



NEWS RELEASE

TSX: TVI OTCQX: TVIPF

October 23, 2014

TVI Joint Venture Completes First Shipment of Nickel Ore at Agata Project

CALGARY, ALBERTA - TVI Pacific Inc. (TSX:TVI) (OTCQX:TVIPF) ("TVI" or "the Company") and TVI's Philippine affiliate, TVI Resource Development (Phils.), Inc. ("TVIRD") are pleased to announce that Agata Mining Ventures Inc. ("AMVI"), a joint venture company in which TVIRD holds a 60% interest and is the operator, has completed its first shipment of high-iron/low nickel direct shipping ore ("DSO") produced from the Agata project located in northern Mindanao, the Philippines.

Highlights

- A total of 54,181 wet metric tonnes (wmt) of limonite high-iron/low nickel ore containing 0.70% nickel and 49% iron left the port of Payong-Payong in Agusan del Norte, Mindanao, on October 19, 2014, in accordance with an off-take arrangement between TVIRD and Tewoo Hoperay (Singapore) Pte. Ltd.
- AMVI expects to receive gross revenue of US\$0.89 million for the shipment. TVIRD expects to record in its consolidated financial statements approximately US\$0.54 million as its share of gross revenue in relation to this shipment (pending final assay and price adjustments).

"We are extremely pleased to complete the loading of our first high-iron/low nickel DSO shipment in just seven days, a testament to the exceptional crews we have on the ground," stated Mr. Cliff James, Chairman and CEO of TVI Pacific Inc. and Chairman of TVIRD. "TVIRD's swift return to revenue and cash flow generation represents a major stepping stone in its goal of listing on the Philippine Stock Exchange – the achievement of which could substantially enhance its investment value for shareholders of TVI."

Production remains steady at the Agata project and remaining inventory to date is approximately 26,669 wmt of limonite high-iron/low nickel ore with nickel and iron content levels between 0.7% and 0.9% and 48% and 49%, respectively. It is anticipated that future shipments of approximately 55,000 wmt high-iron/low nickel DSO will continue approximately every three to four weeks with shipping rates expected to accelerate rapidly to 2.5 million wmt per year in 2015.

About the Agata Project

The Agata project is held by AMVI, a joint venture company whose shares are owned by TVIRD and Mindoro Resources Ltd. ("Mindoro"), in which TVIRD holds a 60% interest and is operator. TVI has a 30.66% direct interest in TVIRD and thereby a 24.2% indirect ownership interest in AMVI through its ownership in TVIRD and its 14.4% direct interest in Mindoro, which holds a 15% interest and option to acquire a further 25% in AMVI. In TVI's consolidated financial statements, its interest in TVIRD is recorded as an investment in joint venture within the mining segment, and accounted for using the equity method. Revenues earned and related expenses incurred at the level of TVIRD and its subsidiaries, including net revenues generated by DSO shipments, now result in an adjustment to the investment account with corresponding adjustment in the consolidated income statement of TVI.

An initial Offtake Agreement ("**Agreement**") was signed by AMVI in June 2014 with Tewoo Hoperay (Singapore) Pte. Ltd, a subsidiary of Tianjin Hoperay Mineral Limited Company, a major Chinese State Owned Enterprise, to sell one million wet metric tonnes of high-iron/low nickel DSO, and a second Agreement was signed in August 2014 to sell five hundred thousand wet metric tonnes. Advance payments

of US\$2 million have been received by AMVI against the initial Agreement to fund initial operating costs, and a further US \$1 million advance is expected very soon with respect to the second Agreement.

The Agata Project is located in Agusan del Norte province, within the Surigao mining region on the island of Mindanao, Philippines. The Surigao region is a major lateritic nickel producing region providing ore to processing plants in Australia, China, Korea and Japan. The Agata Project is well located and is expected to benefit from its deep protected seaport, the opportunity for year-round shipping and its proximity to main markets in Asia.

Based on the National Instrument ("NI") 43-101 compliant Feasibility Study completed by TVIRD on September 10, 2013, robust economics were indicated for a DSO operation of the high-iron laterite resources at the Agata Project. The Feasibility Study concluded:

- Low initial start-up capital of US\$10.1 million, high Internal Rate of Return of 187% and payback within the first year of operation;
- Post-tax Net Present Value (10% discount) of US\$37.9 million; and,
- DSO product to grade 48% Fe and 0.9% Ni - a product in consistent demand.

