

TVI PACIFIC INC.

Annual and Special Meeting of Shareholders to be held on Thursday, May 26, 2011

MANAGEMENT PROXY CIRCULAR

SOLICITATION OF PROXIES

This Management Proxy Circular (the "**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 Special Meeting (the "**Meeting**") of the shareholders of the Corporation (the "**Shareholders**"), which is to be held at the time and place and for the purposes set out in the accompanying Notice of Meeting and in 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 April 15th, 2011.

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. **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, 9th Floor, Toronto, Ontario, M5J 2Y1) or sent to Computershare Trust Company of Canada by facsimile (at (416) 263-9524 or 1-866-249-7775), not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, or any adjournment thereof. Shareholders may, in certain circumstances, cause their TVI common shares to be voted by way of telephone or the Internet, and Shareholders should review the instructions concerning telephone and Internet voting set out on the accompanying Instrument of Proxy. A person appointed as proxyholder need not be a Shareholder of the Corporation.**

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, 9th 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 ordinary resolution fixing the number of directors to be elected at the Meeting at eight; (ii) the election of directors; (iii) the appointment of auditors, at such remuneration as may be determined by the directors of the Corporation; and (iv) the special resolution authorizing an amendment to the Articles of the Corporation to permit the appointment of additional directors between annual meetings of the shareholders 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).

VOTING SHARES AND PRINCIPAL HOLDERS OF COMMON SHARES

Voting of Common Shares - General

As at the close of business on April 8, 2011 there were 621,553,706 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 April 8, 2011 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") 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 a broker, 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 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.

Under securities laws in force in Canada, brokers and intermediaries (such as banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIFs, RESPs and similar plans) are required to seek voting instructions from Non-registered Holders 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 third parties. Those third parties typically prepare a machine-readable voting instruction form (a "**VIF**"), mail those forms to Non-registered Holders and ask them to return the VIF's in accordance with the instructions set out on the VIF. Alternatively, Non-registered Holders who receive a VIF can (in most cases) either

call a toll-free telephone line or access a dedicated voting website to deliver their voting instructions. The third parties then tabulate the results of all instructions received and provide instructions respecting the voting of Common Shares to be represented at the Meeting. **A Non-registered Holder who receives a VIF cannot use that form to vote Common Shares directly at the Meeting – voting instructions must be provided in accordance with the instructions set out on the VIF well in advance of the Meeting in order to have the Common Shares voted.** In accordance with National Instrument 54-101 (*Communication with Beneficial Owners of Securities of a Reporting Issuer*), the Corporation has provided copies of this Information Circular and its consolidated financial statements for the fiscal year ended December 31, 2010 and related MD&A (collectively, the "**meeting materials**") to depositories and intermediaries for distribution to Non-registered Holders. Non-registered Holders who have not waived the right to receive meeting materials will receive either a VIF or, less frequently, a form of proxy with the meeting materials forwarded to them. The purpose of those forms is to permit Non-registered Holders to direct the voting of the shares they beneficially own, but which are not registered in their name. Non-registered Holders should follow the procedures set out below, depending on the type of form they receive:

- (a) **Voting Instruction Form.** In most cases, a Non-registered Holder will receive a VIF as part of the meeting materials. If the Non-registered Holder does not wish to attend and vote at the Meeting in person (or have someone other than the management designees referred to above attend and vote on his/her/its behalf), the VIF must be completed, signed and returned in accordance with the directions on the VIF, in order to ensure the shares beneficially owned by the Non-registered Holder are voted at the Meeting. In some cases, VIF's permit the communication of voting instructions by telephone or through the Internet. If a Non-registered Holder wishes to attend and vote at the Meeting in person (or have someone other than the management designees referred to above attend and vote on his/her/its behalf), the Non-registered Holder must complete, sign and return the VIF in accordance with the directions provided on, or with, the VIF or, alternatively, communicate voting instructions by way of the Internet in accordance with the directions on the VIF; or
- (b) **Form of Proxy.** Less frequently, a Non-registered Holder will receive, as part of the meeting materials, a form of proxy that has already been signed by an intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-registered Holder, but which is otherwise incomplete. If the Non-registered Holder does not wish to attend and vote at the Meeting in person (or have someone other than the management designees referred to above attend and vote on his/her/its behalf), the Non-registered Holder must complete the form of proxy and deposit it with Computershare Trust Company of Canada, Attention: Proxy Department at 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 in order to ensure that the shares beneficially owned by the Non-registered Holder are voted at the Meeting. If a Non-registered Holder wishes to attend and vote at the Meeting in person (or have someone other than the management designees referred to above attend and vote on his/her/its behalf), the Non-registered Holder must insert the Non-registered Holder's (or such other person's) name in the blank space provided on the form of proxy and deposit the completed proxy with Computershare Trust Company of Canada, by mail, Attention: Proxy Department at 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1.

Non-registered Holders should follow the instructions on the forms they receive and contact their broker (or other intermediary) promptly if they require assistance.

Principal Holders of Common Shares

To the knowledge of the directors and senior officers of the Corporation, as at April 8, 2011, Clifford M. James, President, Chief Executive Officer, and a director of the Corporation, beneficially owned, directly or indirectly, or exercised control or direction over 63,778,249 Common Shares, representing approximately 10% of the issued and outstanding Common Shares.

As at April 8, 2011, CDS & Co. was the registered owner of 475,189,723 Common Shares, which represents approximately 77% 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. A further 82,085,734 Common Shares are owned by LIM Funds, representing approximately 13% of issued and outstanding 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.

