



**Subject: Whistle Blowing Policy**  
**Revision Date: December 1, 2008**

## **Introduction**

The purpose of TVI Pacific Inc.'s ("TVI") whistle blowing policy is to establish a framework for the submission of complaints or concerns regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters.

## **Communicated to All Employees**

This policy is to be effectively communicated to all employees. All employees will be asked to sign an acknowledgement, annually, to the effect that he or she has been provided with a copy of and has read and understands this Whistle Blowing Policy. All new employees will also be asked to sign this acknowledgement at the commencement of their employment.

## **Procedures**

Each officer, director, and employee of TVI should promptly advise the Audit Committee of any issues or concerns raised by third parties that such officer, director, or employee becomes aware of regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters. Concerns may include issues appearing in Internet blogs or voiced by participants in Internet chat rooms.

Any employee of TVI may submit (on a confidential or anonymous basis if the employee so desires), any concerns regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters. All such concerns should be described in writing and forwarded in a sealed envelope to the Chief Financial Officer or directly to the Chair of the Audit Committee. Any such envelopes received by the Chief Financial Officer that are directed to the Audit Committee will be forwarded promptly (and unopened) to the Chair of the Audit Committee. An envelope containing an employee's submission should be labeled: "To be opened by the Audit Committee only" or should bear a similar legend indicating that the envelope contains a submission made pursuant to this Policy. TVI may provide, in its discretion, alternative methods of communication such as a third party website. (If an alternate method of communication is selected, appropriate steps will be taken, under the supervision of the Audit Committee, to ensure the availability of the alternate procedure is widely known throughout the organization.) If an employee wishes to discuss his/her submission with the Audit Committee, the employee should request a meeting (in person or by phone or some other method of communication) with a representative of the Audit Committee. The meeting request should include a telephone number or e-mail address at which he/she can be contacted. The Audit Committee has the authority to determine, in its discretion, whether such a meeting would be appropriate and the Audit Committee may determine not to meet with an employee, notwithstanding that a request for a meeting has been made, as aforesaid.

Following the receipt of any submission of the nature contemplated by this Policy, the Audit Committee will investigate the matter (or cause the same to be investigated) and, if the Audit Committee considers corrective and/or disciplinary action to be appropriate, it will take such corrective and/or disciplinary action as may be within its authority, or make recommendations to the senior officers or the Board of Directors of TVI (as applicable), where the implementation of corrective and/or disciplinary action considered appropriate by the Audit Committee is not within the scope of the authority of the Audit Committee. In order to be acted upon, each such submission of an employee must include sufficient information for the Audit Committee to investigate the matter and determine whether the submission is valid and is made in good faith. If, on preliminary examination, the submission is judged to be without substance or merit, or not made in good faith, the submission may be dismissed.

The Audit Committee may enlist employees of TVI and/or outside legal, accounting, or other advisors, as appropriate, to conduct the investigation of a submission regarding financial statement disclosures, accounting, internal accounting controls, or auditing matters. In conducting an investigation, the Audit Committee will use reasonable efforts to protect the confidentiality or anonymity of the employee who made the applicable submission, to the extent the identity of such employee is known to the Audit Committee.

If the identity of the employee making the submission, or assisting in investigation of the submission, is known by any other person within TVI, the Audit Committee will monitor any disciplinary action against the employee to determine whether such disciplinary action is the result of or related to the making of a submission by the employee of the nature contemplated by this Policy or the related investigation. TVI and its officers, employees and agents will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of his or her employment based upon lawful actions of such employee in relation to a good faith submission of the nature contemplated by this Policy or the investigation of issues or concerns regarding TVI's accounting and auditing matters.

The Audit Committee will retain as a part of its records any such complaints or concerns for a period of at least 7 years.

## **Approval of the Whistle Blowing Policy**

*"Clifford M. James"*

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Clifford M. James, President and CEO

*"Jan Horejsi"*

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Jan Horejsi, Director