



**Notice of Annual and General  
Meeting of Shareholders**

*and*

**Management Information Circular**

**May 6, 2019**

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**TVI PACIFIC INC.**

**NOTICE OF ANNUAL AND GENERAL MEETING OF SHAREHOLDERS**

**to be held on Thursday, June 20, 2019**

TAKE NOTICE that the Annual and General Meeting (the "**Meeting**") of the shareholders of TVI Pacific Inc. (the "**Corporation**" or "**TVI**") will be held in the offices of TVI Pacific Inc., Suite 806, 505 – 2<sup>nd</sup> Street SW, Calgary, Alberta, on Thursday, June 20, 2019, at 3:00 p.m. for the following purposes:

- a) to receive the consolidated financial statements of the Corporation as at and for the year ended December 31, 2018, and the report of the auditors thereon;
- b) to elect the directors of the Corporation for the ensuing year;
- c) to re-appoint auditors for the ensuing year and to authorize the directors to fix the auditor's remuneration;
- d) to consider and, if thought fit, pass an ordinary resolution ratifying and confirming the existing stock option plan of the Corporation as described in the accompanying management proxy information circular (the "**Information Circular**");
- e) to transact such other business as may properly come before the Meeting or any adjournment thereof.

Information relating to items (b) through (d) above is set out in the accompanying Management Proxy Circular.

A shareholder may attend the Meeting in person or may be represented at the Meeting by a proxyholder. Shareholders who are unable to attend the Meeting in person are requested to date, sign and return the accompanying Instrument of Proxy, or other appropriate form of proxy, in accordance with the instructions set out in the accompanying Management Proxy Circular. **An Instrument of Proxy will not be valid unless it is deposited at the offices of Computershare Trust Company of Canada (Attention: Proxy Department, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1) or provided to Computershare Trust Company of Canada via telephone voting at 1-866-732-8683 or 312-588-4290 or by web voting at [www.investorvote.com](http://www.investorvote.com), not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, or any adjournment thereof. A person appointed as proxyholder need not be a shareholder of the Corporation.**

Only persons registered as holders of common shares of the Corporation as of the close of business (Calgary time) on May 6, 2019 are entitled to receive notice of the Meeting.

DATED at Calgary, Alberta, this 7<sup>th</sup> day of May, 2019.



Clifford M. James  
President and Chief Executive Officer

# TVI PACIFIC INC.

## MANAGEMENT INFORMATION CIRCULAR

### SOLICITATION OF PROXIES

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This Information Circular is furnished in connection with the solicitation by the management of TVI Pacific Inc. ("TVI" or the "**Corporation**") of proxies to be used at the Annual and General Meeting (the "**Meeting**") of the shareholders of the Corporation (the "**Shareholders**"). The meeting will be held at the offices of TVI Pacific Inc., Suite 806, 505 – 2<sup>nd</sup> Street SW, Calgary, Alberta, on Thursday, June 20, 2019, at 3:00 pm (Mountain Daylight Time) or any adjournment thereof, for the purposes set out in the Notice of Meeting accompanying this Information Circular.

Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, e-mail or oral communication by the directors, officers and employees of the Corporation, at no additional compensation. The cost of the solicitation of proxies will be borne by the Corporation.

Unless otherwise indicated, information set out in this Information Circular is provided as of May 6, 2019.

### Appointment of Proxyholders and Revocation of Proxies

Clifford M. James and Robert C. Armstrong (the management designees named in the accompanying Instrument of Proxy) are both directors of TVI. Mr. James is also a senior officer of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than Clifford M. James or Robert C. Armstrong to represent such Shareholder at the Meeting.** To exercise this right, a Shareholder should insert the name of the other person in the blank space provided on the Instrument of Proxy. Alternatively, a Shareholder may complete another appropriate form of proxy. **A person appointed as proxyholder need not be a Shareholder of the Corporation.**

In order to be voted, the completed Instrument of Proxy must be received by our registrar and transfer agent, Computershare Trust Company of Canada (the "Transfer Agent") not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

Registered Shareholders have four options to vote by proxy:

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| <p>(a) By mail:<br/>Send your completed form of proxy to:</p> <p>Computershare<br/>Attention: Proxy Department<br/>135 West Beaver Creek<br/>PO Box 300<br/>Richmond Hill, ON L4B 4R5</p>   | <p>(c) By telephone:<br/>Registered shareholders residing in Canada or the United States may call 1-866-732-8683 or 312-588-4290 from a touch-tone phone and follow the Instructions.</p> <p>You will need the control number located on the form of proxy. You do not need to return your form of proxy.</p>  |
| <p>(b) In person:<br/>Deliver your completed form of proxy in person to:</p> <p>Attention: Proxy Department<br/>100 University Avenue, 9<sup>th</sup> Floor<br/>Toronto, Ontario<br/>Canada M5J 2Y1</p> <p>Alternatively, you may deposit your completed, form of proxy with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof.</p> | <p>(d) On the internet:<br/>Go to <a href="http://www.investorvote.com">www.investorvote.com</a> and follow the instructions on screen. You will need the control number located on the form of proxy. You do not need to return your form of proxy.</p> <p>The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions.</p> |

A *registered* Shareholder who has submitted a proxy may revoke it by depositing a written instrument of revocation (signed by the Shareholder or by an authorized attorney or, if the Shareholder is a corporation (or other entity), by a duly authorized representative) either: (i) at the offices of Computershare Trust Company of Canada, Attention: Proxy Department at 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof; or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. In addition, a proxy may be revoked: (i) by the Shareholder personally attending the Meeting and voting the securities represented thereby or, if the Shareholder is a corporation (or other entity), by a representative of the corporation (or other entity) attending the Meeting and voting such securities; or (ii) in any other manner permitted by law.

The foregoing information respecting appointment of proxyholders and revocation of proxies is generally applicable only to *registered* Shareholders, being persons who are named as holders of common shares of TVI ("**Common Shares**") on the register of shareholders maintained by the Corporation's registrar and transfer agent (the "**Register of Shareholders**"). A significant number of persons, who beneficially own Common Shares, hold those shares in a brokerage account or through some other intermediary. In almost all cases, a person whose shares are held by a broker (or other intermediary) will not appear as the *registered* holder of such shares on the Register of Shareholders. Non-registered shareholders (i.e., persons whose TVI shares are not held in their own name) do not have the same rights, under applicable corporate legislation, as *registered* Shareholders in respect of shareholder meetings (including the rights described above to appoint a proxyholder and revoke a deposited proxy), and non-registered shareholders are required to act indirectly through their broker (or other intermediary) in order to vote their shares. **Non-registered shareholders should refer to the information set out under the heading "Voting of Common Shares - Advice to Non-Registered Holders of Common Shares" in this Information Circular for further information concerning the voting of their TVI shares at the Meeting.**

### **Exercise of Discretion by Proxyholders**

On any ballot that may be called for at the Meeting, the management designees named in the accompanying Instrument of Proxy will vote or withhold from voting the shares in respect of which they are appointed as proxyholder in accordance with the direction of the Shareholder appointing them and if the Shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of such direction, the relevant shares will be voted for: (i) the election of directors; (ii) the appointment of auditors, at such remuneration as may be determined by the directors of the Corporation; (iii) to ratify and confirm the existing stock option plan of the Corporation, all as more particularly described in this Information Circular.** The accompanying Instrument of Proxy confers discretionary authority upon the persons named therein with respect to amendments to, or variations of, the matters identified in the Notice of Meeting and with respect to other matters that may properly be brought before the Meeting. As of the date hereof, management of the Corporation knows of no such amendments, variations or other matters to be brought before the Meeting.