NUMBER OF DIRECTORS TO BE ELECTED AT THE MEETING

The articles of incorporation of TVI (the "**Articles**") provide that the board of directors of the Corporation (the "**Board**" or "**Board of Directors**") will be comprised of a minimum of three and a maximum of 15 individuals. Since the date of the last annual meeting of the shareholders of the Corporation (May 2010), five individuals have served as directors of the Corporation and it is proposed that eight individuals be nominated for election as directors at the Meeting. Additional information relating to the proposed nominees is set out in this Information Circular under the heading "Election of Directors". At the Meeting, Shareholders will be asked to consider and, if thought fit, approve and adopt an ordinary resolution to fix the number of directors to be elected at the Meeting at eight.

As noted in this Information Circular under the heading "Amendment to the Articles of the Corporation – Appointment of Additional Directors", Shareholders will be asked to authorize (by way of special resolution) an amendment to the Articles to permit the Board of Directors to appoint additional members between annual meetings of shareholders, subject to certain restrictions. The passing of a resolution to fix the number of directors to be elected at the Meeting will not preclude the directors from appointing a limited number of additional directors subsequent to the Meeting if the proposed special resolution is passed and the Articles are amended to confer that power on the directors.

The text of the resolution to be presented to the Meeting in respect of the number of directors to be elected is as follows:

BE IT RESOLVED AS ORDINARY RESOLUTION OF THE SHAREHOLDERS OF TVI PACIFIC INC. THAT the number of directors to be elected at the Meeting be and is hereby fixed at eight, provided that nothing in this resolution shall restrict the authority of the board of directors of the Corporation to appoint additional members between annual meetings of the shareholders pursuant to and in accordance with the articles of the Corporation.

Unless otherwise directed, the management designees named in the accompanying Instrument of Proxy intend to vote for the foregoing ordinary resolution at the Meeting. In order to be passed, the resolution must be approved by a simple majority of the votes cast by Shareholders at the Meeting, either in person or by proxy.

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 eight 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.**

The following table 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 April 8, 2011.

Name and Municipality of Residence	Position(s) with the Corporation	Principal Occupation or Employment	Became a Director	Common Shares Owned or Controlled ⁽¹⁾
Robert C. Armstrong Castle Rock, Colorado United States of America	Lead Director	Director, Pitchstone Exploration Ltd (since 2003), a uranium exploration company (TSX-V: PXP, a publicly listed company) President, Armstrong Associates International, LLC. (since 1998), a private company involved in the mining industry.	June 23, 1998	9,337,744
C. Brian Cramm Castle Rock, Colorado United States of America	Director	President, Number Sense Corp. (since July 2010), a private personal and business financial management services firm. From June 1999 to June 2010, Mr. Cramm served as the President of Ladies Only Sports LLC and from April 2007 to June 2010, as President of Poms 4 Less, both private online retail companies.	June 25, 1997	290,698
Jan R. Horejsi Calgary, Alberta Canada	Director	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. (since Jan 2001), an independent oil and gas exploration company. Mr. Horejsi served as President of Jadex International Ltd. from January 2001 to October 2006.	December 31, 1991	1,173,358
Clifford M. James Calgary, Alberta Canada	Chairman, President, Chief Executive Officer and Director	Chairman, President and Chief Executive Officer, TVI Pacific Inc. since January 1987. 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.	January 30, 1987	63,778,249 6,888,900 held by Mr. James; 32,273,587 held by Seajay; 24,615,762 held by Regent

Name and Municipality of Residence	Position(s) with the Corporation	Principal Occupation or Employment	Became a Director	Common Shares Owned or Controlled ⁽¹⁾
Peter C.G. Richards West Vancouver, British Columbia Canada	Director	Retired since June 2001. Prior to his retirement, Mr. Richards was a partner with Richards, Buell, Sutton (a law firm located in Vancouver, British Columbia).	July 25, 2001	1,778,828
David Moscovitz Toronto, Ontario Canada	Nominee	Lawyer, Consultant at Fraser Milner Casgrain LLP (since 2007), a legal services firm. Prior thereto, Lawyer, Partner at Goodman and Carr LLP, a legal services firm.	N/A	Nil
Wayne G. Thomson Calgary, Alberta Canada	Nominee	Director of Cenovus Energy (a TSX/NYSE: CVE listed oil and gas exploration and development company) since November 2009. Director of Orion Oil and Gas Corporation (a TSX listed oil and gas exploration and development company: OIP) since March 2010. Chairman and President of EnviroValve Inc. (a private technology company that has developed a patent pending pressure relief valve) since 2005. Mr. Thomson, a Professional Engineer, has over 30 years of experience in the domestic and international oil and gas industry.	N/A	77,698
Aloysius B. Colayco Manila, Philippines	Nominee	Managing Director, Argosy Partners, Inc., a private investment and advisory firm (since 1998); Senior Partner, Argosy Advisors, Inc.(since 2002); President, Level Up! Holdings (since 2003); Jardine Matheson Country Chairman, Philippines (since 1994); member, JM Asia Pacific Regional Board (since 1994); Chairman, Republic Cement (LaFarge affiliate) (since 1997); Chairman, Colliers Philippines (since 1994); Member of the Advisory Board, JG Summit Holdings, Inc. (since 2001); Senior Advisor, Asia Strategic Capital Fund and Asia Environmental Partners Fund (since 2007)	N/A	Nil

Note:

- (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 members of the Board of Directors. The Board of Directors has also established a compensation committee, corporate governance and nominating committee and an environmental, health and safety committee. Messrs. Cramm, Horejsi and Richards are the members of the Audit Committee; Messrs. Armstrong, Horejsi and Richards are the members of the Corporate Governance and Nominating Committee and the Compensation Committee; Messrs. Armstrong, James, and Horejsi are the members of the Environmental, Health and Safety Committee. From time to time, the Board of Directors has also established special committees, none of which were active as at the date of this Information Circular.

