

TVI PACIFIC INC. SECURITIES LITIGATION NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL

This notice is to all persons, and entities (other than Excluded Persons, as defined below), who acquired securities of TVI Pacific Inc. (“TVI”) during the period from and including March 30, 2006, to and including August 9, 2007 (“Class Period”), and held some or all of those securities on August 9, 2007 (“Class Members”).

READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS.

COURT APPROVAL OF THE SETTLEMENT OF CLASS ACTIONS

In 2008, class actions were commenced in Ontario and Québec against TVI and certain of its current and former officers and directors (the “Defendants”). The Plaintiffs in the actions alleged that the Defendants conspired and breached their duty of care to TVI’s shareholders by issuing materially false and/or inaccurate audited consolidated financial statements for the years ended December 31, 2005 and 2006, and interim unaudited consolidated financial statements for the quarter ended March 31, 2007. The Plaintiffs also alleged that the Defendants granted in-the-money options in contravention of the stated purpose of TVI’s Stock Option Plan, the TSX Company Manual prohibition and Ontario and Québec securities legislation.

On April 22, 2009 the parties to the class actions executed a Settlement Agreement which provides that the Defendants will pay \$2.1 million (the “Settlement Amount”) in full and final settlement of all claims, including class counsel fees, disbursements, taxes and administration expenses in return for releases and a dismissal of the class actions. Additionally, TVI agreed to make efforts to re-price certain outstanding stock options and to adopt measures targeted at eliminating the potential for future stock option manipulation. The settlement is a compromise of disputed claims and is not an admission of liability, wrongdoing or fault on the part of any of the Defendants, all of whom have denied, and continue to deny, the allegations against them.

By Orders issued by the Ontario Superior Court of Justice and the Québec Superior Court (the “Courts”) dated June 17, 2009 and June 29, 2009, respectively, the Courts certified and approved the Settlement Agreement. The Courts also awarded Class Counsel legal fees, expenses and applicable taxes in the amount of \$599,326.64. Class Counsel were retained on a contingent basis such that they were only to be paid if they were successful in the litigation. Class Counsel Fees will be deducted from the Settlement Amount before it is distributed to Class Members. Expenses incurred or payable relating to approval, notification, implementation and administration of the Settlement Agreement including the fees of the Administrator (“Administration Expenses”) will also be paid from the Settlement Amount.

ADMINISTRATOR

The Courts have appointed NPT Administration Inc. as the Administrator of this Settlement Agreement. The Administrator will, among other things: (i) receive and process the Claim and Opt-Out Forms; (ii) make determinations of Class Members’ eligibility for compensation pursuant to the Distribution Protocol; (iii) communicate with Class Members regarding their eligibility for compensation; and (iv) manage and distribute the Settlement Amount.

The Administrator can be contacted at:

Telephone: 1-866-432-5534 (within Canada) or 1-519-432-5534 (outside Canada)

Mailing Address:

TVI Pacific Securities Litigation
Claims Administrator
c/o NPT Administration Inc.
P.O. Box 3355
London, ON N6A 4K3

E-mail Address: claims@nptca.com

Online Claims Submission: www.nptca.com

Claim Forms and Opt-Out Forms may be obtained and/or completed online at www.nptca.com. A complete copy of the Settlement Agreement is available on the website of Class Counsel: www.classaction.ca.

CLASS MEMBERS' ENTITLEMENT TO COMPENSATION

Class Members will be eligible for compensation pursuant to the Settlement Agreement if they sustained a net loss on their Class Period transactions and if they timely submit a complete Claim Form, including any supporting documentation with the Administrator. Class Members will have until **January 18, 2010** (the "Claims Deadline") to submit a Claim Form.

TVI's past or present subsidiaries, officers, directors, affiliates, legal representatives, heirs, successors and assigns, and all members of the individual Defendants' families, and any entity in which any of the individual Defendants has or had a controlling interest are Excluded Persons and as such are precluded from receiving compensation pursuant to the Settlement Agreement.

The remainder of the Settlement Amount, after deduction of Class Counsel Fees and Administration Expenses (the "Net Settlement Amount") will be distributed to Class Members in accordance with the Distribution Protocol attached as Schedule "B" to the Settlement Agreement.

The amount of each Class Member's actual compensation from the Net Settlement Amount will depend upon: (i) the number and the price of TVI securities purchased by the Class Member during the Class Period; (ii) when the Class Member sold the TVI securities purchased during the Class Period and the price at which such securities were sold; (iii) whether the Class Member continues to hold some or all of the TVI securities purchased during the Class Period; and (iv) the total number of claims for compensation filed with the Administrator.

Where applicable, the Administrator will hold back from compensation to residents of Québec, amounts payable to the *Fonds d'Aide aux Recours Collectifs*.

Any disputes arising from decisions of the Administrator may be appealed to the Ontario Superior Court of Justice.

REQUESTING EXCLUSION FROM THE CLASS

All persons and entities who come within the definition of the Class will automatically be considered Class Members unless and until they exclude themselves from the Class ("opt out"). This means that Class Members will not be able to bring or maintain any other claim or legal proceeding against the Defendants, or any other person released by the Settlement Agreement, in relation to the matters alleged in the class actions.

If you do not want to be bound by the Settlement Agreement you must opt out. Please note however, that by opting out you will also be barred from making a claim and receiving compensation from the Settlement Amount.

If you wish to opt out you must submit a completed Opt-Out Form, and any supporting documentation, to the Administrator, at the above noted address, no later than **September 15, 2009** (the “Opt-Out Deadline”).

If you are a resident of Québec and wish to opt out, in addition to submitting your Opt-Out Form to the Administrator, you must also send a complete copy of your completed Opt-Out Form to the Clerk of the Québec Court, at the following address: The Québec Superior Court, Québec City Court House, 300, boul. Jean-Lesage, Québec City, Québec, G1K 8K6 (Court File No. 200-06-000106-081) by the Opt-Out Deadline.

IMPORTANT DEADLINES

Opt-Out Deadline: September 15, 2009

Claim Deadline: January 18, 2010

Opt-Out Forms and/or Claim Forms will not be accepted after their respective deadlines. As a result, it is necessary that you act without delay.

CLASS COUNSEL

The law firm of *Siskinds*^{LLP} are counsel to the plaintiff in the Ontario class proceeding, and can be reached by telephone, toll free, at **1-800-461-6166 ext. 7868**.

The law firm of *Siskinds, Desmeules*^{s.e.n.c.r.l.} is counsel to the Plaintiff in the Québec class proceeding, and can be reached by telephone at **1-418-694-2009**.

INTERPRETATION

If there is a conflict between the provisions of this notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

DISTRIBUTION OF THIS NOTICE HAS BEEN AUTHORIZED
BY THE ONTARIO SUPERIOR COURT OF JUSTICE AND THE QUÉBEC SUPERIOR COURT