### **Signing of Proxy**

A proxy must be signed by the Shareholder or a duly appointed attorney authorized in writing or, if the Shareholder is a corporation (or other entity), by a duly authorized representative. A proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person's capacity and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with the Corporation).

### **Notice and Access**

National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer ("NI54-101") and National Instrument 51-102 - Continuous Disclosure Obligations ("NI51-102") allow for the use of a notice and access method for the delivery of proxy-related materials ("Notice and Access").

Notice and Access permits reporting issuers to deliver proxy-related materials by posting them on SEDAR as well as a website other than SEDAR and sending Shareholders a notice package that includes: (i) the voting instruction form or proxy; (ii) basic information about the meeting and the matters to be voted on; (iii) instructions on how to obtain a paper copy of the materials; and (iv) a plain-language explanation of how Notice and Access

operates and how the materials can be accessed online. Where prior consent has been obtained, a reporting issuer can send this notice package to Shareholders electronically. This notice package must be mailed to Shareholders from whom consent to electronic delivery has not been received.

The Corporation has elected to send its Information Circular to Shareholders, except for US Beneficial Shareholders, using Notice and Access. Accordingly, the Corporation will send the above mentioned notice package to Shareholders, except for US Beneficial Shareholders, which includes instructions on how to access this Information Circular online and how to request a paper copy of this Information Circular. Distribution of this Information Circular pursuant to Notice and Access substantially reduces printing and mailing costs related to the Meeting.

## VOTING SHARES AND PRINCIPAL HOLDERS OF COMMON SHARES

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### Voting of Common Shares - General

As at the close of business on May 6, 2019 there were 655,537,039 Common Shares issued and outstanding, each of which carries the right to one vote at meetings of the shareholders of the Corporation.

The directors have established the close of business (Calgary time) on May 6, 2019 as the record date (the "**Record Date**") for determining Shareholders entitled to receive notice of the Meeting. In accordance with the *Business Corporations Act* (Alberta), the Corporation will prepare a list of the *registered* holders of Common Shares as of the Record Date. Each holder of Common Shares named in that list will be entitled, at the Meeting, to vote the shares shown opposite the holder's name on the list, except to the extent that: (a) the Shareholder has transferred any of his/her/its Common Shares after the Record Date; and (b) the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes ownership of such shares and demands, not later than 10 days before the Meeting, that the transferee's name be included on the Shareholder's list, in which case the transferee will be entitled to vote such shares at the Meeting.

### Voting of Common Shares - Advice to Non-Registered Holders of Common Shares

The information set out in this section is important to many shareholders of the Corporation, as a substantial number of shareholders do not hold shares in their own name. Shareholders who do not hold their TVI shares in their own name (referred to in this Information Circular as "Non-registered Holders" or "Beneficial Shareholders") should note that only proxies deposited by persons whose names appear on the Register of Shareholders as the registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by an intermediary, such as a brokerage house, bank or trust company, then in almost all cases those shares will not be registered in that shareholder's name on the records of the Corporation. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered in the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as a clearing agency and nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) at the direction of the Non-registered Holder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. Therefore, Non-registered Holders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person well in advance of the Meeting. Notification that the Corporation is using Notice and Access has been sent to the clearing agencies and Intermediaries for onward distribution to Non-registered Holders.

Under securities laws in force in Canada, brokers and intermediaries are required to forward the Notice and Access Notification or proxy-related materials, as the case may be, to Non-registered Holders to seek voting instructions in advance of shareholder meetings. **Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-registered Holders in order to ensure that their shares are voted at the Meeting.** The majority of Canadian brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form ("**VIF**"), mails that form to Non-registered Shareholders and asks them to return the instruction forms to Broadridge. Alternatively, Non-registered Shareholders can either call Broadridge's toll-free telephone line or access Broadridge's dedicated voting website at [www.proxyvote.com](http://www.proxyvote.com) to deliver their voting instructions. Broadridge then tabulates the results of all instructions received and provides instructions respecting the voting of Common Shares to be represented at the Meeting.

Since the Corporation does not have access to the name of its non-registered shareholders, if a Non-registered Holder attends the Meeting the Corporation will have no record of the Non-registered Holder's shareholdings or of its entitlement to vote unless the Non-registered Holder's intermediary has appointed the Non-registered Holder as proxyholder. Therefore, a Non-registered Holder who wishes to vote in person at the Meeting must insert its own name in the space provided on the VIF sent to the Non-registered Holder by its intermediary, and sign and return the VIF by following the signing and returning instructions provided by its intermediary. By doing

so, the Non-registered Holder will be instructing its intermediary to appoint the Non-registered Holder as proxyholder. The Non-registered Holder should not otherwise complete the voting instruction form as its vote will be taken at the Meeting.

There are two kinds of Non-registered Holders – those who object to their name being made known to the issuers of securities which they own ("Objecting Beneficial Owners" or "OBOs") and those who do not object to the issuers of the securities they own knowing who they are ("Non-Objecting Beneficial Owners" or "NOBOs"). Pursuant to NI54-101, issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy-related materials directly to NOBOs.

The Notice and Access notifications or proxy related materials are being sent to both Registered Shareholders and Non-registered Holders. If you are a Non-registered Holder, and our agent or we have sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

#### Approved Intermediaries

Broadridge Financial Solutions, Inc. is the approved intermediary for mailing proxy related materials to Non-registered Holders. The Corporation does not intend to pay for intermediaries to deliver proxy related materials to OBOs. The OBOs' intermediary will be required to assume the costs of delivery of those documents should they wish to receive them. Computershare Investor Services is the approved intermediary for mailing proxy related materials to Registered Shareholders.

#### Principal Holders of Common Shares

As at May 6, 2019, CDS & Co. was the registered owner of 584,644,312 Common Shares, which represents approximately 89.2% of the issued and outstanding Common Shares. The directors and officers of the Corporation understand that CDS & Co. is a nominee and is not a beneficial owner of Common Shares. Except as otherwise set out in this Information Circular, the directors and officers of the Corporation are not aware of any person who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding Common Shares.

As at May 6, 2019, Mr. James, President & CEO of the Corporation and Chairman of the Board, beneficially owns, or is deemed to beneficially own, 10.0% of the total number of issued and outstanding common shares. Assuming the exercise in full of equity instruments to acquire TVI common shares, Mr. James would beneficially own, or would be deemed to beneficially own, approximately 11.9% of the total number of issued and outstanding common shares.

## ELECTION OF DIRECTORS

Directors are elected annually and hold office from the date of the annual meeting at which they are elected until the next annual meeting of the shareholders of the Corporation, or until their successors are elected or appointed or a director vacates office in accordance with the by-laws of the Corporation. It is anticipated that five persons will be nominated for election as directors at the Meeting. **Unless otherwise directed, the management designees named in the accompanying Instrument of Proxy intend to vote for the election of the nominees identified in the table set out below.** As you will note from the enclosed form of proxy and voting instruction form, Shareholders may vote for each proposed director individually as opposed to voting for directors as a slate. In addition, the Corporation adopted a majority voting policy in 2013, which provides that any nominee for director who receives a greater number of votes withheld than for his or her election is expected to tender his or her resignation to the Chairman of the board of directors following the Corporation's annual meeting. This policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected. Unless directors comprising a majority of the Governance Committee tender their resignations as directors in accordance with majority voting policy (in which case the board of directors shall undertake a review directly), the Governance Committee shall consider the resignation and whether or not it should be accepted and make a recommendation and provide a report on such resignation to the board of directors. Factors to be taken into account in assessing a resignation tendered pursuant to the policy may include: (i) the stated reason the shareholder withheld their vote; (ii) length of service and qualifications of such director; (iii) past and anticipated contributions of such director; and (iv) effect a resignation may have on TVI's ability to comply with applicable governance rules and policies and dynamics of the Board. The nominee shall not participate in any committee or board of directors' deliberations on the resignation offer. The board of directors shall disclose its decision whether or not to accept a resignation via press release as soon as practicable following completion of its deliberations and will use reasonable efforts to make a determination with respect to such resignation, within 90 days of the applicable annual meeting. If a resignation is accepted, the board of directors may appoint a new director to fill the vacancy created by the resignation or leave the vacancy unfilled. Any such resignation will not be effective and not be considered to have been delivered to TVI unless and until accepted by the board of directors.

