TIGER RESOURCES LIMITED

2012 ANNUAL REPORT

Corporate Directory

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Non-Executive Chairman

Bradley William James Marwood
Managing Director

Rhett Boudewyn Brans
Non-Executive Director

David Wayne Constable
Non-Executive Director

Michael Richard Griffiths
Non-Executive Director

Stephen Ernest Hills
Finance Director

COMPANY SECRETARY

Susmit Mohanlal Shah

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STOCK EXCHANGE LISTINGS

Australian Securities Exchange (Code – TGS)
Toronto Stock Exchange (Code – TGS)
German Stock Exchange (Code – WKN AOCAJF)

(Expressed in US Dollars (US$000), unless stated otherwise)

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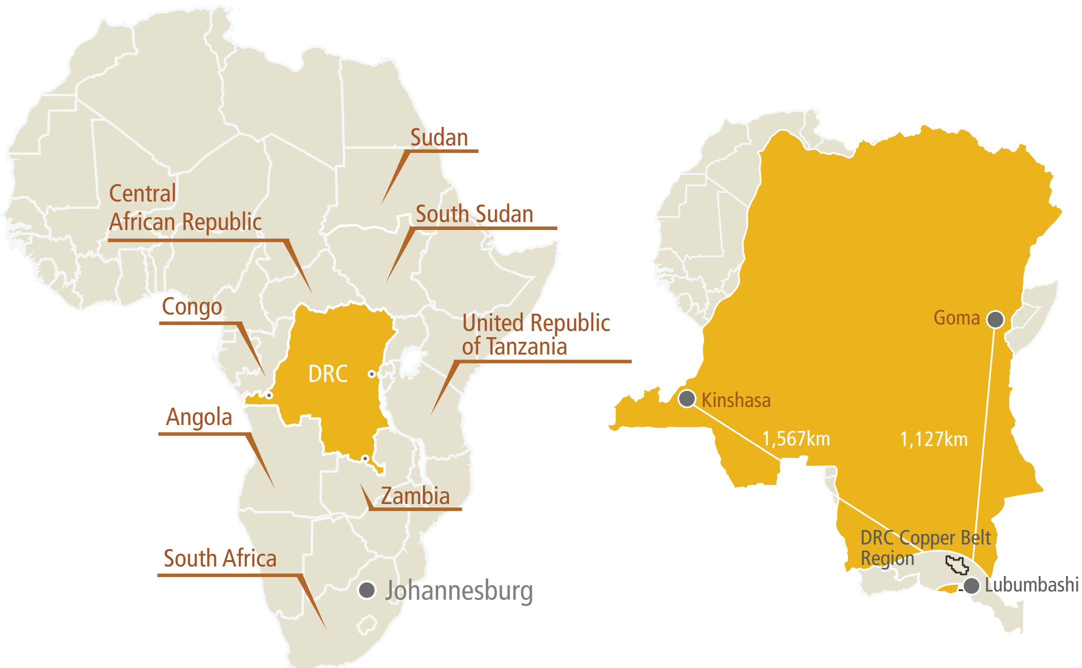
Democratic Republic of Congo (DRC)
The World's Best Address For High-Grade Copper



Chairman's Statement

Welcome to Tiger Resources Limited's (Tiger) annual report for the year ended 31 December 2012.

During the past 12 months, we have achieved some significant exploration and production milestones at our Kipoi and Lupoto Copper Projects in the Democratic Republic of Congo (DRC). Kipoi has now been in production for more than 18 months, and our exploration programmes continued during the year at both projects.

Production of copper concentrate at Kipoi throughout the year has exceeded our expectations, consistently performing above the plant's nameplate capacity. This result is a testament to the hard work and commitment of our management team and the employees on site at Kipoi, and an achievement of which I think we can be justifiably proud.

A Definitive Feasibility Study (DFS) to assess the proposed Stage 2 at Kipoi, a Solvent Extraction Electrowinning (SXEW) facility, was completed on 9 January 2013. The study was positive, confirming Stage 2 as a low-cost, high-margin project which can be commissioned after 16 months of development for a relatively low capital cost. We look forward now to seeing this facility develop, with construction having already begun.