Corporate Cease Trade Orders and Corporate Bankruptcies, etc.

Except as described below, 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 (as defined below in this paragraph) 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.

Except as described below, to the knowledge of TVI, no director, proposed director, executive officer or securityholder 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.

In August 2007, after discovering certain accounting errors in its audited financial statements for the years ended December 31, 2006 and December 31, 2005 and its interim financial statements for the first quarter of 2007, TVI determined that: (i) it would be necessary to restate those prior financial statements; and (ii) it would not be in a position to file its interim financial statements for the periods ended June 30, 2007 in a timely manner. Accordingly, TVI requested an order from the Alberta Securities Commission that certain named insiders (including all members of the Board of Directors) cease trading TVI securities pending the filing of such unfiled statements and the restated financials for the prior periods (the "August Order"). Each of the directors of the Corporation was subject to the August Order. On October 16, 2007, as a result of TVI remaining in default of its obligation to file its interim financial statements for the periods ended June 30, 2007 and the restated financials for the prior periods, the Alberta Securities Commission revoked the August Order and ordered that all trading cease in respect of the securities of the Corporation (the "October Order"). The October Order was revoked on January 4, 2008, and trading in the Corporation's securities resumed on January 11, 2008, following the filing of (i) the interim financial statements of the Corporation for the periods ended June 30, 2007 and September 30, 2007 and (ii) restated financial statements for the years ended December 31, 2006 and December 31, 2005 and the first quarter of 2007.

On March 15, 2002, the Alberta Securities Commission issued a cease trade order in respect of the securities of DMR Resources Ltd. ("DMR"). Mr. James was, at all relevant times, a director of DMR. The cease trade order was issued as a result of DMR's failure to file certain financial statements in accordance with the requirements of the *Securities Act* (Alberta). This order is still in effect.

On February 20, 2002, the Toronto Stock Exchange suspended trading in the securities of Aris Canada Ltd. ("**Aris**") (formerly Gimbel Vision International Inc.). Mr. James was, at all relevant times, the Chairman and a director of Aris. The trading suspension occurred as a result of the failure of Aris to meet certain continued listing requirements of the Toronto Stock Exchange. On February 21, 2002, Aris shares began trading on the TSX Venture Exchange. Mr. James resigned as a director and Chairman of Aris in September 2002. On June 10, 2003, Aris was placed into voluntary receivership.

On July 6, 2001, the Alberta Securities Commission issued a cease trade order, and on July 31, 2001 the Ontario Securities Commission issued a cease trade order, in respect of the securities of Rift Resources Ltd. ("Rift"). Mr. James and Mr. Horejsi were, at all relevant times, directors of Rift. These cease trade orders were issued as a result of Rift's failure to file certain financial statements in accordance with the requirements of the *Securities Act* (Alberta) and *Securities Act* (Ontario), respectively. These orders are still in effect.

Mr. James and Mr. Horejsi were each subject to a cease trade order issued by Ontario Securities Commission on June 16, 2000 in respect of trading in securities of Rift. Messrs. James and Horejsi were, at all relevant times, directors of Rift. The cease trade order was issued as a result of Rift's failure to file certain financial statements in accordance with the requirements of the *Securities Act* (Ontario). This order was rescinded on July 25, 2000.

On September 7, 2010, Richards Oil & Gas Limited ("Richards") made a proposal under Part III Division I of the Bankruptcy and Insolvency Act. The proposal was approved and the transaction contemplated thereunder was completed on December 31, 2010. Mr. Moscovitz was at all relevant times, a director of Richards and resigned December 30, 2010. Trading in Richards was suspended on March 16, 2010.

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

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 eight individuals proposed to be nominated for election as directors at the Meeting are:

Clifford M. James , Director, Chairman, President and Chief Executive Officer	Not independent
Robert C. Armstrong , Lead Director	Independent
C. Brian Cramm , Director	Independent
Jan R. Horejsi , Director	Independent
Peter C.G. Richards , Director	Independent
David Moscovitz , Nominee	Independent
Wayne Thomson , Nominee	Independent
Aloysius Colayco , Nominee	Not Independent

Mr. James is not considered to be independent as he is an executive officer of the Corporation. Mr. Colayco is also not independent as Argosy Partners Inc., is contracted to TVIRD as a business development advisor. The Board of Directors has determined that the other four existing directors and the three additional individuals proposed to be nominated for election at the Meeting are independent.

Attendance Record during 2010

Information concerning the attendance of directors at meetings of the Board of Directors and its various committees during the fiscal year ended December 31, 2010 is set out below:

Board of Directors Meetings:

Members	Attendance
Mr. James (Chairman)	15/15
Mr. Armstrong	15/15
Mr. Cramm	15/15
Mr. Horejsi	15/15
Mr. Richards	15/15

Audit Committee Meetings:

Members	Attendance
Mr. Cramm (Chairman)	4/4
Mr. Horejsi	4/4
Mr. Richards	4/4
Mr. Armstrong (by Invitation)	4/4

Compensation Committee Meetings:

Members	Attendance
Mr. Horejsi (Chairman)	5/5
Mr. Armstrong	5/5
Mr. Richards	5/5
Mr. Cramm (by Invitation)	5/5

Corporate Governance and Nominating Committee Meetings:

Members	Attendance
Mr. Horejsi (Chairman)	2/2
Mr. Armstrong	2/2
Mr. Richards	2/2
Mr. Cramm (by Invitation)	2/2

Environmental, Health and Safety Committee Meetings:

Members	Attendance
Mr. Armstrong (Chairman)	1/1
Mr. James	1/1
Mr. Horejsi	1/1
Mr. Cramm (by Invitation)	1/1

Special Committee ¹:

Members	Attendance
Mr. Cramm (Chairman)	22/22
Mr. Horejsi	22/22

Note:

- (1) The Special Committee was formed on November 30, 2010, with the mandate to generally review certain transactions proposed to be entered into between the Corporation and TG World Energy Corp. ("TG World"), negotiate the terms of such transactions with representatives of TG World, oversee negotiations respecting any definitive agreements or other documents required in order to implement the transactions with TG World and oversee the implementation of those transactions. The Special Committee concluded its activities in March 2011, with the completion of a plan of arrangement involving the Corporation, TG World and the securityholders of TG World.

