



NEWS RELEASE

TVI Pacific Investment Update

6/6/2018

TSX-V: TVI OTC Pink: TVIPF

CALGARY, June 6, 2018 /CNW/ - TVI Pacific Inc. (TSX-V: TVI) (OTC Pink: TVIPF) ("TVI" or "the Company") is pleased to provide the following update with respect to its various investments.

Financial Highlights

- \$14.1 million fair value for TVI's investment in Integrated Green Energy Solutions Ltd ("IGES") as at the date of this information update, consisting of:
 - \$10.2 million fair value for TVI's free trading shares; and,
 - \$3.9 million fair value for TVI's options to purchase IGES shares as at the date of this information update, after consideration of conversion price.
 - The current value of TVI's free trading shares of IGES is equivalent to \$0.02 per share of TVI's outstanding common shares.
- \$1.5 million received to date in regular quarterly and special dividends from TVI Resource Development Phils., Inc. ("TVIRD"), after Philippine dividend tax, consisting of:
 - \$0.2 million of quarterly dividend income received to date in 2018; and,
 - \$1.3 million received through 2017.

Integrated Green Energy Solutions Ltd

As noted within the interim consolidated financial statements of TVI for the period ended March 31, 2018, IFRS 9,

"Financial Instruments" became effective on January 1, 2018 and replaced previous requirements included in IAS 39, "Financial Instruments - Recognition and Measurement". This has had the effect at March 31, 2018 of reporting TVI's investment in IGES through application of fair value through profit or loss. As such, TVI recognized a gain of \$6.6 million for the period ended March 31, 2018, through initial recognition of TVI's investment in IGES at fair value and a further \$1.3 million from the revaluation of IGES options held, contributing to a total net income of \$6.9 million for the period ended March 31, 2018. TVI's investment in IGES had previously been fully written-down at September 30, 2017, as a result of recognizing TVI's proportionate share of IGES losses.

The fair value of TVI's investment in IGES at March 31, 2018 was calculated at the IGES share price of A\$0.38 (\$0.37) as at that date. TVI's fair value of its investment in IGES may be expected to fluctuate from time to time based on the IGES share price as at the reporting date. As at the date of this information update, the IGES share price is A\$0.61 (\$0.60), suggesting a fair value for TVI's investment in IGES of \$10.2 million. The fair value of TVI's investment is calculated on the remaining 16,822,908 IGES shares held by TVI following the divestment of 770,000 IGES shares since the January 30, 2018 relisting date of IGES, at an average share price of A\$0.47 (\$0.46) to generate net proceeds of approximately \$348,250. As at the date of this information update, TVI continues to hold a 4.94% equity interest in IGES. TVI may continue to sell IGES shares, depending on market conditions, but will do so in such a way not to negatively influence the market – as it has done thus far.

In addition to IGES shares held, TVI continues to hold 9,158,621 options to purchase IGES shares with a conversion price of A\$0.20 and expiry date of December 31, 2019. Options to purchase IGES shares are also reported at fair value by TVI and for the period ended March 31, 2018 had a reported value of \$2.0 million after consideration of conversion price and as calculated through the Black-Scholes model. As at the date of this information update, the IGES share price is A\$0.61 (\$0.60), suggesting the fair value for options to purchase IGES shares held by TVI to be \$3.9 million after consideration of conversion price.

TVI Resource Development Phils., Inc.

On April 16, 2018, the TVIRD Board of Directors declared a quarterly dividend of 30 million Philippine pesos (\$0.7 million) to be issued among all shareholders of record as of March 31, 2018. As the direct shareholder of TVIRD, TVI International Marketing Limited received as its share on April 23, 2018 a dividend of 9.2 million Philippine pesos (\$0.23 million), prior to Philippine dividend tax in the amount of 1.4 million Philippine pesos (\$0.03 million), and the net amount of 7.8 million Philippine pesos (\$0.2 million) was then transferred through to TVI as repayment of intercompany advances.