As Tiger expects to have a long-term presence in the Katanga Province of the DRC, we are actively involved in the local community and have made a significant contribution to improving the standard of living for residents. One of these is the Raising Infant and Maternal Health Outcomes Programme, in which we have partnered with Global Health Alliance in Western Australia (GHAWA). The programme aims to reduce child mortality and improve maternal health in the local communities surrounding Tiger's project areas. Another initiative we have been involved with in the local community is the construction and equipping of a new primary school, which I had the opportunity to visit when I was in the DRC recently.

We have seen some changes to the Tiger board during the year. This was due in part to Trafigura's decision to sell its 28% shareholding in the Company in September. This led to the resignation of Trafigura's board representatives Darryll Castle, who had replaced Deon Garbers in May, and Jesus Fernandez. In December 2012 Michael Griffiths was appointed to the Board as a Non-Executive Director. Michael has more than 30 years' experience in the minerals and energy sector, including non-executive roles with a number of Australian Securities Exchange (ASX) and Toronto Stock Exchange (TSX) listed companies.

In February 2013 Stephen Hills was appointed to the Board as a Finance Director. Stephen joined Tiger as Chief Financial Officer in June 2010 and has been a key member of the management team that has overseen the successful transition of the Company from a junior explorer to a mid-tier producer. We welcome Michael and Stephen to the Board and are confident that they will bring with them valuable technical expertise and corporate skills.

With such a busy and productive year behind the Company, I would like to thank our executive management team, ably led by our Managing Director Brad Marwood, for their commitment and efforts throughout 2012. I would also like to thank our shareholders for their continuing support and loyalty. 2013 looks to be a year full of activity, and I look forward to seeing Tiger achieve all the goals that lie ahead.

Neil Fearis
Chairman

Managing Director's Statement

The past year has been an active one for Tiger Resources Limited (Tiger), and one which has seen the Company meet and exceed expectations. This is a testament to the hard work and contributions from all involved.

Since operations at the Kipoi copper plant began in June 2011, production has steadily increased. Since the March quarter, the plant has consistently operated at or above nameplate capacity, with quarterly processing figures as much as 17 per cent above nameplate. Head grades were also above expectations throughout the year, and we have made a number of improvements to the plant which resulted in higher levels of recovery with little downtime. We have been pleased with the performance of the Stage 1 Heavy Media Separation (HMS) plant, and look forward to further improving our operations with the development of the Stage 2 SXEW facility.

A DFS has established that Stage 2 would deliver an after-tax Net Present Value of $378 million and an Internal Rate of Return of 44 per cent. It demonstrates how Tiger plans to produce 445,000 tonnes of copper from the Kipoi Central, Kipoi North and Kileba deposits over a nine-year period, with an annual average production of 50,000 tonnes of London Metal Exchange Grade A copper metal. It has underlined the robust economics of developing the SXEW plant.

In addition, Tiger has mandated Nedbank Capital and Rand Merchant Bank (RMB) as joint lead arrangers to provide a US$80 million project debt and hedging facility. Even though the SXEW plant could be funded from cashflow generated from Stage 1, the inclusion of strategic funding partners will provide maximum flexibility during the construction period. Construction on Stage 2 has commenced and we are confident that the facility will be delivered on time and on budget, beginning operations mid-way through 2014.

Tiger commenced sales of copper oxide concentrate to the Chambishi Copper Smelter in Zambia. The agreement with Chambishi involves the sale of up to 42,000 tonnes of copper concentrate per annum at an average grade of 25 per cent copper. This provides Tiger with security in marketing our HMS product, and contributes towards our goal of exporting up to 60 per cent of Kipoi's annual concentrate production.