The following table (and the accompanying notes) sets out the name and municipality of residence of each person proposed to be nominated for election as a director, all other positions and offices with the Corporation now held by them, their principal occupation or employment, the date on which they were first elected as directors of the Corporation (as applicable) and the number of Common Shares beneficially owned by them, directly or indirectly, or over which they exercise control or direction, as of May 6, 2019.

1.	Name, Municipality of Residence and Position(s) with the Corporation	Principal Occupation or Employment
	Clifford M. James Calgary, Alberta, Canada Chairman, President, Chief Executive Officer and Director since January, 1987	Chairman, President and Chief Executive Officer, TVI Pacific Inc. since January 1987, and Chairman of TVI Resource Development Phils, Inc. since 2006. In addition, Mr. James has served as President and Chief Executive Officer of Seajay Management Enterprises Ltd. (Seajay) since 1977 and President and CEO of Regent Parkway 3202 Management Inc. (Regent) since 2007, both of which are private management and investment companies. Director of FOY Group Limited (formerly Foyson Resources Limited and now renamed to Integrated Green Energy Solutions Limited), (August 2012 to July 2013, and December 2014 to September 2017), an ASX listed company engaged in the commercialization of technologies related to converting waste plastics to fuel in Australia and internationally. Director of Mindoro Resources Ltd. (October 2012 to August 2015) an Alberta incorporated company engaged in exploration in the Philippines.
	<b>TVI Board/Committee Memberships</b>	<b>Attendance at Meetings during 2018</b>
	Board of Directors (Chairman)	4 out of 4
	<b>Securities held <sup>(1)</sup></b>	
	65,264,419 Common Shares: <ul style="list-style-type: none"> <li>• 6,859,608 held by Mr. James;</li> <li>• 33,789,049 held by Seajay; and</li> <li>• 24,615,762 held by Regent.</li> </ul> 18,000,000 stock options	

2.	<b>Name, Municipality of Residence and Position(s) with the Corporation</b>	<b>Principal Occupation or Employment</b>
	Robert C. Armstrong Castle Rock, Colorado, United States of America Director since June, 1998 Lead Director since January, 2007	President, Armstrong Associates International, LLC. (since 1998), a private company involved in the mining industry.
	<b>TVI Board/Committee Memberships</b>	<b>Attendance at Meetings during 2018</b>
	Board of Directors Compensation Committee Corporate Governance and Nominating Committee	4 out of 4 2 out of 2 1 out of 1
	<b>Securities held <sup>(1)</sup></b>	
9,337,744 Common Shares and 3,100,000 stock options		
3.	<b>Name, Municipality of Residence and Position(s) with the Corporation</b>	<b>Principal Occupation or Employment</b>
	C. Brian Cramm Englewood, Colorado, United States of America Director since June, 1997	President, Number Sense Corp. (since July 2010), a private personal and business financial management services firm.
	<b>TVI Board/Committee Memberships</b>	<b>Attendance at Meetings during 2018</b>
	Board of Directors Audit Committee (Chairman) Compensation Committee	4 out of 4 4 out of 4 2 out of 2
	<b>Securities held <sup>(1)</sup></b>	
420,698 Common Shares and 3,100,000 stock options		
4.	<b>Name, Municipality of Residence and Position(s) with the Corporation</b>	<b>Principal Occupation or Employment</b>
	Jan R. Horejsi Calgary, Alberta, Canada Director since December, 1991	President, CEO, and a director of Shooting Star Petroleum Ltd. (since July 1983), a private oil and gas and investment company. Director and CEO, Jadex International Ltd. (from January 2001 to December 2012), an independent oil and gas exploration company.
	<b>TVI Board/Committee Memberships</b>	<b>Attendance at Meetings during 2018</b>
	Board of Directors Audit Committee Compensation Committee (Chairman) Corporate Governance and Nominating Committee	4 out of 4 4 out of 4 2 out of 2 1 out of 1
	<b>Securities held <sup>(1)</sup></b>	
1,437,358 Common Shares and 3,100,000 stock options		

5.	Name, Municipality of Residence and Position(s) with the Corporation	Principal Occupation or Employment
	David Moscovitz Toronto, Ontario, Canada Director since May, 2011	Independent advisor since January 31, 2016, formerly Counsel, Dentons Canada LLP, formerly Fraser Milner Casgrain LLP (from 2007 until January 2016), a legal services firm. Prior thereto, Lawyer, Partner at Goodman and Carr LLP, a legal services firm. On January 31, 2016, Mr Moscovitz retired from Dentons. Mr Moscovitz is currently an independent advisor.
	TVI Board/Committee Memberships	Attendance at Meetings during 2018
	Board of Directors Audit Committee Corporate Governance and Nominating Committee (Chairman)	4 out of 4 3 out of 4  1 out of 1
	Securities held <sup>(1)</sup>	
	717,541 Common Shares and 3,100,000 stock options	

**Notes:**

(1) The information relating to the Common Shares beneficially owned or controlled, not being within the knowledge of management or the Corporation, has, at the request of management, been furnished by each of the nominees respectively.

The Board of Directors has not established an executive committee. Under applicable corporate legislation and securities laws, the Corporation is required to have an audit committee comprised of independent members of the Board of Directors. The Board of Directors has also established a Compensation Committee and Corporate Governance and Nominating Committee. The current members of the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee, all of whom are also directors, are identified in the table and the notes thereto set out above.

Corporate Cease Trade Orders and Corporate Bankruptcies, etc.

To the knowledge of TVI, no director or executive officer of TVI is, as at the date of this Information Circular, or was, within the 10 year period preceding the date of this Information Circular, a director, chief executive officer or chief financial officer of any issuer that: (i) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer, but which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For purposes of this paragraph, the term "order" means (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant issuer access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

To the knowledge also of TVI, no director, executive officer or security holder holding a sufficient number of securities of TVI to affect materially the control of TVI is as of the date of this Information Circular, or has been within the 10 year period preceding the date of this Information Circular, a director or executive officer of any issuer that, while such person was acting in that capacity (or within a year of that person ceasing to act in that capacity), became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

**Personal Bankruptcies**

To the Corporation's knowledge, no director, or proposed director has, within the 10 years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

## **Penalties and Sanctions**

To the Corporation's knowledge, no director, or proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## CORPORATE GOVERNANCE

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On June 30, 2005, National Policy 58-201 – *Corporate Governance Guidelines* (the "**Guidelines**") and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") came into force. The Guidelines set out a number of corporate governance recommendations and NI 58-101 requires reporting issuers to describe certain aspects of their corporate governance practices, with reference to the Guidelines, in their proxy circulars.

The Board of Directors and senior management of the Corporation consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. Disclosure respecting TVI's general approach to corporate governance is set out below.