The dividend received in April 2018 follows the receipt of 56.8 million Philippine pesos (\$1.5 million) in 1 special and 4 regular dividends from TVIRD through 2017 prior to Philippine dividend tax withholding in the amount of 8.5 million Philippine pesos (\$0.2 million).

TVI holds a 30.66% interest in its Philippine entity, TVIRD.

About TVI Pacific Inc.

TVI Pacific Inc. is a Canadian resource company focused on the acquisition of resource projects in the Asia Pacific region. TVI currently holds a 30.66% equity interest in TVIRD and a 4.94% equity interest in Integrated Green Energy Solutions Ltd, a publicly listed company incorporated in Australia with shares listed on the Australian Stock Exchange ("ASX"), that is engaged in the commercialization of technologies related to converting waste plastics to fuel in Australia and internationally. TVI's other holdings include a 14.4% equity interest in Mindoro Resources Ltd.; a 10% interest in the Amazon Bay Iron Sands project in Papua New Guinea; and a 100% investment in shares of TG World. As at the date of this information update, TVI has 655,537,049 outstanding common shares and 698,987,039 fully diluted including the currently issued outstanding options of 43,450,000.

About TVI Resource Development Phils., Inc.

TVIRD, the Philippine affiliate of TVI Pacific Inc., in which TVI holds a 30.66% interest, is a diversified mining company that focuses on the acquisition, exploration, development and production of resource projects in the Philippines. It operates under the highest standards of health and safety practices for its workers and its host community; and is uncompromising in its best-practices approach to environmental protection as well as community development. TVIRD holds a 60% interest in Agata Mining Ventures Inc. ("AMVI"), in which TVIRD is operator, a nickel laterite Direct Shipping Ore ("DSO") operation that commenced in October 2014 and has to date shipped a total of 9.4 million wet metric tonnes through 173 shipments. TVIRD also owns 100% of the Balabag gold/silver project.

About Integrated Green Energy Solutions Ltd

IGES is a publicly listed company incorporated in Australia with shares listed on the ASX and is engaged in the commercialization of technologies related to converting waste plastics to fuel in Australia and internationally. While IGES has reported that it is in discussion with various parties in multiple jurisdictions about the rollout of its technology, it has commenced construction of a waste plastic to road ready fuel facility in Amsterdam that is expected to start producing road ready fuel in November 2018 and has recently also formed a Joint Venture with Crown World Holdings Limited, a wholly owned subsidiary of Beautiful China Holdings Company Limited, to construct a waste plastics to fuel facility that is expected to be completed and commissioned in the fourth quarter of 2019.

The ASX has advised that all shares and unlisted options held by TVI are not subject to any ASX restrictions.

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.

Forward-looking statements regarding IGES projects in Amsterdam, China and elsewhere, as well as information about IGES being in discussion with various parties in multiple jurisdictions about the rollout of its technology, are based upon announcements of IGES. TVI does not have control over IGES or, similarly, TVIRD, nor does it have any involvement in the management or decisions of these entities or control over financial reporting and internal controls of any of these entities. Therefore, TVI relies on the internal controls and financial reporting controls of these entities and their failure to maintain effectiveness or comply with applicable standards may adversely affect TVI.

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, 2017, which was filed on SEDAR on April 19, 2018 and is available under the Company's profile at www.SEDAR.com. Readers are encouraged also to read this press release in conjunction with the audited consolidated financial statements that have been prepared in accordance with International Financial Reporting Standards ("IFRS") and management's discussion and analysis for the years ended December 31, 2017 and 2016, as filed on SEDAR (www.sedar.com) on April 19, 2018, as well as the interim consolidated financial statements for the periods ended March 31, 2018 and 2017, filed on SEDAR on May 17, 2018, both of which are also available on our web site (www.tvipacific.com). The interim financial statements have not been reviewed by the Company's auditor.

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.

SOURCE TVI Pacific Inc.

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