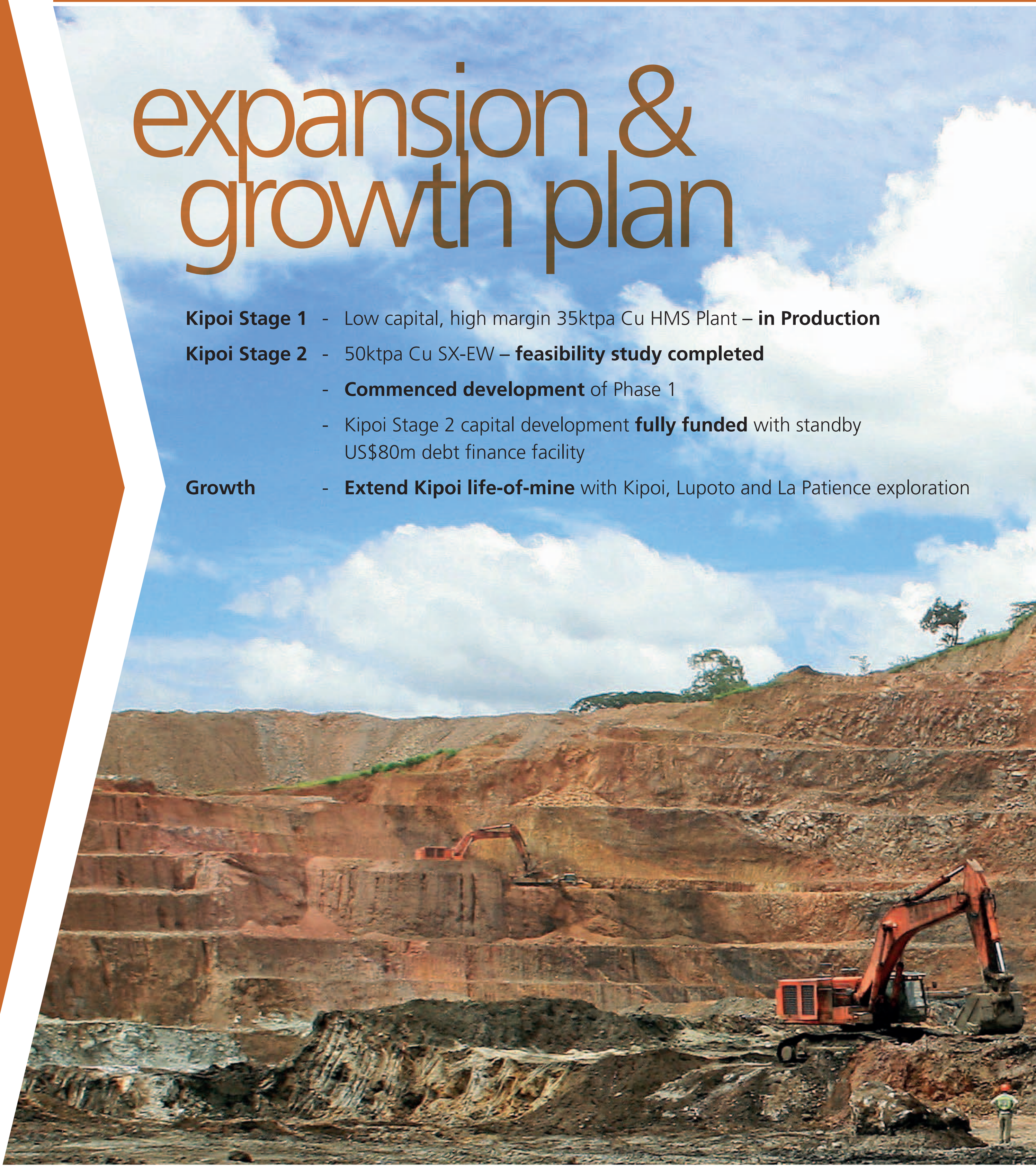
In terms of exploration, we continue to return pleasing results from across our portfolio, including the upgrade of Measured and Indicated Resources at Kipoi Central to 525,000 tonnes. Kipoi North now has an Indicated Mineral Resource of 53,500 tonnes, while we declared a maiden Indicated Mineral Resource of 128,200 tonnes at Kileba with a 16.5 per cent increase in the total contained copper to 155,600 tonnes. Drilling was also completed at the Sase Central and Sase South prospects on the Lupoto Project as we aim to increase confidence in the resources there. In addition, we added the La Patience licence, 10km southeast of Kipoi, to our portfolio, and we have commenced ground geophysics there to follow up an anomaly discovered during soil sampling.

