exchange Symbol: TVI

***Auditors:***

PricewaterhouseCoopers LLP  
3100, 111. 5<sup>th</sup> Avenue SW  
Calgary, Alberta, Canada T2P 5L3  
Telephone: (403) 509-7500