



Resource Development (Phils.) Inc.

## NEWS RELEASE

### Siocon Mayor-elect Pitches for TVIRD's Continued Mining Operations

*Lobbies for the DENR's approval of its MPSA expansion into Sitio Malusok, town of Baliguian*



***A first-class municipality.*** The town of Siocon was elevated from being a 4<sup>th</sup> class municipality to 1<sup>st</sup> class status due largely to taxes revenues and accelerated economic activity generated by TVIRD's mining operations.

**Siocon, Zamboanga del Norte / June 2013** - Newly-elected town mayor of Siocon, Zamboanga del Norte, Julius Lobrigas declared that he will push for the continued operations of a mining company here as it has become the town's strong development partner for many years. This is the primary agenda once he assumes office as the new town mayor beginning June 30, according to Lobrigas who is a former councilman and Liberal Party candidate, succeeding Siocon's longest-serving mayor, Ceasar Soriano.

“I will seek the support of the town’s council to pass a resolution asking the President to approve the company’s application for the expansion of its Mineral Processing Sharing Agreement (MPSA),” he said.

“Also, I will seek the support of the Association of Barangay Captains in my town for them to do the same,” Lobrigas added.

Siocon is host municipality to TVI Resource Development Philippines Inc. (TVIRD), which operates a copper-zinc mine in Canatuan - a highland village inhabited by Subanon indigenous people.

Since ramping-up operations in 2004, the company has contributed significantly to the town’s economy in the form of taxes, permits and development projects under its corporate social commitment. Also during the same period, the company has paid over Php220 million in royalties to its indigenous hosts. Since 2011, the company has pegged its rate of royalty remittances at 50% above the industry average rate.

The town too was elevated from being a 4<sup>th</sup> class municipality to 1<sup>st</sup> class status owing to the presence and economic activity spurred by the company.

### **Mine life extension**

While TVIRD is set to conclude its current operations this year, it has initiated a comprehensive new exploration program among the claims surrounding Canatuan. The nearest prospect is Malusok, which is also within the Subanon people’s ancestral land and who already gave their Free Prior and Informed Consent (FPIC) for the company to mine the area.

The company has applied for an expansion of their MPSA to include Malusok in its concession area. To date, it is still waiting for the DENR’s approval for the said application.

“Even if we don’t get to benefit from the excise taxes this time, we would still greatly benefit just the same,” Lobrigas added. If the company’s application pushes through, ore mining will be conducted in Malusok, town of Baliguian, where taxes will now be paid. However, processing will still be in its present mine site in Canatuan while its product shipment will still be from the port of Sta. Maria - both in the town of Siocon, which will still benefit from economic activity and downstream industries.

### **On the flipside**

Over 450 TVIRD employees who are natives of Siocon, or an estimated half of its Canatuan workforce, will be greatly affected if the expansion does not push through. Likewise, people whose livelihood and businesses as well as many downstream industries that depend on the company’s daily operations are in the same situation, which is one of economic uncertainty.

Bucana Barangay Captain Hadji Muin Sangkula also underscored TVIRD's contributions to his town and his people. Recently, Sangkula's barangay - the 2<sup>nd</sup> largest barangay in Siocon and a 100% Muslim community - benefitted from the company's infrastructure projects that include a new barangay hall and community facilities.

"For many years we've been waiting for these projects and these were only realized when we asked help from TVIRD," Sangkula said.

The Subanon host community, which enjoys the free services of the company clinic and constant support to the Canatuan Elementary School, will bear a greater impact. Free consultations and medicines, scholarships, textbooks, operational school buses, farm-to-market road maintenance, environmental management and many other benefits will likely cease to exist when the company closes for good.

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Press photos:



- 1 **Siocon Mayor-elect Julius Lobrigas** pitches for the continued mining operations of TVIRD via its Malusok expansion. Lobrigas directly succeeds Siocon's longest-serving mayor, Ceasar Soriano.



- 2 **Siocon cathedral (in photo)**. The town's populace comprises a mixture of Muslims, Christians and the indigenous Subanons in the highlands.

**About TVI**

*TVI Resource Development (Phils.) Inc., is the Philippine affiliate of TVI Pacific Inc. (TSX: TVI), a publicly-listed Canadian mining company focused on the exploration and production of precious and base metals from district scale large system, high margin projects located in the Philippines.*

*We are committed to exploration and mining practices that promote transparency, responsible stewardship of the environment, and the inalienable rights to life, dignity, and sustainable development of our host communities.*

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