During the year Tiger formed a strategic alliance with Zambian copper explorer, ASX-listed Chrysalis Resources Limited (CYS), taking a 19.9 per cent stake in CYS and a seat on the CYS board, thereby obtaining exposure to the Zambian copperbelt for a modest outlay. CYS's recent announcement indicates it is well on its way to a new discovery!

I thank our board and our staff for their contributions over the past 12 months. With work on the SXEW plant underway and more exploration planned in 2013, the year ahead looks as if it will be as busy as ever. I am confident we can achieve all the goals we have set ourselves.

Brad Marwood
Managing Director

Operations Review



expansion & growth plan

Kipoi Stage 1	-	Low capital, high margin 35ktpa Cu HMS Plant – **in Production**
Kipoi Stage 2	-	50ktpa Cu SX-EW – **feasibility study completed**
	-	**Commenced development** of Phase 1
	-	Kipoi Stage 2 capital development **fully funded** with standby US$80m debt finance facility
Growth	-	**Extend Kipoi life-of-mine** with Kipoi, Lupoto and La Patience exploration

Operations Review

Operations Review

Principal Activities

The principal continuing activities of the Group during the course of the financial year were mineral exploration, development, mining and sale of copper concentrate.

Results and Review of Operations

The consolidated entity recorded a net profit after tax of $10,546,000 during the financial year ended 31 December 2012, compared to a net loss after tax of $2,381,000 for the financial year ended 31 December 2011.

A review of operations of the consolidated entity for the financial year ended 31 December 2012 is provided as follows:

Operations Report

The Group continued its focus on exploration, development and production from its mineral properties, located in the Katanga province in the DRC.

Tiger achieved significant milestones during the year, including the Stage 1 Heavy Media Separation (HMS) plant exceeding the nameplate production capacity of 35,000tpa of copper in concentrate, completing a positive Definitive Feasibility Study (DFS) for a Stage 2 SXEW plant at Kipoi and securing terms for an US$80 million stand-by debt facility for the Stage 2 SXEW development.

Significant investment was made in exploration on the Kipoi mining licence area and also the Lupoto Project, which lies approximately 10km south of Kipoi.

During 2012, Tiger acquired 100% of the La Patience Exploration Licence which is located 10km southeast of Kipoi, and formed a strategic alliance with, and acquired a 19.9% shareholding in, ASX-listed Chrysalis Resources Limited, a Zambian focused copper explorer that holds in excess of 3,000km^2 of exploration permits in the Zambian copperbelt.

KIPOI COPPER PROJECT (TIGER 60%)

The Kipoi Copper Project is located approximately 75km NNW of Lubumbashi in the Katanga Province of the DRC. Tiger has a 60% interest in the Kipoi project. The remaining 40% interest is held by La Générale des Carrières et des Mines ("Gécamines"), a DRC State-controlled company.

The Company is undertaking a phased development at Kipoi, where the Stage 1 HMS plant is in production and will process 2.7Mt of ore grading approximately 7% Cu to produce a total of 113,000 tonnes of copper in concentrate over its life.

A DFS for a Stage 2 SXEW plant to produce 50,000tpa of copper cathode was completed in 2012 and results reported on 9 January 2013. Ore reserves from the Kipoi Central, Kipoi North and Kileba deposits within the Kipoi Project area will be processed during the Stage 2 operations.

It is envisaged that ore from Judeira and other deposits within the Kipoi Project area, and within the nearby Lupoto Project, will also be processed during the Stage 2 operations, providing additional returns and increasing the mineral resources available as feedstock to the Stage 2 SXEW plant. Increased resources will potentially increase the nine-year mine life demonstrated in the DFS and/or annual plant throughput.

Stage 1: HMS Plant

Mining

Mining during 2012 performed strongly. A total of 940,282 tonnes of ore was mined at an average head grade of 6.7% Cu. Medium and low grade ore mined to date during the Stage 1 HMS operation has been classified as waste, however is stockpiled as ore feed available for the Stage 2 SXEW operations.

Processing

The Stage 1 HMS plant at Kipoi began operation in April 2011 and ramped up to exceed nameplate capacity in the first quarter of 2012.

