



Resource Development (Phils.) Inc.

NEWS RELEASE

TVIRD Chairman: Time for Mining to Take Stock of Social Development and the Environment

TVIRD Chairman Clifford M. James addresses industry colleagues at the recent mining luncheon



Mr. Cliff James is a professional geologist, mining and business executive with experience in the North American, African and Asian resource sector. He has held senior positions in a number of successful resource companies with various activities around the world.

Makati City, Metro Manila / 17 April 2015 – In a pitch for responsible mining that fosters social development, environmental conservation and inclusive growth, TVI Resource Development Philippines Inc. (TVIRD) Chairman Clifford M. James delivered his message before the country's leading companies in the extractive sector during today's edition of the Philippine Mining Club Luncheon at the Polo Club in Makati

City. Among the prominent luminaries in attendance were Canadian Ambassador Neil Reeder and former Philippine Foreign Affairs Secretary Amb. Delia Domingo-Albert.

“With all the backlash aimed at the Philippine mining industry, people simply need to look at mining companies like TVIRD to see that mining activities can have a neutral and even positive impact on the environment while boosting local communities through job creation and social development work,” according to Mr. James.

Milestones

TVIRD was the first foreign-invested mining company to receive the license to operate under the Philippine Mining Law of 1995. Since then, it has produced 105,000 ounces of Gold and 1.8 million ounces of silver from 2004 to 2008. It went on to produce 30,000 tonnes of zinc concentrates and 200,000 tonnes of copper concentrates, making it one of the country’s largest producers of processed copper concentrates.

“Since its inception, TVIRD’s goal was to become a profitable producer using a ‘bootstrap strategy’ to growth. We accomplished this at Canatuan where we began operations using very little initial capital,” he enthused.

After a decade of successful operations, TVIRD concluded the Canatuan Project with good prospects to extend its mine life: first is the commencement of final rehabilitation that will restore Canatuan to its former natural state, making TVIRD the first Philippine mining company to conclude its operations under the country’s mining law. Second is the upcoming establishment of TVI Agribusiness, which will address the need for livelihood and employment for both tribal and non-tribal communities in the area.

Aside from a package of tenement applications surrounding its Canatuan mine area, the company likewise holds 11 permit applications covering the North Zamboanga tenements that consist of 1,240 square kilometres of the Zamboanga Peninsula. The properties are 100% owned by TVIRD.

The company also renewed its strong relations with both the Zamboanga del Sur Provincial Government, the Local Government Units in Bayog Municipality as well as the collective Subanen tribe who have given the company a social license to operate its Balabag gold and silver project – this, in response to TVIRD’s seeking the tribe’s free, prior and informed consent.

“More than a milestone, this is further testament to TVIRD’s ongoing commitment to responsible mining practices that hinge on inclusive growth for its communities,” declared the chief executive.

New foray into nickel

“The Agata nickel laterite project in Tubay Municipality, Agusan del Norte is the third project that the company has successfully brought on-stream in the past 10 years,” said Mr. James. “In just two years, we put the project into production and have completed a total of 12 shipments of nickel laterite DSO since last October.”

TVIRD is now expecting to ramp-up its operations to over 2.5 million wet tonnes of ore in 2015. To this end, the company has expanded capacity at its loading port and increased its workforce to over 600 people.

Ongoing exploration work at the project also aims to increase proven and probable reserves of nickel ore. The company currently has measured and indicated limonite resources of 10 million tonnes (Mt), grading 0.9% nickel (Ni) and 49% iron (Fe). It also has 23 Mt of saprolite resources in Agata North as well as another 10 Mt in Agata South and the Bolo-bolo area.

Partnerships and challenges

Last year, TVIRD gained a new partner in the Villar-owned Prime Asset Ventures Inc. through its wholly-owned subsidiary, Prime Resources Holdings Inc., which Mr. James acknowledges for helping TVIRD move forward in its projects and which trusts and shares the TVI vision for long-term development in the Philippine mining industry.

The executive also briefly discussed ongoing industry challenges, particularly in the country’s legislative environment. While the Philippines’ current mining law already imposes heavy taxes on the mining industry, according to him, it is nonetheless an example of world-class legislation that clearly “delivers on the triple bottom line: the economy, the people and the environment.”

He also stressed that an unwarranted and onerous increase in taxes “will run the risk not only of reducing foreign direct investments and economic growth potential, but also of capital flight and an overall downtrend for the industry.”

On the topic of unprocessed ore, Mr. James indicated that a unilateral ban on exports will ultimately remove the possibility of establishing processing facilities. In the case of TVIRD, it is the DSO business that generates cash flow that will ultimately fund the potential construction of its nickel processing plant. In this equation, implementing a ban will eliminate the establishment of processing plants instead of paving the way for them.

“TVIRD supports the government’s vision for an industrialized Philippines. In fact, it is inherent for every mining company to support this development as metals, machinery and the extractive industries play a focal role in industrialization,” he said.

“We have confidence that the Philippine government and our industry will come to a mutually-agreeable framework to ensure sustained economic growth in the future while ensuring the protection of people and the environment,” Mr. James concluded.

TVIRD’s corporate history is marked by milestones, operational highlights and a good measure of success in engaging the community. All these are warranted by its contributions towards sustaining its social development in all aspects of its business.

Clifford M. James M.SC. is a geologist and business executive with over 40 years of technical and financial experience in the natural resource sector throughout North America, Africa and Asia. He has spearheaded TVI’s activities in the Philippines since 1993 and was responsible for bringing on stream the Canatuan gold-silver mine – the first foreign-funded, modern, full-scale producing mine in the Philippines since the passage of the Mining Act in 1995. His tireless efforts continue to drive TVI’s commitment to transparent, environmentally and socially responsible mining practices that bring sustainable development to the company’s host communities. Mr. James currently serves as a Director for Foyson Resources Limited, a Papua New Guinea-focused mineral exploration company, and Mindoro Resources Ltd., an Alberta incorporated company engaged in mining exploration in the Philippines.

About TVI in the Philippines

TVI Resource Development Philippines Inc. (“TVIRD”), is the local affiliate of TVI Pacific Inc. (TSX: TVI), a publicly-listed Canadian mining company focused on the exploration, development and production of precious and base metals from district-scale, large-system, high-margin projects located in the Philippines. Concurrent ownership of ventures is shared with partner company, Prime Resource Holdings Inc.

The commercial operations of Agata Mining Ventures Inc. (AMVI) marks the third successful mining project that TVIRD brought on-stream in the past 10 years. The company is 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 its host communities.

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