### Responsibility of the Board of Directors

Under the *Business Corporations Act (Alberta)*, the Board of Directors is responsible for managing or supervising the management of the business and affairs of the Corporation. In addition to statutorily imposed responsibilities (e.g. approving published financial statements), the Board of Directors retains specific responsibility for: (i) to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer and the other executive officers of the Corporation and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the organization; (ii) the strategic direction of the Corporation; (iii) the identification of the principal risks to which the Corporation is exposed, and the implementation of systems to manage those risks; (iv) succession planning at the senior management level (including the Board of Director's own composition); (v) the Corporation's communications policy; (vi) the integrity of the Corporation's internal controls and management information systems; and (vii) developing the Corporation's approach to corporate governance. The Board of Directors does not have a written mandate; however, the Board of Directors recognizes its responsibility for the stewardship of the Corporation and engages with management of the Corporation in overseeing the Corporation's affairs. Certain board responsibilities are delegated to various committees of the Board of Directors, as disclosed in this Information Circular under the heading "Corporate Governance – Committees of the Board of Directors".

### Composition of the Board of Directors

The Guidelines require the Corporation to disclose the identity of those directors who are independent and those who are not independent. An independent director is one who has no direct or indirect material relationship with the Corporation. For purposes of determining independence, a 'material relationship' means a relationship that could, in the view of the Board of Directors, reasonably interfere with the exercise of a director's independent judgment. The five individuals proposed to be nominated for election as directors at the Meeting are:

<b>Clifford M. James</b> , Director, Chairman, President and Chief Executive Officer	Not independent
<b>Robert C. Armstrong</b> , Lead Director	Independent
<b>C. Brian Cramm</b> , Director	Independent
<b>Jan R. Horejsi</b> , Director	Independent
<b>David Moscovitz</b> , Director	Independent

Mr. James is not considered independent as he is an executive officer of the Corporation.

The Board of Directors has determined that four of the five existing directors proposed to be nominated for election at the Meeting are independent.

### Director Term Limits and Other Mechanisms of Board Renewal

The Board of Directors is concerned that imposing arbitrary and inflexible director term limits, as well as mandatory retirement ages, may discount the value of experience in the Corporation's history and culture and the importance of continuity, and risk the loss of key directors. The Board of Directors therefore believes that it would not be appropriate to set term limits for its directors but rather relies on the collective experience and judgement of its members to determine when changes in the Board are appropriate. Shareholder feedback and voting results are also considered by the Board of Directors in this regard.

## Policies Regarding the Representation of Women on the Board

The Board of Directors has not adopted a written policy relating to the identification and nomination of women directors. Potential nominees for the Board of Directors are evaluated on the basis of experience, skill and ability and determining if the candidates' qualifications will meaningfully contribute to the effective functioning of the Board of Directors taking into consideration current Board of Directors composition and the skills and knowledge required to make the Board of Directors most effective.

### Consideration of the Representation of Women in the Director Identification and Selection Process

The Board of Directors has not adopted a written policy relating to the identification and nomination of directors, including women directors. The Board of Directors believes that having written policies governing the selection of Board of Directors nominees could unduly restrict the Board's ability to select the most capable nominees that are free from conflicts of interest or other considerations that may impede the ability of a candidate to serve as a director of the Corporation.

### Consideration Given to the Representation of Women in Executive Officer Appointments

The Board of Directors is an equal opportunity employer and does not consider the level of representation of women in executive officer positions when making executive officer appointments. The Corporation's policies are committed to treating people fairly, with respect and dignity, and to offer employment opportunities based upon an individual's qualifications, character and performance, not the particular gender or social group that an individual may belong to.

### Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Board of Directors consists of a diverse set of individuals with a broad range of skill sets. At this time it does not have any female members and the Board of Directors has not adopted a specific target regarding women on the Board of Directors as candidates are selected based on the primary considerations of experience, skill and ability.

The Corporation is an equal opportunity employer and candidates are thereby selected based on the primary considerations of experience, skill and ability. As such, the Corporation has not adopted a specific target regarding women in executive officer positions.

### Number of Women on the Board and in Executive Officer Positions

As at the date hereof, no members of the Board of Directors are women and no executive officers of the Corporation are women.

### Independent Functioning of the Board of Directors, Other Directorships and Position Descriptions

The President and Chief Executive Officer of the Corporation, Mr. James, is also Chairman of the Board of Directors. The Chairman does not have a casting vote in the event of a tie vote on any matter arising at a directors' meeting. The Board of Directors has appointed Mr. Armstrong as Lead Director to address governance issues arising as a result of the offices of the Chairman and Chief Executive Officer being vested in the same person. The Lead Director is to provide independent leadership to the Board of Directors and promote the effective and efficient discharge by the Board of its duties and responsibilities, and he is responsible also to continually assess the structure, composition, membership and activities of the Board and provide the Board with his/her assessment as to whether the Board is composed of a majority of "independent" directors. The Board of Directors believes that its independence from management is maintained by having a majority of independent directors and a Lead Director.

As disclosed in the tables in the section entitled "Election of Directors", the Corporation's directors are also directors or officers of other reporting issuers (or have been directors or officers of other reporting issuers), none of which are competitors of the Corporation.

The Board of Directors engage in frank and open discussions concerning the Corporation and management in the presence of management. In addition, members of the Audit Committee meet at least quarterly in the absence of management.

The Board of Directors has approved a written position description for the Corporation's chief executive officer ("CEO"), which sets out various corporate objectives that the CEO is responsible for meeting. The responsibilities of the CEO include the advancement, growth, management and financing of the Corporation and its exploration and development projects as well as other specific responsibilities that may be assigned by the Board of Directors. The CEO is also responsible for promoting the Corporation's contributions to the well-being and improvement of the communities in which the Corporation and its affiliates operate, providing leadership and supporting the Corporation's commitment to environmental responsibilities, corporate social responsibility and ethical conduct.

## **Committees of the Board of Directors**

### **Audit Committee**

The Audit Committee, which, through to the date of the Meeting on June 20, 2019, has been comprised of Mr. Cramm (Chairman), Mr. Horejsi and Mr. Moscovitz (all independent directors), is responsible for reviewing the quarterly and annual financial statements of the Corporation and making recommendations respecting those financial statements to the Board of Directors. In connection with its deliberations, the Audit Committee periodically meets with the Corporation's independent auditors to, among other things, review the effectiveness of the Corporation's internal controls and any other matters the auditors wish to bring to the Committee's attention. In addition to its responsibilities in relation to quarterly and annual financial statements, the Committee is responsible for the administration of the Corporation's "Whistle Blowing Policy". The Board of Directors has approved a written position description for the chairman of the Audit Committee. All members of the Audit Committee are considered to be financially literate by the Board of Directors.

The Audit Committee's Charter, along with additional information relating to the Audit Committee, is included in the Corporation's Annual Information Form, dated April 26, 2019, a copy of which has been filed with various securities regulatory authorities in Canada and which is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Corporation's website at [www.tvipacific.com](http://www.tvipacific.com).

### **Corporate Governance and Nominating Committee**

The Corporate Governance and Nominating Committee, which, through to the date of the Meeting on June 20, 2019, has been comprised of Mr. Moscovitz (Chairman), Mr. Armstrong and Mr. Horejsi (all independent directors), is responsible for reviewing the corporate governance practices of TVI and evaluating those practices with reference to the Guidelines. The Corporate Governance and Nominating Committee is also responsible for identifying and recommending to the Board of Directors nominees suitable for election to the Board. The Board of Directors has approved a written position description for the chairman of the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee has the power to engage outside advisors and determine its own procedures.

### **Compensation Committee**

The Compensation Committee, which, through to the date of the Meeting on June 20, 2019, has been comprised of Mr. Horejsi (Chairman), Mr. Armstrong and Mr. Cramm (all independent directors), is responsible for reviewing and recommending the annual compensation of directors and the senior officers of the Corporation, and for oversight of the Corporation's compensation policies and practices. The Compensation Committee reviews recommendations made by the CEO with respect to the grant of stock options and makes recommendations to the Board concerning the grant of options under the Corporation's stock option plan. In formulating recommendations concerning director and officer compensation, the Compensation Committee considers publicly available information published by other reporting issuers that the Corporation deems to be similarly placed within the market. On occasion, the Compensation Committee has also retained third party consultants to assess the Corporation's compensation structure and provide it with recommendations for improvement.