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 below, certain of the Corporation's existing directors (and certain persons proposed to be nominated for election at the Meeting) are also directors or officers of other reporting issuers (or have been directors or officers of other reporting issuers), some of which are competitors of the Corporation.

Name of Director (or Nominee)	Name of Additional Reporting Issuer and Relationship with TVI Director
Clifford M. James	TG World Energy Corp. – President, Chief Executive Officer and Director (TGE ceased to be publicly traded upon the completion of the Plan of Arrangement with TVI on March 10, 2011.)
Robert C. Armstrong	Pitchstone Exploration Ltd. (PXP – TSX:V) – Director
Wayne G Thomson	Cenovus Energy Inc. (CVE – TSX/NYSE) – Director Orion Oil and Gas (OIP – TSX) – Director

The Board of Directors engages 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 the Philippines 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 is comprised of Mr. Cramm, (Chairman), Mr. Horejsi and Mr. Richards (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 March 25, 2011, a copy of which has been filed with various securities regulatory authorities in Canada and which is available on SEDAR at www.sedar.com and on the Corporation's website at <http://www.tvipacific.com/Investors/DownloadCentre/default.aspx>.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee, which is composed of Mr. Horejsi, (Chairman), Mr. Armstrong and Mr. Richards (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 is composed of Mr. Horejsi, (Chairman), Mr. Armstrong and Mr. Richards (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. Third party consultants were last engaged by the Compensation Committee in 2009. Among other things, the Compensation Committee is responsible for:

Reviewing the compensation philosophy and guidelines for the directors and senior officers and making recommendations to the Board of Directors for its consideration; and

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:

Reviewing recommendations made by 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;

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;

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

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.

Environmental, Health and Safety Committee

The Environmental, Health and Safety Committee, which is composed of Mr. Armstrong, (Chairman), Mr. Horejsi and Mr. James, is responsible for reviewing the Corporation's practices with regard to the health and safety of all of its employees, as well as the care of the environment.

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. As of October 2006, directors are paid cash compensation in their capacity as directors and may 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").

Shareholder Feedback

The Corporation maintains an investor relations function at its head office in Calgary, Alberta. The Corporation welcomes shareholder feedback via telephone, email, or through the Company's website at www.tvipacific.com.

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 and oil & gas opportunities with a view to bringing them into production and providing 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

Eight individuals have been nominated for election at the Meeting, including seven 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 it 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 (and the three additional persons proposed to be nominated for election as directors at the Meeting) are well versed in the business of the Corporation. While the Board of Directors does not provide its members with formal continuing education, 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. 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. All new employees are required to read and sign the Code of Conduct and Whistleblower Policy as a part of the orientation process. All employees annually review and sign off on a number of policies, including the Code of Conduct and Whistleblower Policy.

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. the 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.

STOCK OPTION PLAN

General

The Corporation has established a stock option plan (the "**Option Plan**") pursuant to which options may be granted to officers, directors, employees and consultants of the Corporation or its affiliates. The Option Plan was ratified and confirmed by the shareholders of the Corporation at the annual and special meeting of shareholders held on May 27, 2010. 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 from time to time (calculated on a non-diluted basis). Under the Option Plan, no Options may 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 Common Shares reserved for issuance pursuant to options granted to insiders exceeding 10% of the total number of outstanding Common Shares; or
- (b) the issuance to insiders within a one year period, of a number of Common Shares exceeding 10% of the total number of outstanding Common Shares; or
- (c) the issuance to any one insider and such insider's associates, within a one year period, of a number of Common Shares exceeding 5% of the total number of outstanding Common Shares.

The individuals to whom options are granted, 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, an option will expire if not exercised by the later of: (i) the expiry date of the option; 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 generally expire in accordance with their terms 60 days after the date that the applicable optionee ceases to be a director, officer, employee or consultant of the Corporation or any of

its affiliates by virtue of resignation and immediately if the employment of the applicable optionee is terminated for cause.

In the event of the death, permanent disability or normal retirement of an optionee, any option previously granted will generally remain exercisable until the expiry date of the option or until the expiration of 180 days after the date of death, permanent disability or normal retirement of the optionee, whichever is earlier.

The Board of Directors may at any time amend or revise the terms of the Option Plan, subject to the receipt of any necessary regulatory approvals and, in certain cases, shareholder approval. 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, redivision, redesignation, 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.

Stock option grants to directors, officers, employees, and consultants generally occur once a year. The CEO makes recommendations to the Compensation Committee concerning the number of options to be granted to each director, officer, employee, and consultant, and all recommendations are subject to the final approval of the Board of Directors. Prior option grants are taken into consideration in granting new options, particularly with regard to the maximum grant limits specified in the 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 affiliates 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 April 15, 2011, there were 43,083,694 options outstanding under the Option Plan (representing approximately 6.9% of the total number of outstanding Common Shares) and a total of 19,071,677 additional shares were available under the Option Plan for future grants of options (representing a further 3.1% 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).

