



NEWS RELEASE

Zambo Sur LGUs Grant TVIRD Social License to Operate in Balabag

- Sangguniang Panlalawigan cites the onset of progress and development for Zamboanga del Sur
- Sangguniang Bayan and 26 Barangays encouraged by commencement of development for communities



Bringing Canatuan to Balabag. TVIRD holds the MPSA covering the 4,779-hectare Balabag property and is authorized by the government to operate its gold-silver project in the area. The company is also engaged in a Public-Private Partnership (PPP) with the provincial government as the lead agency to implement an agricultural program that directly benefits 20 barangays in the town of Bayog. The company plans to implement a sustainable business model where agriculture and mineral processing thrive and coexist, similar to the model used at Canatuan where TVIRD has established its copper-zinc operations.

Bayog, Zamboanga del Sur / May 2013 – Bayog, Zamboanga del Sur / May 2013 – The Provincial Government of Zamboanga del Sur, through its Sangguniang Panlalawigan (SP), along with the Sangguniang Bayan (SB) of the town of Bayog and the municipality's 26 barangays, have recently granted TVI Resource Development Philippines Inc. (TVIRD) the 'social license' to operate its gold and silver project in Sitio Balabag, which is under the jurisdiction of Bayog. The province's social license or acceptance of TVIRD operations was documented in a resolution unanimously approved by the SP.

The resolution numbered 2K13-1151, authored by SP Member Edward B. Pintac said it supports the company's plans to mine in Balabag as it is impressed by its mining operations in Sitio Canatuan, town of Siocon, Zamboanga del Norte.

SP Members led by re-elected Vice Governor John Regala inspected the company's Canatuan mine site prior to issuing the resolution that supports TVIRD's plan to mine in Balabag.

The resolution also benchmarked TVIRD's development of Canatuan and the programs it implemented to rehabilitate the disturbed areas during the mining operations.

Environmental clean-up: a priority

"We haven't seen rehabilitation efforts made by the illegal miners when they were mining in Balabag. Wastes coming from their crude processing plants were just dumped in shallow ponds that overflowed during the rainy season. Contaminated tailing wastes destroyed our waters and killed our fresh water fish," Pintac said in an interview.

The first stage of the company's operations is environmental clean-up, which is geared to rid the area of the toxic waste. Previously, illegal miners have also created numerous geohazard areas with a high probability of potential landslides and continued soil erosion, which have caused a number of casualties.

The SP Members also noted the taxes that the company remitted to both the municipality of Siocon as well as the national government. Since TVIRD's Canatuan operations came on-stream in 2004, the town of Siocon has since been elevated to first-class status from being a 4th class municipality.

The delegation is also pleased with the community projects the company has implemented in Bayog prior to ramping-up its operations.

Infrastructure and development

"It has already constructed schools in some impact barangays. TVIRD has also repaired some of our barangay farm to market roads that illegal miners didn't do. How can we say no TVIRD's plan to operate in Balabag?" Pintac disclosed.

"This august body is convinced that if TVIRD conduct its responsible mining operation in Sitio Balabag, the same would likewise bring progress and development not only in Bayog but also in the province of Zamboanga del Sur," the resolution said.

Prior to the approval of the SP, the Sangguniang Bayan of Bayog passed a resolution interposing 'no objection' to the forthcoming mining operation of the company. The town's legislative body passed the resolution saying that the town is fortunate to have valuable deposits within its territorial jurisdiction and that TVIRD's mining in Sitio Balabag will eventually stimulate economic development in the town considering the sizeable income that it will earn from mining taxes and fees as well as infrastructure projects that the company will implement in the area.

Enriching the community

The same was also echoed by the 26 barangays of Bayog's town through their resolution, which said "all community development concerns will be addressed once TVIRD starts its operations" under the four

quadrants of development as contained in the company's Social Development and Management Program (SDMP).

The Sangguniang Pambarangay of Depore, mother unit of Sitio Balabag, urgently asked the national government through the Department of Environment and Natural Resources (DENR) to fast track the issuance of the company's Environmental Compliance Certificate (ECC) believing that 'social problems' in the community will be addressed by TVIRD when it commences its operations.

The Depore Resolution, which sought the urgent issuance of the ECC, was explicit in saying that its constituents will enjoy economic benefits and social development projects once TVIRD will operate in the area, since it is religious in paying its taxes and other obligations required by the government.

Aside from Depore, the other 25 barangays that passed similar resolutions include Dipili, Pulangbato, Dimalinao, Matin-ao, Supon, San Isidro, Bantal, Balunbunan, Depase, Sigacad, Balukbahan, Deporehan, Datagan, Conacon, Camp Blessing, Damit, Salawagan, Baking, Bobuan, Canoayan, Matun-og, Kanipaan, Dagum, Kahayagan, and Poblacion.

TVIRD is the Philippine affiliate of Canada's TVI Pacific Inc. It currently mines copper and zinc in Canatuan, the homeland of the Subanen tribe - the biggest indigenous cultural community in the Zamboanga Peninsula. It has earned various environmental and safety recognitions since it started its mining operations in Canatuan, which was also once inhabited by illegal miners.

The company is set to implement the development of its Balabag gold-silver project in Bayog, Zamboanga del Sur, pending the DENR's issuance of its Environment Compliance Certificate (ECC) and on which it projects some 50,000 gold ounces per year beginning in 2014.

About TVIRD

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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