During 2012 the HMS plant processed 1,009,694 tonnes of ore at an average head grade of 6.76% Cu to recover 36,966 tonnes of copper in concentrate. This was an outperformance of the nameplate ore processing capacity of 900,000 tonnes per annum and recovery of 35,000 tonnes of copper in concentrate.

The 2012 HMS operation cash operating cost was $0.76/lb of copper produced.

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Global Resource Base

995,600t Cu

Kipoi	**795,600t Cu**
Kipoi Central	575,000t Cu
Kipoi North	65,000t Cu
Kileba	155,600t Cu
Judeira	maiden resource due in 2013
Lupoto	**200,000t Cu**

Equity Attributable Resource Base

677,360t Cu

Progress at Kipoi Minesite

Operations Review

Kipoi HMS Floats Stockpile

"With over $166 million of contained copper in the floats stockpile at 31 March 2013 and growing, the Kipoi Stage 2 SXEW stockpiles will contain **over $1 billion of copper in free at surface stockpiles** on commencement of production in mid-2014."

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Operations Review

Table 1: Reconciliation of Operating expenses to cash unit cost of production

	US$000	
Direct cash cost of production	$65,065	$0.80/lb
Deferred Stripping	$(4,676)	$(0.06)/lb
ROM stockpile movement	$1,579	$0.02/lb
Total cash cost of production	***$61,968***	***$0.76/lb***
Concentrate stockpile movement	$(2,188)	$(0.03)/lb
Royalties	$5,283	$0.07/lb
Concentrate export selling costs	$11,753	$0.14/lb
Total operating expenses	***$76,816***	***$0.94/lb***

Production guidance for 2013 is 37,000 tonnes of copper in concentrate at a cash operating cost of $0.48/lb of copper produced. The HMS operation is planned to cease production in August 2014, with 2014 forecast production of 21,000 tonnes of copper in concentrate at a cash operating cost of $0.30/lb of copper produced.

Stage 2: SXEW Facility

DFS complete

The positive DFS for a Stage 2 SXEW plant at Kipoi confirms the SXEW operation as a low-cost, high-margin project. The first phase of development is under way and is targeted to come on stream in mid-2014.

Highlights of the DFS included:

- After-tax Net Present Value of US$378 million (using 8% discount rate and a copper price of US$3.40/lb 2014-2017 and US$3.00 from 2018)
- Production of 445kt Cu from the HMS residues, Kipoi Central, Kipoi North and Kileba deposits over nine years
- Annual production increasing to 50,000t LME Grade A copper metal; cash site operating costs of US$0.72/lb during first two years with no additional mining required (average US$1.13/lb Life of Mine (LOM))
- After-tax Internal Rate of Return (IRR) of 44% DFS initial project capital cost of US$160.9 million with a 16-month payback. LOM capital cost, including sustaining capital and mine closure costs is US$383.5 million

Financing

Tiger has mandated Nedbank Capital, a division of Nedbank Limited, and RMB, a division of First Rand Bank Limited, as joint lead arrangers to provide a US$80 million project debt and hedging facility.

Notwithstanding that Tiger's corporate model demonstrates that the Stage 2 SXEW at Kipoi can be funded from cashflow generated from the HMS facility, the Board has elected to appoint strategic funding partners to provide the maximum flexibility for the construction, which commenced during the first quarter of 2013 (refer to announcement on 9 January 2013 for additional details).

Construction

On 17 January 2013, Tiger announced that its 60%-owned subsidiary and operator of the Kipoi Copper Project, Société d'Exploitation de Kipoi SPRL (SEK), had awarded a lump-sum turnkey contract to South African company SENET Pty Ltd for construction of the first phase of the Stage 2 SXEW development at Kipoi, a 25,000tpa solvent extraction plant and the heap leach and agglomerator.

