

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

TVI Pacific Inc.
600, 505 – 2nd Street S.W.
Calgary, AB T2P 1N8

(the "Company" or "TVI")

Item 2. Date of Material Change

July 28, 2021

Item 3. Press Release

A news release setting out information concerning the material change described in this Material Change Report was disseminated on July 28, 2021 via newswire.ca and filed under the Company's profile on the system for electronic document analysis and retrieval (SEDAR) at www.sedar.com on July 28, 2021. A copy of the news release is attached as Schedule "A" hereto.

Item 4. Summary of Material Change

TVI announced that TVI Resources Development Phils., Inc. ("TVIRD"), a Philippines corporation in which TVI holds a 30.66% interest, signed a binding agreement (the "**GRC Agreement**") with Red 5 Limited ("**Red 5**"), a Perth, Western Australian-based gold company, to acquire 100% of the outstanding shares of Red 5's Philippines affiliated company, Greenstone Resources Corporation ("**GRC**"), for consideration that includes a cash payment of U.S. \$19 million (the "**Acquisition**"). GRC is the owner and operator of the Siana Gold Project ("**Siana**") and the Mapawa Project ("**Mapawa**"), both of which are located in the southern Philippine island of Mindanao. The GRC Agreement also provides for the grant, to Red 5, of a 3.25% net smelter return royalty ("**NSR**") payable on the sale of up to 619,000 oz. of gold produced from potential open-pit and underground operations at Siana. In the GRC Agreement, the ascribed value of the NSR is U.S. \$35 million (based on a U.S. \$1,750/oz. Au price).

Completion of the Acquisition is subject to the satisfaction or waiver of a number of conditions. TVI is not party to the GRC Agreement or related agreements and is not required to make any contribution to TVIRD to support the Acquisition.

Item 5.1 Full Description of Material Change

Please see the news release dated July 28, 2021 attached as Schedule "A" hereto.

Item 5.2. Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

The name and business telephone number of the executive officer of TVI who is knowledgeable about the material change and this report is:

Patrick Hanna
Vice President, Finance & Administration and Chief Financial Officer
Telephone at (403) 265-4356

Item 9. Date of Report

July 30, 2021

Forward-Looking Information

Certain information set out in this Material Change Report (including in Schedule "A" hereto) 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. The forward-looking statements contained in this Material Change Report (including in Schedule "A" hereto) include: (1) reference to a gold production volume of 619,000 oz. and a gold price of U.S. \$1,750 upon which the NSR is to be based, both of which may not be realized; (2) statements related to exploration at Siana and Mapawa, both of which are not guaranteed and require further review and analysis by TVIRD to review and determine and may be affected by factors beyond the control of TVIRD; (3) the stated Indicated and Inferred JORC 2012 (as defined in Schedule "A" hereto) mineral resource estimate for the Siana open pit and underground mine, as well as the JORC 2012 open pit mineral resource for the Mapawa as included in the Red 5 2020 Annual Report, for which actual volumes produced may vary. The estimation of mineral reserves and mineral resources is inherently uncertain and involves subjective judgments about many relevant factors; and, (4) any reference to when mining and processing operations at Siana may recommence.

Forward-looking statements in this Material Change Report (including in Schedule "A" hereto) are based upon the opinions and expectations of management of the Company as at the effective date of such statements and, in certain cases, information supplied by third parties. 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 and should not be read as guarantees of future performance or results. These factors include, but are not limited to, such things as: (i) general economic conditions in Canada, the Philippines and elsewhere; (ii) volatility of prices for precious metals, base metals, and other commodities; (iii) commodity supply and demand; (iv) fluctuations in currency and interest rates; (v) inherent risks associated with the exploration and development of mining properties, including but not limited to geological characteristics, metallurgical characteristics of the mineralization, the availability of equipment and facilities necessary to complete development and the ability to develop adequate processing capacity; (vi) the cost of consumables and mining and processing equipment; (vii) unforeseen technological and engineering problems; (viii) ultimate recoverability of reserves; (ix) production, timing, results and costs of exploration and development activities; political factors, political stability or civil unrest, including but not limited to acts of sabotage or terrorism; (xi) availability of financial resources or third-party financing; (xii) changes in laws or regulations (domestic or foreign); (xiii) changes in administrative practices; (xiv) changes in exploration plans or budgets; (xv) the availability of skilled labour; (xvi) the failure of parties to contracts with the Company to perform as agreed, including its joint

venture partners; (xvii) the impact of the COVID-19 pandemic; and (xviii) extreme weather conditions and forces of nature (i.e. typhoons, heavy rains, earthquakes, and the like) that may disrupt operations and explorations.

The Company does not have control over TVIRD nor does it have any involvement in the management or decisions of TVIRD or control over financial reporting and internal controls of TVIRD. The Company relies on the internal controls and financial reporting controls of TVIRD and their failure to maintain effectiveness or comply with applicable standards may adversely affect TVI.

Accordingly, readers should not place undue reliance upon the forward-looking statements contained in this Material Change Report (including in Schedule "A" hereto) and such forward-looking statements should not be interpreted or regarded as guarantees of future outcomes.

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, 2020, which was filed on SEDAR on April 28, 2021 and is available under the Company's profile at www.SEDAR.com.

The forward-looking statements contained in this Material Change Report (including in Schedule "A" hereto) are made as of the date hereof and the Company does not undertake any obligation to update or to revise any of the included forward-looking statements, except as required by applicable securities laws in force in Canada. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.