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	43,083,694	\$0.06	19,071,677
Equity compensation plans not approved by security holders	-	-	-
Total	43,083,694	\$0.06	19,071,677

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. The level of compensation paid to an executive is based on the executive's overall experience, responsibility and performance.

The Corporation had two executive officers, as at the end of its most recently completed financial year (Clifford M. James, Chief Executive Officer and Patrick B. Hanna, 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 2010 was comprised of three elements – base salary, bonuses, and stock option awards.

Base Salary

Due to the fact that the Corporation is a junior exploration company with limited cash flow that is primarily devoted to exploration and capital projects, the Corporation's approach to compensation contemplates relatively low base salaries supplemented by large incentive based stock options and the opportunity to earn bonuses. In 2007, the Compensation Committee engaged a third party to perform a market study on executive compensation for mining companies with comparable market capitalization and metals reserves. Comparable companies used in the 2007 third party market study included:

- SouthGobi Energy Resources Ltd. (formerly Asia Gold Corp.)
- SRMT Holdings Limited (formerly Asia Pacific Resources Ltd.)
- Constellation Copper Corp
- Crew Gold Corp.
- Mindoro Resources Ltd.
- Mundoro Capital Inc. (formerly Mundoro Mining Inc.)
- Jinshan Gold Mines Inc.
- Mongolia Holdings Corp. (formerly QGX Ltd)
- Cadan Resources Corp (formerly Sur American Gold Corp.)
- Southwestern Resources Corp.
- Vista Gold Corp.

Reviews of executive compensation revealed that the Corporation's base salary compensation was below comparable industry levels, in some cases. Following receipt of the compensation survey, the Board of Directors determined to bring total compensation levels up to the market levels in the industry within one to three years depending upon market conditions (for example, metal prices, labor costs, political stability, etc.) and the Corporation's business direction.

Due to uncertain market conditions during the first half of 2009, base salaries for the Corporation's executive officers remained static. Commercial production of copper at the Canatuan Sulphide plant commenced on March 1, 2009 and thereafter shipments of copper concentrates have occurred regularly. For the latter half of 2009, the Compensation Committee and Board of Directors approved slight increases in the base salaries of the Corporation's executive officers as a result of the Corporation's strong financial performance and the contributions of the executive officers. Such increases were further supported by a study performed by a third party using May 2009 data that included a review of 84 global mining organizations, amongst which were:

- Centerra Gold
- Iron Ore Company of Canada
- Kinross Gold Corporation
- Lake Shore Gold Corp.
- Newmont Mining Corporation
- Rubicon Minerals
- Vale Inco Limited
- Xstrata Canada Copper

The study considered the total compensation package of NEO's, including base salary, bonus and mid and long-term incentives (namely, stock option grants) and concluded in similar fashion to the previously referenced 2007 report that total compensation levels were below market levels in the industry.

No further adjustments were made in 2010 to the base salaries for the Corporation's executive officers.

Bonuses

In 2007, the Compensation Committee engaged a third party to design an annual incentive bonus program for the Corporation's senior officers that was intended to be:

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

The Compensation Committee recommended, and the Board of Directors approved, a bonus program for the Corporation's Chief Executive in recognition of operational achievements and positive financial performance for 2010. The amount of the bonus paid in respect of the 2010 year was supported by a third party study that included a review of 84 global mining organizations and such amounts are noted in the Summary Compensation Table on page 22 of this Information Circular.