Mineral Reserve and Resources
As at 31 December 2012

Table 1 – Kipoi Central Mineral Resource
Grade Tonnage Reported above a Cut off of 0.5% Copper
Depleted as at 31 December 2012

Classification	Category	Tonnes (MT)	Cu Grade (%)	Co Grade (%)	Copper (000'T)	Cobalt (000'T)
Measured	Oxide (In-situ)	0.9	5.2	0.3	45.0	2.2
	Transitional (In-situ)	0.3	4.7	0.1	15.0	0.2
	Sulphide (In-situ)	0.8	5.0	0.1	39.0	0.7
	Stockpile	3.1	2.3	0.1	73.0	3.1
Total Measured		**5.1**	**3.4**	**0.1**	**171.0**	**6.3**
Indicated	Oxide (In-situ)	10.6	1.3	0.1	134.0	7.7
	Transitional (In-situ)	4.8	1.6	0.1	75.0	3.1
	Sulphide (In-situ)	4.7	2.4	0.1	112.0	2.9
Total Indicated		**20.1**	**1.6**	**0.1**	**322.0**	**13.7**
Total Measured & Indicated		**25.2**	**2.0**	**0.1**	**493.0**	**20.0**
Inferred	Oxide (In-situ)	4.2	1.0	0.1	42.0	4.5
	Transitional (In-situ)	1.1	1.0	0.1	12.0	1.1
	Sulphide (In-situ)	2.6	1.1	0.1	28.0	3.5
Total Inferred		**7.9**	**1.0**	**0.1**	**82.0**	**9.1**

Table 2 – Kipoi Stage 2 Ore Reserve
December 2012

Mineral Reserves	Classification	Tonnes (MT)	Cu Grade (%)	Copper (000'T)
Kipoi Central	Probable	15.5	1.2	186
Kileba	Probable	5.2	1.9	98
Kipoi North	Probable	1.2	1.9	24
SUBTOTAL	Probable	21.9	1.4	308
Kipoi Central Stockpiles	Probable	4.9	2.8	137
TOTAL	**Probable**	**26.8**	**1.7**	**445**

The cut-off grade varies by material and ranges from 0.3% Cu to 1.2% Cu

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Table 3 – Kipoi Central Ore Reserve
Grade Tonnage Reported above Cut off of 3.25% Copper
Mining Depleted as at 31 December 2012

Category	Type	Tonnes (MT)	Cu Grade (%)	Co Grade (%)	Copper (000'T)	Cobalt (000'T)
Proven	In-situ	0.70	7.3	0.3	51	1.8
Probable	In-situ	0.10	5.2	0.4	5	0.4
	Stockpiles	0.20	5.2	0.2	11	0.4
Total		**1.01**	**6.6**	**0.3**	**67**	**2.6**

Table 4 – Kileba Mineral Resource
Grade Tonnage Reported above a Cut off of 0.5% Copper
August 2012

Classification	Category	Tonnes (MT)	Cu Grade (%)	Co Grade (%)	Copper (000'T)	Cobalt (000'T)
Indicated	Oxide (In-situ)	6.0	1.46	0.06	87.0	3.4
	Transitional (In-situ)	2.1	1.60	0.05	33.2	1.0
	Sulphide (In-situ)	0.5	1.43	0.04	8.0	0.2
Total Indicated		**8.6**	**1.49**	**0.05**	**128.2**	**4.6**
Inferred	Oxide (In-situ)	0.7	0.81	0.04	6.1	0.3
	Transitional (In-situ)	0.5	0.78	0.04	3.6	0.2
	Sulphide (In-situ)	1.0	1.75	0.04	17.7	0.4
Total Inferred		**2.2**	**1.23**	**0.04**	**27.4**	**0.9**

Table 5 – Kipoi North Mineral Resource
Grade Tonnage Reported above a Cut off of 0.5% Copper
October 2012

Classification	Category	Tonnes (MT)	Cu Grade (%)	Co Grade (%)	Copper (000'T)	Cobalt (000'T)
Indicated	Oxide (In-situ)	3.4	1.36	0.05	46.1	1.6
	Transitional (In-situ)	0.5	1.21	0.03	6.4	0.2
	Sulphide (In-situ)	0.1	1.05	0.04	1.0	0
Total Indicated		**4.0**	**1.33**	**0.05**	**53.5**	**1.8**
Inferred	Oxide (In-situ)	0.3	1.20	0.04	4.1	0.1
	Transitional (In-situ)	0.4	1.06	0.03	3.8	0.1
	Sulphide (In-situ)	0.3	1.05	0.03	3.6	0.1
Total Inferred		**1.0**	**1.10**	**0.03**	**11.5**	**0.3**