Among other things, the Compensation Committee is responsible for:

- a) Reviewing the compensation philosophy and guidelines for the directors and senior officers and making recommendations to the Board of Directors for its consideration; and
- b) Reviewing the compensation of the directors and senior officers of the Corporation and reporting its conclusions to the Board for its consideration.

With respect to stock options:

- a) In consultation with the CEO with respect to the grant of stock options and, subject to confirmation by the Board of Directors, approving the granting of stock options to senior officers and other key employees and consultants of the Corporation and its affiliates;
- b) Periodically reviewing the stock option plan of the Corporation and making recommendations to the Board of Directors with respect to amendments that are considered appropriate by the Compensation Committee;
- c) Considering incentive awards, perquisites and remuneration, including severance arrangements, for the senior officers of the Corporation and making recommendations concerning the same to the Board of Directors; and
- d) Fulfilling such other duties as delegated to it by the Board of Directors.

The Board of Directors has approved a written position description for the chairman of the Compensation Committee.

### **Decisions Requiring Prior Approval of the Board of Directors**

Prior approval of the Board of Directors is required for all significant acquisition transactions, the sale of securities of the Corporation, grants of options under the Corporation's stock option plan, the incurring of debt, the entering into of hedging or forward sales of commodities and compensation of the Chief Executive Officer, the Chief Financial Officer and the directors. Commencing October 2006, the directors have been paid cash compensation in their capacity as directors. The directors also participate in the Corporation's bonus plan. Directors are entitled to, and do participate in, the Corporation's stock option plan (see "Stock Option Plan" and "Executive Compensation").

### **The Board of Directors' Expectations of Management**

The Board of Directors expects the senior officers to manage the business of the Corporation in accordance with strategic plans adopted by the Board of Directors and, in particular, to pursue the acquisition/exploration of potentially economic metal deposits with a view to bring them into production and to provide the Corporation (or its downstream affiliates) with sustainable cash flow. Senior management is also expected to engage experienced and competent staff and to arrange for the funding necessary to accomplish the Corporation's objectives, after any decision is made by the Board of Directors to seek financing for the Corporation.

### **Assessments**

Five individuals have been nominated for election at the Meeting, of which four are independent directors. The size of the Board of Directors has thus far allowed assessments of individual directors to be undertaken in an informal manner. However, the Board of Directors considers the existing skill sets of individual directors in determining committee assignments and monitors individual director involvement in decision making, involvement in committees and the provision of feedback and recommendations to management. The Corporation recognizes that as it continues to grow and the composition of the Board of Directors changes, more formal procedures to assess board composition and the contributions of individual directors are required and will be introduced.

### **Orientation and Continuing Education**

Although the Corporation has not implemented any formal continuing education or orientation arrangements, the Corporation addresses the continuing education and orientation of both incumbent and new directors by management presentations on the business and affairs of the Corporation as well as on legislative changes and requirements pertaining to securities laws and public company obligations. The current directors are well versed in the business of the Corporation. The Board of Directors encourages its members to maintain the skills and knowledge necessary to meet their obligations as directors. Directors are encouraged to communicate with management and the Corporation's external auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend

related industry seminars and visit the sites at which operations are conducted by affiliates of the Corporation. Board members have full access to the Corporation's records.

## **Ethical Business Conduct**

The Board of Directors reviews the status of individual directors on an annual basis. Board members are required to identify any potential business conflicts and Board members subject to any such material conflict are required to abstain from voting with respect to any related matters or issues.

The Board has adopted a written Code of Conduct for directors, officers and employees, which can be accessed on the Corporation's website at [www.tvipacific.com](http://www.tvipacific.com). All directors and officers are required to report all related party transactions to the Audit Committee, and the Board of Directors has also implemented a Whistleblower Policy to encourage and promote a culture of ethical business conduct. The Whistleblower Policy can also be found on the Corporation's website at [www.tvipacific.com](http://www.tvipacific.com). All new employees are required to read and sign the Code of Conduct and Whistleblower Policy as a part of the orientation process.

## **Nomination of Directors**

In connection with the consideration of any new candidates for election/appointment to the Board, the directors review the advice and input of the Corporate Governance and Nominating Committee regarding:

1. The appropriate size of the Board, the necessary competencies and skills of the Board of Directors as a whole and the competencies and skills of each existing director; and
2. Qualifications of such candidates. Persons being considered for election/appointment to the Board of Directors must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve.

## **Shareholder Feedback**

The Corporation maintains an investor relations function through its head office in Calgary, Alberta. The Corporation welcomes shareholder feedback via telephone, email, or through the Corporation's website at [www.tvipacific.com](http://www.tvipacific.com).

### Approval Requirements

Approval of a rolling option plan is an annual requirement of the TSX Venture Exchange, to which the Corporation moved on August 2, 2016 from the Toronto Stock Exchange. The Corporation's current stock option plan (the "**Option Plan**") was last approved at the Annual Meeting of Shareholders on June 21, 2018.

At the Meeting, the Shareholders will be asked to consider and, if thought fit, pass the following ordinary resolution ratifying and confirming the existing Option Plan:

"BE IT RESOLVED, as an ordinary resolution of the shareholders of TVI Pacific Inc. (the "Corporation"), that the existing stock option plan of the Corporation, as approved by the Board of Directors and described in the management information circular of the Corporation, dated May 6, 2019, be and the same are hereby approved, ratified and confirmed, without amendment."

In order to be passed, the resolution respecting the Option Plan must be approved by a simple majority of votes cast by Shareholders who vote in person or by proxy at the Meeting in respect of the resolution.

If approved by the Shareholders at the Meeting, the Option Plan will extend until the 2020 Annual Meeting of Shareholders.

**Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favor of the ratification and confirmation of the Option Plan.**

### General

The Option Plan allows for options to be granted to officers, directors, employees and consultants of the Corporation or its affiliates. The maximum number of shares that may be issued upon the exercise of options granted under the Option Plan is equal to 10% of the number of issued and outstanding Common Shares of the Corporation from time to time (calculated on a non-diluted basis). Under the Option Plan, no Options will be granted if such grant together with grants pursuant to all other share compensation arrangements of the Corporation could result, at any time, in:

- a) a number of Shares reserved for issuance pursuant to Options granted to insiders exceeding 10% of the outstanding issue; or
- b) the issuance to insiders, within a one year period, of a number of Shares exceeding 10% of the outstanding issue; or
- c) the issuance to any one insider and such insider's associates, within a one year period, of a number of Shares exceeding 5% of the outstanding issue.

The individuals to whom options are granted, the number of options granted, vesting, exercise price (which may be no less than the closing market price the day before grant date) and exercise period (which may not exceed five years), are at the discretion of the Board of Directors, subject to compliance with any applicable regulatory requirements. Options granted under the Option Plan are not transferable.

Under the Option Plan, the options will expire if not exercised by the later of: (i) the end of the option period; or (ii) if the expiry date occurs during a black-out period established under the Corporation's Disclosure Policy, or within five business days thereafter, the date that is ten business days following the end of such black-out period, provided however that options will expire 60 days after the participant ceases to be a director, officer, employee or consultant of the Corporation or any of its subsidiaries by virtue of resignation and immediately if the participant is terminated for cause.

In the event of the death, permanent disability or normal retirement of the participant, any options previously granted remain exercisable until the end of the option period or until the expiration of 180 days after the date of death, permanent disability or normal retirement of such participant, whichever is earlier.