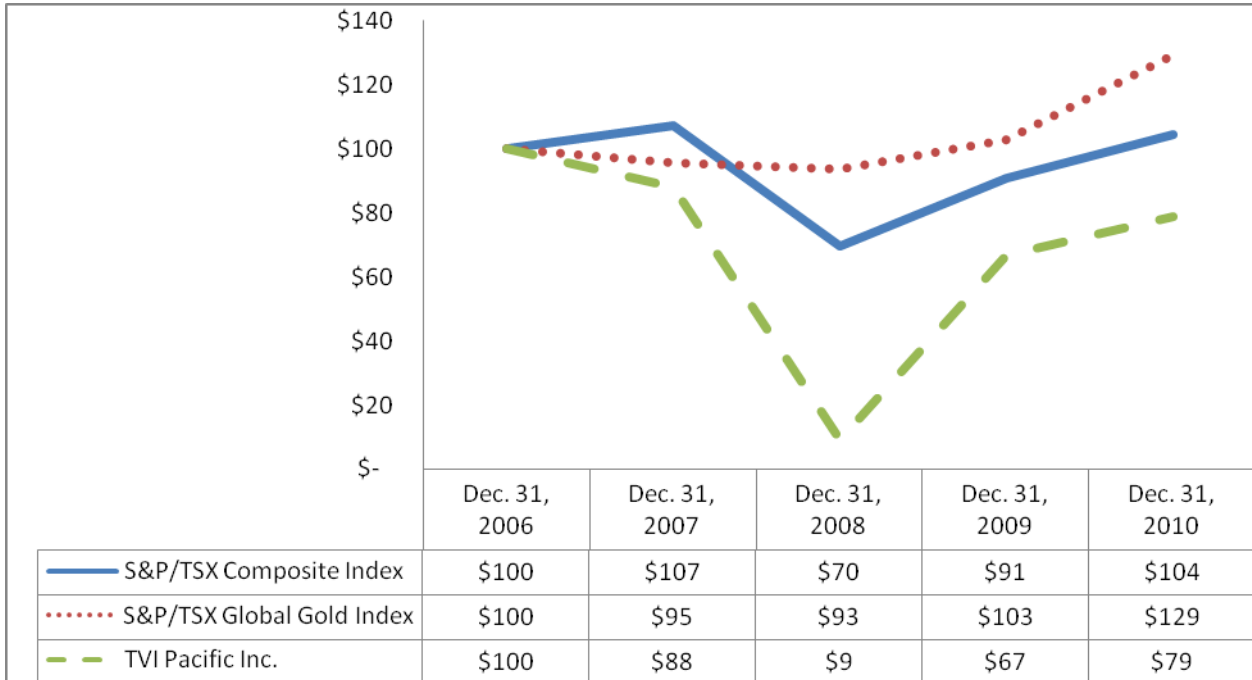
Stock Options

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 Directors and the Corporation's executive officers were subject to a trading blackout for a significant portion of 2008 due to the existence of material information concerning the Canatuan Sulphide Project at various times during the year and regular trading blackouts established in respect of annual and quarterly financial statements. As a result, the Compensation Committee did not recommend annual option grants to senior employees during 2008, with the exception of 500,000 options granted to Ms. Lung (the Corporation's former chief financial officer) in March 2008 in fulfillment of obligations under her employment contract. In January 2009, the Corporation ended its trading blackout period and the Compensation Committee granted options to senior employees for performance in 2008. Options granted in September 2009 were awarded for performance in 2009. Both option grants have been included as 2009 compensation in the Summary Compensation Table below.

Performance Graph

The following graph compares the cumulative return for a holder of Common Shares with the cumulative performance of the S&P/TSX Composite and the S&P/TSX Global Gold 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, 2010.



Total compensation of the Corporation's executive officers was aligned with the trend of the Corporation's total shareholder return shown in the above graph over the period from December 31, 2006 to December 31, 2010. The values of stock options granted to the executive officers are directly aligned with the TVI total shareholder return graph above as their value moved in direct proportion to the shareholder return line provided above. Base salaries for executive officers were static in 2008 due to market uncertainty, which is evidenced in the drop in the shareholder return line for the Corporation, as well as the S&P/TSX Composite Index. In 2009, base salaries for executive officers were moderately increased as a result of improved financial performance of the Corporation and based on the previously described 2009 third party compensation report. For 2010, even though the upward trend in shareholder return further increased, base salaries for executive officers were kept at 2009 levels.

Summary Compensation Table

The following table and notes thereto set out information concerning the compensation paid to the Corporation's Chief Executive Officer and Chief Financial Officer during each of the years in the three-year period ended December 31, 2010, as applicable.

Name and principal position	Year	Salary (\$)	Securities Under Options Granted (#)	Option Based Awards (\$) ⁽³⁾	All Other Compensation (\$)	Total Compensation (\$)
Clifford M. James ⁽¹⁾ President and Chief Executive Officer	2010	300,000	-	-	250,000 ⁽⁴⁾	550,000
	2009	300,000	14,500,000	607,195	216,900 ⁽⁴⁾	1,124,095
	2008	250,000	-	-	-	250,000
Patrick B. Hanna ⁽²⁾ Chief Financial Officer	2010	17,692	-	-	-	17,692
						106,669
Queenie G. Lung ⁽²⁾ Chief Financial Officer	2010	106,669	-	-	-	234,765
	2009	144,200	1,500,000	70,565	20,000	180,091
	2008	132,500	500,000	16,341	31,250	
Luis J.A. Santos, Jr. ⁽²⁾ Former Acting Chief Financial Officer	2010	48,500	-	-	-	48,500
	2008	96,930	-	-	11,210	108,140

Notes:

- (1) Mr. James, Director, Chairman of the Board, President and Chief Executive Officer is employed by Seajay, a corporation controlled by Mr. James. During fiscal 2010, TVI paid or accrued management fees of \$756,564 to Seajay for the services of the President, the Chief Financial Officer, Investor Relations personnel and for support staff services (2009 - \$900,609; 2008 - \$574,093).
- (2) Mr. Santos served as acting Chief Financial Officer during the period December 18, 2007 to August 10, 2008. Ms. Lung commenced employment in December 2007 and was appointed as Chief Financial Officer on August 11, 2008, replacing Mr. Santos. Ms. Lung was employed and paid by Seajay in 2009. Effective February 1, 2010, her employment contract was transferred to TVI and effective July 23, 2010 Ms. Lung resigned her position with TVI. Mr. Santos served as acting Chief Financial Officer during the period from July 1, 2010 to November 30, 2010. Mr. Hanna has served as Chief Financial Officer since December 17, 2010.
- (3) The Board of Directors used the Black-Scholes model to establish the fair value of options granted to executive officers. The assumptions used in the calculations are the same as those used for the basis of accounting:

	2009	2008	2007
Risk free interest rate – average	2%	3%	4%
Expected life (in years)	5	5	5
Expected volatility – average	133%	80%	62%

- (4) The Board of Directors grants discretionary bonuses to executive officers from time to time. Based on operational and financial performance, Mr. James was awarded bonuses of \$216,900 for 2009 and \$250,000 for 2010.

For the 2010 financial year, the five most senior officers and employees of the Corporation received aggregate remuneration of \$872,861 which includes salaries and bonuses.

Options Granted to Named Executive Officers

The following table sets out information concerning options granted to NEO's in previous years, which remained outstanding as at the end of the most recently completed financial year of the Corporation.

Name and Principal Position	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)
Clifford M. James	8,000,000	0.070	September 16, 2014	480,000
Chief Executive Officer	6,500,000	0.020	January 23, 2014	715,000

The following table sets out information concerning the number of unexercised options held by NEO's as at December 31, 2010, and the value of options that vested during the 2010 financial year.

Name and Principal Position	Number of Unexercised Options (#)	Option-based awards - Value vested during the year (\$)
Clifford M. James	8,000,000	159,999
Chief Executive Officer	6,500,000	238,333

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.