An NI 43-101 Compliant Mineral Resource estimate released on April 10, 2013 shows the Agata DSO project to have reported Proven and Probable Reserves of 9.70 million wmt with a grade of 48% Fe with 0.9% Ni. The report is available for viewing on <http://www.sedar.com> and www.tvipacific.com.

About TVI Pacific Inc.

TVI Pacific Inc. is a Canadian resource company focused on the production, development, exploration and acquisition of resource projects in the Philippines and Southeast Asia. TVI's affiliate, TVIRD, has to date produced copper and zinc concentrates as well as gold and silver from its Canatuan mine and has now commenced loading high-iron/low nickel ore with its Agata DSO project. TVIRD is in the final stage of completing a definitive feasibility study on the Agata Project which could result in the building of a plant and production of mixed nickel product and also continues to advance its Balabag Gold-Silver project. TVI is a direct or indirect participant/operator in several joint venture projects in the Philippines and Papua New Guinea and also has an interest in an offshore Philippine oil property.

In addition to retaining a 30.66% indirect interest in TVIRD and other Philippine subsidiaries, TVI continues to directly hold (i) 23.01% equity interest in Foyson Resources Limited ("**Foyson**") (ii) a 14.4% equity interest in Mindoro; (iii) its 10% interest in the Amazon Bay Iron Sands project (for which the exploration license is held by Titan Mines Limited, a company in which Foyson holds 50% shareholding and has an option to acquire the remaining 50%); and (iv) its 100% investment in shares of TG World Energy Corp.

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IMPORTANT INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

Certain information set out in this News Release constitutes forward-looking information. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "believe", "scheduled", "to be", "will be" and similar expressions. Forward-looking statements in this News Release are based upon the opinions and expectations of management of the Company as at the effective date of such statements. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that those expectations will

prove to have been correct. Forward-looking statements are subject to certain risks and uncertainties (known and unknown) that could cause actual outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include, but are not limited to, such things as inherent risks associated with the exploration and development of mining properties, ultimate recoverability of mineral reserves, timing, results and costs of exploration and development activities, availability of financial resources or third-party financing, new laws (domestic or foreign), changes in administrative practices, changes in exploration plans or budgets, and availability of equipment and personnel.

Accordingly, readers should not place undue reliance upon the forward-looking statements contained in this News Release and such forward-looking statements should not be interpreted or regarded as guarantees of future outcomes. Forward-looking information respecting cash flows anticipated from future production of high-iron/low nickel DSO at the Agata Mining Project, is based upon high-iron/low nickel DSO prices in effect as at the date of this News Release, management's forecasts of trends in prices of high-iron/low nickel DSO, current mining rates of high-iron/low nickel DSO from the Agata Mining Project, estimates of the size of the high-iron/low nickel DSO reserves at Agata Mining Project, the current development plan for Agata Mining Project, TVIRD's current budget and overall strategy for Agata Mining Project, which plans, budget and strategy are all subject to change. Forward-looking information respecting the anticipated timing of future shipments of high-iron/low nickel DSO from the Agata Mining Project, is based upon current mining rates of high-iron/low nickel DSO from the Agata Mining Project, the terms of the third party offtake agreement for the purchase of high-iron/low nickel DSO produced at the Agata Mining Project, estimates of the size of the high-iron/low nickel DSO reserves at the Agata Mining Project, the current development plan for the Agata Mining Project, TVIRD's current budget and overall strategy for the Agata Mining Project, which plans, budget and strategy are all subject to change. The forward-looking statements of the Company contained in this News Release are expressly qualified, in their entirety, by this cautionary statement. Various risks to which the Company is exposed in the conduct of its business (including mining activities) are described in detail in the Company's Annual Information Form for the year ended December 31, 2013, which was filed on SEDAR on March 19, 2014 and is available under the Company's profile at www.SEDAR.com. Subject to applicable securities laws, the Company does not undertake any obligation to publicly revise the forward-looking statements included in this News Release to reflect subsequent events or circumstances.