The Board of Directors may at any time amend or revise the terms of the Option Plan, subject to regulatory approval and certain required shareholder approvals, provided that no such amendment or revision shall alter

the terms of any option previously granted under the Option Plan. Shareholder approval is not required for amendments to the Option Plan, except for any amendment or modification that:

- a) increases the number of shares reserved for issuance under the Option Plan;
- b) reduces the exercise price of an option, except for the purpose of maintaining option value in connection with a conversion, change, reclassification, re-division, re-designation, subdivision or consolidation of shares or a reorganization, amalgamation, consolidation, merger, takeover bid or similar transaction involving the Corporation (for this purpose, cancellation or termination of an option prior to its expiry date for the purpose of reissuing options to the same option-holder with a lower exercise price will be considered an amendment to reduce the exercise price of an option);
- c) extends the term of an option beyond the maximum expiry date set out in the Option Plan (except where an expiry date would have fallen within a blackout period established under the Corporation's Disclosure Policy);
- d) extends eligibility to participate in the Option Plan to persons other than officers, directors, and employees of the Corporation and its subsidiaries and consultants to the Corporation and its subsidiaries;
- e) permits options to be transferred, other than for normal estate settlement purposes or to an RRSP or similar plan; or
- f) permits awards other than options to be made under the Option Plan.

With the exception of the foregoing amendments, the Option Plan provides that all other amendments to the Option Plan may be made by the Board of Directors.

Options granted to new employees are proposed by Management and are subject to the approval of the Board of Directors. Annual stock option grants to directors, officers, employees, and consultants are generally granted once a year. Management recommends to the Compensation Committee the number of options to be granted to each director, officer, employee, and consultant, subject to the final approval of the Board of Directors. Prior option grants are taken into consideration in granting new options, particularly with regards to the maximum grant limits specified in the Corporation's Option Plan.

The purpose of the Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees, and consultants of the Corporation and its subsidiaries to acquire shares, thereby increasing their proprietary interests in the Corporation, aligning their interests with the interests of the Corporation's shareholders generally, encouraging them to remain associated with the Corporation, and furnishing them with an additional incentive in their efforts on behalf of the Corporation.

As of May 6, 2019, there were 43,450,000 options outstanding under the Option Plan (representing approximately 6.6% of the total number of outstanding Common Shares) and a total of 22,103,704 additional shares were available under the Option Plan for future grants of options (representing a further 3.4% of the total number of outstanding Common Shares for a total of 10% of the total number of outstanding Common Shares available under the Option Plan).

Unallocated options were approved by the shareholders of the Corporation at the Corporation's annual general meeting on June 21, 2018 and this approval is effective for one year given the Corporation has now moved to the TSX Venture Exchange. If approval is not obtained at the Meeting to be held by the anniversary Meeting date in 2019, options which have not been allocated as of June 21, 2019 and options which are outstanding as of June 21, 2019 and are subsequently cancelled, terminated or exercised will not be available for a new grant of options. Previously allocated options will continue to be unaffected by the approval or disapproval of the resolution.

## Equity Compensation Option Plan Information

The following table sets out information concerning the aggregate number of securities issuable upon the exercise of outstanding options, the weighted average exercise price of outstanding options granted under the Option Plan and the number of securities remaining available for future issuance under the Corporation's equity compensation plans as of the end of the Corporation's most recently completed financial year:

Option Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-Average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	43,450,000	\$0.015	22,103,704
Equity compensation plans not approved by security holders	-	-	-
<b>Total as at Dec.31.2018</b>	<b>43,450,000</b>	<b>\$0.015</b>	<b>22,103,704</b>

As at December 31, 2018, representing the end of the Corporation's most recently completed financial year, 41,500,000 options were held by directors and executive officers.

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## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The Compensation Committee reviews and approves the Corporation's compensation program for executive officers. In order to meet the challenges of continuing to grow and expand the Corporation, the executive compensation program has been designed with the objective of attracting and retaining a highly qualified executive team. In making recommendations to the Board regarding the level of compensation paid to executives, the Committee takes into consideration factors such as overall experience, length of service, responsibilities and levels of compensation provided by comparative companies.

The Corporation had two executive officers, as at the end of its most recently completed financial year. Clifford M. James is the President and Chief Executive Officer, and Patrick B. Hanna is the Vice President, Finance & Administration and Chief Financial Officer. Mr. James and Mr. Hanna are collectively referred to in this Information Circular as the "NEO's". Compensation paid to the Corporation's executive officers during 2018 was comprised of only one element – base salary.

### Base Salary

The Corporation has not formally assessed its compensation program by an analysis of the market since 2013, when it last engaged The Human Well to perform a market study and advise with respect to executive salaries. Reviews at that time of executive compensation revealed that the Corporation's base salary compensation was, in some cases, below comparable industry levels. The approach of the Board of Directors in the past has been to bring total compensation levels up to the market levels in the industry over a one to three year period depending upon market conditions (for example, metal prices, labor costs, political stability, etc.) and the Corporation's business direction.

Given market conditions since completion of the last study in 2013 and the financial condition of the Corporation, the following adjustments to the base salary component were approved:

Year	
2013	No adjustment to the base salary.
2014	Base salaries were increased by a 7% inflationary adjustment extending back to the last adjustment applied in 2012.
2015	No adjustment to the base salary.
2016	Base salary was reduced by 25 to 33%, and the salary of the CEO has been deferred in its entirety until additional funding is made available to the Corporation. The position of Chief Financial Officer was restructured and changed to a contractor position with reduced hours, fees and benefits.
2017	No adjustment to the base salary and the continuing deferral of salary related to the CEO.
2018	Payment of deferred CEO salary related to 2016 and the continuing deferral of salary related to the CEO from 2017 through the current year.

### Bonuses

The Compensation Committee has to date considered incentive bonuses based upon performance and continues to consider changes to the program to more directly align the annual incentive bonus program for the Corporation's senior officers to be:

- aligned with TVI's pay philosophy; and
- supportive of a pay for performance environment.

Changes to the bonus program relate specifically to the Corporation's Chief Executive Officer and Chief Financial Officer and require that performance goals and objectives be established and agreed at the beginning of each year with the CEO, Chairman and the Compensation Committee so as to ensure they map closely to the priorities outlined in the Corporation's Annual Business Plan. The fundamental philosophy behind the bonus program is to reward participants relative to their individual contribution/performance toward the overall team effort of the Corporation in achieving annual corporate operating and individual performance goals. Rewards will continue to be determined following completion of the year-end audit and the Compensation Committee has the full authority to determine whether performance awards recommended by the CEO are approved and the full

latitude to establish the final performance award value, which may be zero in any and all cases. The Compensation Committee reviews the performance of the Chairman, the directors, the CEO and the CFO, as applicable, and awards the appropriate bonuses. A bonus may or may not be paid in any given year, and the payment of a bonus in any year is not considered a precedent for any later year and the payment does not bind the Corporation's absolute discretion in future years to pay or not to pay a bonus.