Upon termination of the Seajay Contract by TVI, the Corporation is required, as soon as reasonably practicable following the date of termination, to pay compensation to Seajay in an amount that would otherwise have been payable by Seajay to Mr. James had the Seajay Contract not been terminated for a further twenty-one (21) months. At the rate in effect at the end of 2010, this payment would equate to \$525,000 if termination had occurred as at the date of this Information Circular.

Mr. Hanna is a party to an employment agreement with TVI, which provides that if his employment is terminated within six months following a change in control of the Corporation or he is offered a position that is not equivalent to his current position following a change of control of the Corporation, TVI will 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 provides that, upon the third anniversary of his employment with the Corporation (December 17, 2013), the amount of any severance that becomes payable to him following a change in control of the

Corporation will increase to twelve months' base salary plus an amount equivalent to the bonus paid for the twelve months immediately preceding the change in control.

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. Information concerning standard fee arrangements for directors is set out below:

Annual director retainer	\$15,000/year
Meeting fee	\$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
Annual chairman's retainer – Environmental, Health and Safety Committee	\$3,750/year

During 2010, the Corporation incurred director fees of \$564,199 (2009 - \$166,022; 2008 - \$142,750). In 2010, the Corporation paid \$271,706 (2009 paid - \$223,750; 2008 paid - \$24,750). Information concerning compensation paid to the directors of the Corporation in respect of the year ended December 31, 2010 is set out in the following table.

Name	Fees Earned (\$)	Interest Earned on Unpaid Fees (\$)	All other compensation ⁽²⁾ (\$)	Total (\$)
Robert C. Armstrong	57,500	632	70,000	128,132
C. Brian Cramm	47,000 80,688 ⁽¹⁾	489	60,000	188,177
Jan R. Horejsi	52,000 59,689 ⁽¹⁾	590	60,000	172,279
Peter C.G. Richards	46,252	549	60,000	106,801

Notes:

- (1) Represents fees paid to the director for service on the Special Committee established by the Board of Directors in November 2010 in connection with the consideration of transactions involving TG World.
- (2) Represents bonuses paid to directors in 2010. On the recommendation of the Compensation Committee, the Board declared bonuses in favor of non-management directors in November 2010, in recognition of the amount of time devoted by directors to the Corporation's business during the preceding 18 months and certain milestones achieved by the Corporation during the 2010 year.

No options were exercised by directors during the 2010 financial year. In 2009, directors exercised options to acquire an aggregate of 450,590 Common Shares for proceeds of \$9,011. No options were exercised by directors during the 2008 financial year. Options granted to directors vest immediately; therefore, the value of unexercised in-the-money options is the same as the value of vested options during the year.

Name and Principal Position	Number of Unexercised Options (#)	Option-based awards - Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert C. Armstrong	2,000,000	120,000		
	1,799,410	197,935	-	-
C. Brian Cramm	2,000,000	120,000		
	2,250,000	247,500	-	-
Jan R. Horejsi	2,000,000	120,000		
	2,250,000	247,500	-	-
Peter C. Richards	2,000,000	120,000		
	2,250,000	247,500	-	-

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 (\$)
Robert C. Armstrong	2,000,000	0.070	September 16, 2014	120,000
	1,799,410	0.020	January 23, 2014	197,935
C. Brian Cramm	2,000,000	0.070	September 16, 2014	120,000
	2,250,000	0.020	January 23, 2014	247,500
Jan R. Horejsi	2,000,000	0.070	September 16, 2014	120,000
	2,250,000	0.020	January 23, 2014	247,500
Peter C. Richards	2,000,000	0.070	September 16, 2014	120,000
	2,250,000	0.020	January 23, 2014	247,500

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, 2010 or at any time during 2010.

AMENDMENT TO THE ARTICLES OF THE CORPORATION – APPOINTMENT OF ADDITIONAL DIRECTORS

The Board of Directors has determined to recommend an amendment to the Articles to provide the directors with the ability to appoint, between annual meetings of the shareholders, one or more additional directors, provided that the number of additional directors so appointed does not exceed one-third of the number of directors who held office at the expiration of the preceding annual meeting.

On occasion, it may be beneficial for the Board of Directors to have the flexibility to appoint a new director between annual meetings of the shareholders (in conjunction with the completion of a significant transaction, for example). In the absence of an ability to appoint an additional director at a time when no shareholder meeting is scheduled, the Corporation might be forced to arrange for the resignation of an existing director in order to create a vacancy that could be filled by the new director. The Board of Directors wishes to avoid situations in which recourse to such an indirect measure is necessary to facilitate a business transaction that the Corporation proposes to undertake.

At the Meeting, the Corporation expects that eight individuals will be nominated for election as directors. If all eight nominees are elected to the Board of Directors at the Meeting, a further two individuals could be appointed as directors subsequent to the Meeting if the special resolution set out below is passed and the Articles are amended in the manner contemplated by that resolution. At present, the Board of Directors does not have any plans to add additional directors subsequent to the Meeting, but wishes to have the flexibility to appoint additional members if it considers such appointments to be in the best interests of the Corporation.

The *Business Corporations Act* (Alberta) provides that, if such power is set out in the articles of a corporation, the directors of that corporation may, between annual meetings, appoint one or more additional directors to serve until the next annual meeting, provided that the number of additional directors so appointed does not exceed one-third of the number of directors who held office at the expiration of the last annual meeting of the shareholders. At the Meeting, the shareholders will be asked to consider and, if thought fit, approve a special resolution, the text of which is set out below. In order to be passed, the special resolution must be approved by the affirmative vote of not less than two thirds of the votes cast by Shareholders at the Meeting, either in person or by proxy.

