



Resource Development (Phils.) Inc.

## NEWS RELEASE

### **Growth Prospects Drive TVI-MRL Joint Venture Projects**

*Shored-up confidence in appointed management committee*

**Manila / March 2013** – Canada-listed TVI Pacific Inc. (TSX:TVI) (OTCQX:TVIPF) and its Philippine operating affiliate, TVI Resource Development Philippines Inc. (TVIRD) recently announced progressive development on its joint venture projects with Mindoro Resources Ltd. (MRL) and Minerals Production Sharing Agreement (MPSA) holder, Minimax Mineral Exploration Corporation. The companies signed four joint venture agreements, previously announced in October last year, relating to the Agata and Pan de Azucar mining projects located in the Mindanao and Visayas regions, respectively. Under the agreements, TVIRD reserves the option to assume a majority 60% interest and will act as operator of the projects.

The joint venture presents TVIRD, MRL and Minimax with multiple growth prospects that include mineral development and processing of high iron laterite and limestone direct shipping ores (DSOs) over the short-term. In the medium-term, prospects include pyrite material DSO, lime and nickel. Currently, plans and permits processing are in the advanced stages.

The joint Project Execution and Technology Development team composed of senior management members from both companies is expediting the establishment of an Agusan del Norte Nickel processing plant that utilizes cost-effective leaching technology, which is specifically suited to the extraction of nickel. The extraction method is also commercially viable and has a low environment impact.

The appointed project leadership also brings years of experience in managing large-scale mineral development as well as proven expertise in responsible practices and compliance with accepted environmental standards. The management committee for the joint projects includes TVIRD President Atty. Eugene T. Mateo, TVIRD Finance Vice President Luis Jovito A. Santos, TVIRD Chief Operating Officer Yulo Perez, MRL Chief Executive Officer Tony Climie, MRL Vice President Edsel Abrasaldo, and Ma. Pauline De Guzman-Lugue of Minimax.

Project proponents expect to realize the potential of the joint venture projects more cost effectively, more efficiently, and in a shorter time period than would otherwise be possible.

## **Bullish on growth**

“These projects comprise a pipeline of potentially long-life assets, capable of substantial, growing and continuous cash flow generation, which are expected to propel the company into a strong mid-sized, diversified miner. These are exciting opportunities and represent a major step forward for TVIRD,” according to TVI Chairman and CEO Clifford M. James.

TVIRD, as the operator of the projects, is led by a proven management team capable of project execution, on time and on budget. This track record is warranted by the company’s successful copper-zinc operations in Canatuan, Zamboanga del Norte, which has also been recognized with the Safest Mining Operations Award and Platinum Award for excellence in environmental management by the Philippine Mine Safety and Environment Association (PMSEA). Similarly, the country’s Department of Labor and Employment (DOLE) conferred recognitions for the company’s safe practices, in conjunction with the department’s Zero-Accident Program.

MRL Nickel Philippines, Inc. (formerly MRL Gold Phils., Inc.) has also consistently won major awards in the PMSEA competition for the past three years, including the PMIEA Best Mining Forest and Safest Exploration Award for 2011 and 2012 in the exploration category. In the past three years, the company received DENR commendations for its integrated coastal management programs as well as its adherence to the Philippine Mining Law, which is also recognized by the Caraga Chamber of Mines. MRL was also awarded the 2012 Kabalikat Award by the TESDA regional and provincial offices for its skills training programs.

## **AGATA MINING PROJECT**

Through the newly-established Agata Mining Ventures Inc., both companies plan to ramp-up its laterite and limestone operations in the short-term, subject to the timely release of necessary permits. Mineral deposits located within a 1-km proximity from the coast are expected to positively impact transportation costs and significantly reduce overhead expenditures.

Presently, regulatory requirements as well as necessary infrastructure including the camp, port and access roads are in the pipeline as part of the overall development plan. Community preparations and sustainability programs have also been initiated.

While reports estimate an available 7 million wet metric tons (wmt) of high iron material, Nickel will be the dominant feed for a new processing facility currently under consideration by the management committee. The Nickel processing plant is a medium-term growth opportunity, which is expected to come into production in mid-2015. It would initially be designed to have a 20-year life, and would be built in modules with the ability to add capacity over time to increase production. Another initiative to streamline

costs is to internally source sulphuric acid, which is a by-product of future Pan de Azucar operations, and which will be used in the leaching process.

Meantime, the high iron laterite mining, which already has an existing Environmental Compliance Certificate (ECC), is expected to establish operations until the nickel processing plant becomes operational.

The limestone at Agata is expected to be of high quality and very high purity levels, initiating plans to construct an onsite production facility that will also come online in 2015, pending the filing and receipt of all required permits and other requirements. Further exploration has yet to determine if existing limestone can be classified as a mineral resource.

### **PAN DE AZUCAR PYRITE PROJECT**

Located on the Island of Panay, the Pan de Azucar pyrite project comprises a pyrite-rich mineralized horizon that is exposed at the surface. The project has a potential quantity of at least 8 million dry metric tons. Further drilling and exploration, just like the Agata project, has yet to determine if this can be classified as a mineral resource

The Company expects that commercializing the project may involve both the DSO export of pyrite material for the production of sulphuric acid and/or the self-production of sulphuric acid at the Agata plant site. Currently there are no permits in place for the mining of the pyrite material.

In both project sites, community relations and pre-development activities are well in place for the eventual establishment of mineral processing operations.

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### **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 and Papua New Guinea.*

*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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