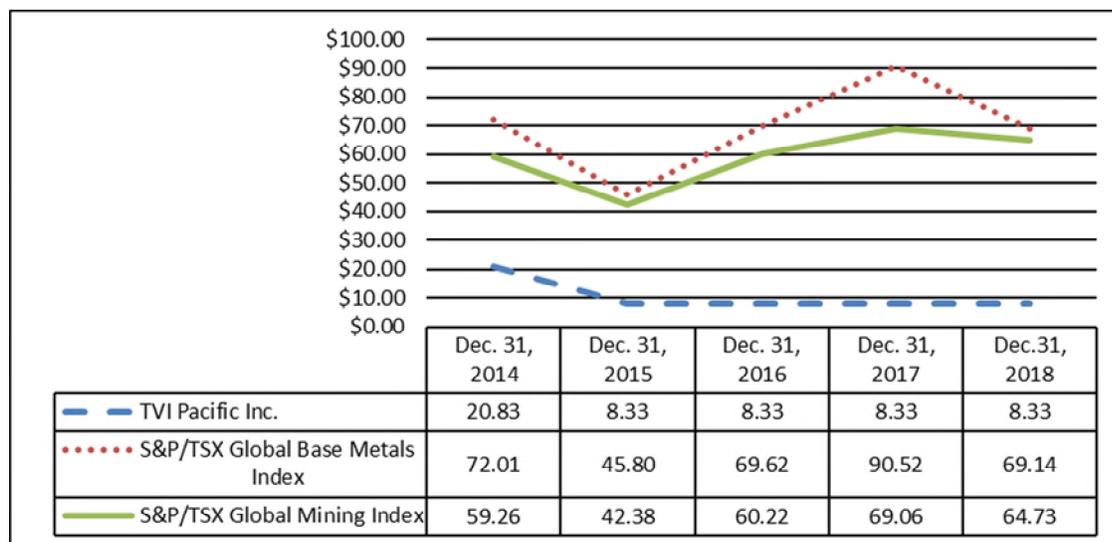
## Stock Options

Stock options have historically been granted as a long term incentive to employees of the Corporation and certain of its affiliates. Options are also intended to encourage retention of executive and senior employees through a three-year term vesting period. The Compensation Committee receives the recommendation of the CEO concerning the number of options to be granted to each director, officer, employee and consultant and, following a review of such recommendation, recommends the granting of options. Stock option grants to directors, officers, employees and consultants generally occur once a year. The Compensation Committee's recommendations are based upon the long term strategic goals and targets of the Corporation, its current stage of development, the need to retain or attract key personnel, the number of options already outstanding, overall market conditions and the recommendations made to the Compensation Committee by the CEO.

The Compensation Committee did not recommend annual option grants to any director, officer, employee or consultant during 2018.

## Performance Graph

The following graph compares the cumulative return for a holder of Common Shares with the cumulative performance of the S&P/TSX Global Base Metals Index and the S&P/TSX Global Minding Index total return indices for the periods noted, assuming reinvestment of dividends. The graph assumes an investment of \$100 in Common Shares beginning on the first day of the five-year period ended December 31, 2018.



## Summary Compensation Table

The following table and notes thereto set out information concerning the compensation paid to the Corporation's Chief Executive Officer, Chief Financial Officer, and Vice President, Corporate Communications (formerly referred to as Vice President, Investor and Corporate Relations), during each of the years in the three-year period ended December 31, 2018 as applicable.

Name and principal position	Year	Salary (\$)	Securities Under Options Granted (#)	Option Based Awards (\$) <sup>(4)</sup>	All Other Compensation (\$)	Total Compensation (\$)
Clifford M. James <sup>(1)</sup> President and Chief Executive Officer	2018	160,500 <sup>(5)</sup>	Nil	Nil	Nil	160,500 <sup>(5)</sup>
	2017	160,500 <sup>(5)</sup>	Nil	Nil	Nil	160,500 <sup>(5)</sup>
	2016	160,500 <sup>(5)</sup>	Nil	Nil	Nil	160,500 <sup>(5)</sup>
Patrick B. Hanna Vice President, Finance & Admin and Chief Financial Officer	2018 <sup>(2)</sup>	143,242	Nil	Nil	Nil	143,242
	2017 <sup>2</sup>	123,960	Nil	Nil	Nil	123,960
	2016 <sup>(2)</sup>	187,148	Nil	Nil	121,713 <sup>(2)</sup>	308,861
Shirley Anthony Vice President, Corporate Communications	2018	Nil	Nil	Nil	Nil	Nil
	2017 <sup>6</sup>	7,269	Nil	Nil	Nil	7,269
	2016	82,854	Nil	Nil	Nil	82,854

**Notes:**

- (1) Mr. James, Director, Chairman of the Board, President and Chief Executive Officer is employed through a consulting agreement between TVI and Seajay, a corporation controlled by Mr. James. TVI's Philippine joint venture, TVIRD, has also entered into a management contract with Seajay for the services of the President starting January 1, 2014, so as to more effectively allocate and share the cost of services of Mr. James between the entities, resulting in a reduction in cost to TVI from that time. In total during fiscal year 2018, TVI directly paid or accrued management fees of \$233,122 to Seajay for the services of the President and support staff, which includes the salaries of the Corporation's accountant and in prior years included also the senior office administrator and office manager, whose positions were eliminated at the start of 2016 (2017 - \$233,122; 2016 - \$239,360).
- (2) The role of Chief Financial Officer was restructured in May 2016 to a contract position resulting in the termination of Mr. Hanna from his full-time role and a reduction in fees and benefits and no special provisions related to additional fees due upon termination by either party. As a result of termination of full-time employment, Mr. Hanna was paid a severance payment of \$121,713 as well as for unused vacation that had accrued to that time. Reported salary and total compensation in the above table commencing in 2016 includes fees paid to Mr. Hanna under his new contract.
- (3) The Board of Directors used the Black-Scholes model to establish the fair value of options granted to executive officers. There were no stock options issued during the years ended December 31, 2016, 2017 and 2018.
- (4) The Board of Directors grants discretionary bonuses to executive officers from time to time, based on operational and financial performance.
- (5) For the 2106 Financial Year and until such time as the Board decides otherwise, cash compensation for the CEO and directors has been deferred. Payment of amounts so deferred will be determined by the Board as conditions permit. In 2018, cash compensation relating only to 2016 deferred fees was paid and all other fees accrued from January 1, 2017, including those related to 2018, continue to be deferred.
- (6) Ms. Anthony resigned from the Corporation effective February 1, 2017 and the role of Vice President, Corporate Communications, has not been filled as at the reporting date.

For the 2018 financial year, the two most senior officers and employees of the Corporation received aggregate remuneration of \$303,742 (2017 financial year - \$291,729).

## Options Granted to Named Executive Officers

The following table sets out information concerning options granted to NEO's in previous years, which remained outstanding, the number of unexercised options, and the value of options that vested as at the end of the most recently completed financial year of the Corporation. No stock options were issued during the year ended December 31, 2018.

Name and Principal Position	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)	Option-based awards – Value of In-the-Money Options vested during the year (\$)
Clifford M. James Chief Executive Officer	6,000,000	0.015	June 10, 2020	Nil	Nil
	12,000,000	0.015	June 12, 2019	Nil	Nil
Patrick B. Hanna Chief Financial Officer	3,000,000	0.015	June 10, 2020	Nil	Nil
	5,000,000	0.015	June 12, 2019	Nil	Nil

## Pension Plan Benefits

The Corporation does not offer pension plan benefits to its NEO's or Directors.

## Termination Benefits

The services of Mr. James as an officer of the Corporation are made available to TVI through a consulting agreement between the Corporation and Seajay (the "**Seajay Contract**"). Either party, Seajay or TVI, may terminate the Seajay Contract upon ninety (90) days written notice.

A new arrangement between the Corporation and Seajay was negotiated during 2014 following conclusion of a separate services agreement directly between TVI Resource Development (Phils.), Inc. ("**TVIRD**"), a Philippine resource production and development company in which TVI holds a 30.66% investment interest, and Seajay so as to more effectively allocate and share the cost of services of Mr. James between the entities. Under the new arrangement, reduced management fees have been charged to TVI in relation to the services of Mr. James since January 1, 2014. Termination payments owing to Seajay in certain circumstances have also been renegotiated and are based upon the compensation that would be payable by TVI to Seajay for the services of Mr. James if he were to return to TVI on a fully chargeable basis, adjusted by any inflationary or other adjustments (or both) that may have been approved by the TVI Pacific Board since July 1, 2014. The termination fee (which will become payable to Seajay in the event of the resignation, retirement, death or incapacitation of Mr. James), may be influenced by any compensation provided to Seajay if TVIRD's contract with Seajay naturally expires and is not renewed or if Seajay's contract with TVIRD is terminated prematurely – in general, the termination compensation payable by the Corporation to Seajay will be reduced by the amount of any termination compensation received by Seajay from TVIRD. The termination fee may vary between 9 months (\$309,191) and 24 months (\$884,508) depending on the circumstance.