The text of the special resolution to be considered at the Meeting is as follows:

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. Pursuant to subsection 173(1)(n) of the *Business Corporations Act* (Alberta), Article 6 of the Articles of the Corporation be and is hereby amended by adding the following to the existing provisions:

“The directors may, between annual meetings, appoint one or more additional directors of the Corporation to serve until the next annual meeting, but the number of additional directors shall not, at any time, exceed one-third of the number of directors who held office at the expiration of the last annual meeting of the Corporation.”;

2. Upon Articles of Amendment having become effective in accordance with the provisions of the *Business Corporations Act* (Alberta), the Articles of the Corporation be amended accordingly; and
3. Any one officer or director of the Corporation be and is hereby authorized and directed to do all such acts and things and to execute and deliver or sign and file (for and on behalf of the Corporation and whether under corporate seal or otherwise) all such notices, certificates, instruments and other documents as such officer or director may consider necessary or desirable to give effect to the foregoing resolution.

Unless otherwise directed, the management designees named in the accompanying Instrument of Proxy intend to vote in favour of the foregoing special resolution at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out below or elsewhere in this Information Circular, management of the Corporation is not aware of any material interest, direct or indirect, of any informed person (as defined below in this paragraph) of the Corporation, any proposed nominee for election as a director of the Corporation or any associate or affiliate of any such person in any transaction since January 1, 2010, or in any proposed transaction that would materially affect the Corporation. As defined in National Instrument 51-102, "informed person" means (a) the directors and executive officers of the Corporation; (b) a director or executive officer of any person or company that is, itself, an informed person or subsidiary of the Corporation; (c) any person or company that beneficially owns, directly or indirectly, voting securities of the Corporation or that exercises control or direction over voting securities of the Corporation, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation (other than voting securities held by a person or company as underwriter in the course of a distribution); and (d) the Corporation, to the extent it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of such securities.

On December 23, 2010, the Corporation and TG World entered into an arrangement agreement (the "**Arrangement Agreement**") in which the Corporation agreed to acquire all of the outstanding shares of TG World not owned by the Corporation pursuant to a plan of arrangement under section 193 of the *Business Corporations Act* (Alberta) (the "**Plan of Arrangement**"). On January 16, 2011, the Corporation and TG World entered into an amending agreement for the purpose of, among other things, revising the exchange ratio that had originally been agreed to in the Arrangement Agreement.

Following execution of the Arrangement Agreement, the Corporation and TG World entered into a private placement subscription agreement, under which the Corporation agreed to acquire 29,650,000 TG World common shares (at a purchase price of \$0.05 per share) and a \$1,317,500 principal amount convertible promissory note of TG World. The private placement transaction was completed on December 30, 2010. Under the promissory note made in favor of the Corporation by TG World, principal, accrued interest and certain other amounts were convertible into TG World common shares

On March 10, 2011, the Plan of Arrangement was completed and TG World became a wholly-owned subsidiary of the Corporation. Mr. Clifford James was at all relevant times the President and Chief Executive Officer and a director of each of TG World and the Corporation. Messrs. Wayne Thompson and David Moscovitz, proposed nominees for election as directors of the Corporation, were at the time of execution and delivery of the Arrangement Agreement and at the time of completion of the Plan of Arrangement each directors of TG World.

Additionally, prior to the completion of the Plan of Arrangement, each of Messrs. Armstrong, Horejsi, Richards and Thompson held the number of common shares of TG World indicated below.

<u>Name</u>	Number of TG World Common Shares Beneficially Owned or Over which Control or Direction was Exercised
Bob Armstrong	17,130
Jan Horejsi	51,000
Clifford M. James	4,883,931
Peter Richards	1,014,745
Wayne Thompson	169,647

On February 28, 2011, the Corporation extended a loan in the principal amount of U.S.\$500,000 to TG World, which was evidenced by an unsecured promissory note and subject to interest at a rate of 15% per annum.

In April 2010, the Corporation issued an aggregate of 7,980,889 Common Shares, at a price of \$0.12 per share, to Seajay (as to **4,109,238** Common Shares) and Regent (as to **3,871,651** Common Shares) in final settlement of indebtedness owing to them under promissory notes previously executed and delivered by the Corporation. The indebtedness was incurred to **support office costs and salaries as well as operations of TVI Resource Development Phils., Inc.**

As of April 8 2010, Mr. James beneficially owned, or was deemed to have beneficially owned, approximately 10.3% of the total number of issued and outstanding Common Shares. Assuming exercise in full of options and warrants to acquire Common Shares held by Mr. James and corporations controlled by him, Mr. James would beneficially own, or would be deemed to beneficially own, approximately 12.9% of the total number of issued and outstanding Common Shares, as of April 8, 2010.

APPOINTMENT OF AUDITORS

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

Since January 1997, management services have been provided to the Corporation by Seajay Management Enterprises Ltd., 2000, 736 – 6 Avenue SW, Calgary, AB., T2P 3T7, all of the issued and outstanding shares of which are owned by Mr. James, President, Chief Executive Officer and a director of the Corporation.

TVI has entered into several employment contracts with key personnel, who are not executive officers of the Corporation. None of these contracts entitle the employee to an amount greater than \$100,000 on such employee's resignation or the change of control of the Corporation.

OTHER MATTERS TO BE ACTED UPON

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

Additional information relating to the Corporation is available in documents filed by the Corporation on SEDAR (www.sedar.com). Financial information for the Corporation, as at and for the year ended December 31, 2010, is provided in the Corporation's audited annual financial statements and related MD&A, which are available on SEDAR at www.sedar.com and the Corporation's website (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 2000, 736 – 6th Avenue SW, Calgary, Alberta T2P 3T7.

This Information Circular is dated the 26th day of April, 2011.