TIGER RESOURCES LIMITED

ABN 52 077 110 304

6 December 2019

PROPOSED DEBT RESTRUCTURE

Perth, Western Australia: Tiger Resources Limited (ASX: TGS) ("**Tiger**" or "**Company**") announces that it has determined to progress a proposal to restructure its balance sheet which, if implemented, will have the effect of significantly reducing its debt obligations and extending the maturity of remaining debt.

The Company provides the following summary of the important developments in respect of its capital restructure initiatives:

- the Company has yesterday evening, with the support of the majority of its senior lenders, filed documentation with the Australia Securities and Investments Commission ("**ASIC**") with respect to a proposed creditors' scheme of arrangement under section 411(1) of the *Corporations Act 2001* (Cth) pursuant to which a substantial amount of its senior debt will be converted into ordinary shares in the Company ("**Debt Restructure Proposal**");

- two of the Company's senior lenders, Taurus Mining Finance Fund, L.P. ("**Taurus**") and QMetco Limited ("**QMetco**") have signed a further deed of forbearance, providing forbearance relief in relation to certain defaults which have arisen under the financing arrangements and as a result of the progress and implementation of the Debt Restructure Proposal, until the earlier of, amongst other things, 31 December 2020 or implementation of the Debt Restructure Proposal; and

- further to the Company's announcement on 28 November 2019, the Company has now agreed with each of its senior lenders; Taurus, QMetco and International Finance Corporation ("**IFC**") to amend the terms of the QMetco facility so that the Company may access the Tranche 3 funds (US$ 18 million) without shareholder approval (and therefore on a non-convertible basis). This amendment will resolve Tiger's critical funding need and provide it with the funds necessary to progress the Debt Restructure Proposal.

Further detail in respect of these developments is set out below.

Debt Restructure Proposal

As previously announced by the Company (see announcements dated 1 May 2019, 16 August 2019 and 28 November 2019), the Company has for some time been discussing a holistic debt restructure with its senior lenders. Owing to a multitude of contributing factors, the Company's debt position had become unsustainable and the Company has been seeking the support of its senior lenders to restructure their debts in a manner that would allow the Company to continue operating into the future.

In order to restructure the Company's balance sheet to reduce its debt, the Company has determined in consultation with its senior lenders, to progress a creditors' scheme of arrangement which will, with the approval of the Court and the majority of the senior lenders whose claims together amount to at least 75% of the secured debt, and by a majority in number (more than 50%) of the senior lenders who are present and voting at the meeting (discussed below), result in the senior lenders exchanging a substantial portion of their debt for equity in the Company. The Debt Restructure Proposal currently has the support of QMetco and Taurus, and the Company remains in ongoing discussions with IFC to obtain its support.

The key terms and proposed outcomes of the creditors scheme, if successfully implemented, are set out below:

- **Deleveraging:** the Company's subsidiary, Société d'Exploitation de Kipoi S.A ("**SEK**"), currently owes the senior lenders approximately US$246 million under three separate loan tranches: Tranche A (US$219.4 million), Tranche D (US$13.7 million) and Tranche E (US$12.2 million). Taurus and QMetco have agreed to support a proposal whereby the amount of debt owing under Tranche A will be reduced to US$70 million. SEK will still remain liable to repay the balance of Tranche A, Tranche D and Tranche E, although the repayment dates will be extended. Following implementation of the creditors scheme, the Company's total secured debt will be reduced to approximately US$95.8 million (prior to any further drawdown of Tranche E);

- **Assumption of debt:** in order to give effect to the scheme the Company will assume the amount of SEK secured debt being exchanged for equity and the senior lenders will release the Company from its obligation to pay the assumed debt;

- **Issue of shares:** as consideration for the compromise of assumed debt, the Company will issue ordinary shares at a face value of $0.001 (US$0.00067) per share to the senior lenders (or their nominees) in proportion to the debt exchanged by each senior lender – this will result in the current holders of ordinary shares holding approximately 1% of the post-scheme diluted capital;

- **Amendment and restatement:** certain amendments will be made to the senior lenders' financing documents with the Company, including waivers of certain events of default; and

- **Extending debt maturities:** the maturity dates of the Company's senior debt which will remain after implementation of the restructure will be extended: Tranche A debt (US$70 million) will be extended until 31 December 2025; Tranche D (US$13.7 million) will be extended until 31 December 2024 and Tranche E (US$12.2 million) will be extended until 31 December 2024.

The Proposed Debt Restructure will substantially reduce the Company's debt and interest costs, improve liquidity and extend debt maturities, which will provide the Company with a more sustainable capital structure and is critical to supporting its operations and future growth.

The first court hearing for the creditors scheme is expected to be held on 20 December 2019 in the Federal Court of Australia (NSW Registry). At that hearing, orders will be sought for the Company to convene a creditors' meeting to vote on the proposed scheme.

The resolution to approve the scheme at the meeting must be passed by a majority of senior lenders whose claims together amount to at least 75% of the secured debt, by a majority in number (more than 50%) of the senior lenders who are present and voting at the meeting (either in person or by proxy).

If the scheme is approved by the requisite number of creditors, in order to become effective the scheme must then be approved by the Court. If the scheme is approved by the Court, the requisite orders lodged with ASIC and the applicable scheme conditions are satisfied, then the scheme will become effective.

Further forbearance arrangements

The Company had previously entered into forbearance arrangements with its senior lenders pursuant to which the senior lenders had agreed not to accelerate or enforce their claims against SEK (or Tiger) ("**Current Forbearance Arrangements**").

In order to facilitate the Debt Restructure Proposal, Taurus and QMetco have now agreed to additional forbearance arrangements in relation to certain defaults which have arisen under the financing arrangements and while the Debt Restructure Proposal is progressed ("**Additional Forbearance Arrangements**"). The Additional Forbearance Arrangements will terminate, amongst other things, if the debt restructuring process is not implemented by 30 April 2020. Tiger is in ongoing discussions with the IFC regarding its support for the Additional Forbearance Arrangements and the Company's intended debt restructure terms.

QMetco facility amendment

As announced by the Company on 16 August 2019, the Company executed a funding agreement whereby QMetco has made available to SEK a US$30 million "Super Priority Facility" ("**QMetco Facility**").

The QMetco Facility was made available in three tranches, with US$5 million and US$7 million under Tranche 1 and Tranche 2 having already been drawn. The availability of the final US$18 million under Tranche 3 was subject to various conditions precedent, including shareholder approval being obtained for the granting of the further equity conversion rights by no later than 30 November 2019.

Further to its announcement last week, the Company has agreed with its senior lenders amendments to the QMetco Facility to enable the Company to access the remaining US$18 million without shareholder approval (and therefore on a non-convertible basis).

The amendments to the QMetco Facility waive QMetco's conversion rights (other than conversion rights already granted in relation to AUD1,150,000 of the facility) and extend the deadline for shareholder approval of the associated marketing arrangement termination fee from 30 November 2019 to 30 June 2020.

Delisting

The Company confirms that as its capital structure will not be appropriate for continued listing, it will be de-listed from the ASX on 3 February 2020 under ASX's long term suspended entity policy.

It is expected that the Company's shares will remain in suspension until the Company is de-listed.

Further information

In order to assist answering any questions shareholders might have in respect of the content of this announcement the Company asks that shareholders send their queries to: info@tigerez.com. The Company will endeavour to respond to queries as quickly as it is able to do so.

For further information in respect of the Company's activities more generally, please contact:

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