Mr. Hanna was a party to an employment agreement with TVI until April 30, 2016, which provided that if his employment was terminated within six months following a change in control of the Corporation or he was offered a position that was not equivalent to his current position following a change of control of the Corporation, TVI would pay severance to Mr. Hanna equal to nine months base salary plus an amount equivalent to the last bonus paid for the twelve months immediately preceding the change in control. Mr. Hanna's employment agreement further provided that, upon the third anniversary of his employment with the Corporation (December 1, 2013), the amount of any severance that became payable to him following a change in control of the Corporation would increase to twelve months base salary plus an amount equivalent to the bonus paid for the twelve months immediately preceding the change in control. A general termination clause was also contained within the employment agreement of Mr. Hanna that provided for a severance payment equal to one month of salary for each year of employment (beginning on December 1, 2010) up to a maximum of six months of salary in the event Mr. Hanna was given a 60-day notice of termination of employment by the Corporation. Mr. Hanna was provided notice of termination on January 27, 2016, as the Corporation introduced changes intended to conserve cash and was paid a severance payment as per the terms of his employment agreement through to April 30, 2016. The position of Chief Financial Officer was subsequently restructured and Mr. Hanna has been retained in this role as a contractor with reduced fees and benefits and no special provisions related to additional fees due upon termination by either party.

The effect of termination of employment on stock options held by an executive officer will be governed by the terms of the applicable options (which generally provide for accelerated expiry of all options if an option holder ceases to be associated with the Corporation and its affiliates).

## Compensation of Directors

Members of the Board of Directors receive fees for serving as directors and attending meetings of the Board or any committee thereof according to the compensation schedule. Information concerning standard fee arrangements for directors is set out below:

Committee	Compensation
Annual director retainer	\$15,000 / year
Attendance fee – Committee and Board	\$1,000 / meeting
Lead director retainer	\$8,500 / year
Annual chairman's retainer – Audit Committee	\$6,000 / year
Annual chairman's retainer – Compensation Committee	\$3,750 / year
Annual chairman's retainer – Corporate Governance and Nominating Committee	\$3,750 / year

During 2018, the Corporation incurred director fees of \$128,500 (2017 - \$150,750; 2016 - \$198,000). No Special Committees were formed or incurred charges through either 2016, 2017 or 2018. Information concerning compensation earned by the directors of the Corporation in respect of the year ended December 31, 2018 is set out in the following table.

Name	Fees Earned <sup>(1)</sup> (\$)	Interest Earned on Unpaid Fees (\$)	All other compensation (\$)	Total (\$)
Robert C. Armstrong	34,000	Nil	Nil	34,000
C. Brian Cramm	32,750	Nil	Nil	32,750
Jan R. Horejsi	33,250	Nil	Nil	33,250
David Moscovitz	28,500	Nil	Nil	28,500

**Notes:**

- (1) Commencing January 1, 2016 and until such time as the Board decides otherwise, cash compensation for the CEO and directors has been deferred. CEO and directors' fees deferred from 2016 were paid in 2018 while payment of amounts deferred through December 31, 2018 will be determined by the Board as conditions permit.

No stock options were issued to directors during the year ended December 31, 2018, and no options were exercised during either of 2018 or 2017. The value of unexercised in-the-money options is the same as the value of vested options during the year. As of the most recently completed financial year, the directors of the Corporation held the following options:

Name	Number of securities underlying unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)	Option-based awards – Value of In-the-Money Options vested during the year (\$)
Robert C. Armstrong	1,000,000	0.015	June 10, 2020	Nil	Nil
	2,100,000	0.015	June 12, 2019	Nil	Nil
C. Brian Cramm	1,000,000	0.015	June 10, 2020	Nil	Nil
	2,100,000	0.015	June 12, 2019	Nil	Nil
Jan R. Horejsi	1,000,000	0.015	June 10, 2020	Nil	Nil
	2,100,000	0.015	June 12, 2019	Nil	Nil
David Moscovitz	1,000,000	0.015	June 10, 2020	Nil	Nil
	2,100,000	0.015	June 12, 2019	Nil	Nil

## **Deferred Compensation**

Commencing January 1, 2016, and until such time as the Board decides otherwise, cash compensation for the CEO and directors has been deferred. Payment of amounts so deferred will be determined by the Board as conditions permit. In 2018, cash compensation relating only to 2016 deferred fees was paid and all other fees accrued from January 1, 2017, including those related to 2018, continue to be deferred.

## **Directors' and Officers' Insurance**

The Corporation has purchased, at its expense, insurance for the benefit of its directors and officers in respect of liabilities incurred as a result of their serving in those capacities, except in the case of failure to act honestly and in good faith. The policy also covers reasonable defense costs.

The Corporation is also required to indemnify directors and officers from and against certain costs and liabilities that may be incurred by them in respect of actions, suits or proceedings to which they become parties as a result of having served as directors or officers of the Corporation, subject to certain limitations.

## **Indebtedness of Directors and Officers**

None of the directors or officers was indebted to the Corporation as at December 31, 2018 or at any time during 2018.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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There are no material contracts (other than contracts entered into in the ordinary course of business, that are material to TVI and that are required to be filed under Section 12.2 of NI 51-102) that were entered into within the most recently completed financial year, or entered into before the most recently completed financial year, that are still in effect.

## **APPOINTMENT OF AUDITORS**

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Unless otherwise directed, the management designees named in the accompanying Instrument of Proxy intend to vote for the appointment of PricewaterhouseCoopers LLP, Chartered Accountants ("**PwC LLP**"), as auditors of the Corporation to hold office until the next annual meeting of the shareholders of the Corporation, at such remuneration as may be determined by the directors of the Corporation. PwC LLP was first appointed auditors of the Corporation by the shareholders on June 17, 2005.

## **MANAGEMENT AND EMPLOYMENT CONTRACTS**

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Since January 1997, management services have been provided to the Corporation by Seajay Management Enterprises Ltd., Suite 806, 505 – 2<sup>nd</sup> Street SW, Calgary, Alberta, T2P 1N8, all of the issued and outstanding shares of which are owned by Mr. James, President, Chief Executive Officer and a director of the Corporation.

## **OTHER MATTERS TO BE ACTED UPON**

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As at the date hereof, management of the Corporation does not know of any business, other than as set out in this Information Circular, that will be presented at the Meeting. However, if any other matters properly come before the Meeting it is the intention of the management designees named in the accompanying Instrument of Proxy to vote all proxies in accordance with their judgment upon any such matters.

## **ADDITIONAL INFORMATION**

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Additional information relating to the Corporation is available in documents filed by the Corporation on SEDAR ([www.sedar.com](http://www.sedar.com)). Financial information for the Corporation, as at and for the year ended December 31, 2018, is provided in the Corporation's audited annual financial statements and related MD&A, which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and the Corporation's website ([www.tvipacific.com](http://www.tvipacific.com)). Copies of such annual financial statements and MD&A may also be obtained by making a written request to the Secretary of the Corporation at Suite 806, 505 – 2nd Street SW, Calgary, Alberta, T2P 1N8.

This Information Circular is dated the 6<sup>th</sup> day of May, 2019.