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Operations Review

Drilling at Sase

Operations Review

KIPOI EXPLORATION

Kipoi Central

A Priority 1 programme of drilling to upgrade the Inferred resource to Indicated status was undertaken at Kipoi Central early in 2012 in support of the Stage 2 DFS, consisting of 12 Diamond Drill (DD) and 5 Reverse Circulation (RC) holes for 2,994.5m. On 22 May 2012 Tiger announced a significant increase in Measured and Indicated (M&I) resources at Kipoi Central as a result of re-classification of resources by independent consultant Cube Consulting Pty Ltd. M&I resources increased by 40% from 375,000 tonnes (December 2011) to 525,000 tonnes of copper, and the Inferred resources reduced from 262,000 tonnes to 82,000 tonnes of copper.

The Priority 1 programme identified that the western extension of Kipoi Central was larger than originally expected and a Priority 2 programme, consisting of 20 DD holes completed for 2,748.1m, was undertaken to test the potential for extending the "cross-strike" continuation of the sub-vertically dipping NW-SE striking sedimentary package. Assay results have indicated a decrease in copper mineralisation along strike to the north and west of the north-south trending fault. Further analysis of the results will be used to refine the Kipoi Central resource.

Kipoi North

Tiger completed a Priority 1 programme of 34 DD holes drilled for 3,436.5m at Kipoi North during the March 2012 quarter to upgrade the current Inferred resource to Indicated status. An Indicated Mineral Resource of 4.0Mt grading 1.33% copper for 53,500t of copper was declared. The upgrade represents a conversion ratio of 74% from Inferred to Indicated category.

Kileba

At Kileba Tiger undertook a Priority 1 resource upgrade drilling programme of 64 DD holes for 8,295m to upgrade the Inferred resource to Indicated status. A maiden Indicated Mineral resource of 128,200 tonnes of copper was declared on 29 August 2012 primarily a result of re-classification of material from Inferred to Indicated status, with a 16.5% increase in the total contained copper at Kileba.

Judeira

An RC programme of 11 holes for 1,040m at Judeira North was completed in the September 2012 quarter to explore for a possible extension of copper mineralisation and to better define the limit of the mineralised zone. This drilling campaign has assisted Tiger in understanding the structural control of the Judeira deposit, which is considered to be a tight anticline with mineralisation dipping along the hinge line.

Assay results from 10 RC holes at Judeira North and 1 RC hole at Judeira South were received during the December quarter and returned sporadic weak copper mineralisation and the results are under review.

In addition, Tiger undertook a 11-hole DD programme during the December 2012 quarter for 1,711m designed to expand the width and down-dip extent of copper mineralisation and to improve geological structural understanding of the prospect. At the time of writing this report, assays for this programme were pending.

LUPOTO COPPER PROJECT (TIGER 100%)

The Lupoto Permit (PR2214) is located approximately 10km south of the Kipoi Project. Exploration at Lupoto was hampered in the first half of 2012 by the wet season and the need to re-establish access to the project area.

Sase Central

Tiger commenced a 15 DD hole programme at Sase Central in the September quarter and completed it in the December quarter. This 2,227m programme aimed to further delineate the mineralised envelope at Sase Central and extend the current JORC Indicated and Inferred Mineral resources of 200,000t of copper. Assay results are pending.

Sase South

A RC drilling programme of 21 holes for 1,982m was completed at Sase South during the September quarter. The programme was designed to test for a possible extension of the mineralisation along the dominant NW-SE trend. Assay results are pending.

LA PATIENCE EXPLORATION LICENCE (TIGER 100%)

Tiger entered into an exclusive six-month option agreement to conduct initial exploration activities on the 27km^2 La Patience PR-10715, located 10km south-east of Kipoi. A soil sampling programme identified a prominent copper anomaly across the centre of the permit and along the NW-SE structural trend. In addition, a zinc anomaly appears to the east and north of the copper anomaly. On the basis of this initial reconnaissance, Tiger has exercised its option on La Patience and has commenced the title transfer process as well as a ground geophysics survey designed to identify concealed conductive bodies of economic interest.

Investment in Chrysalis Resources Limited

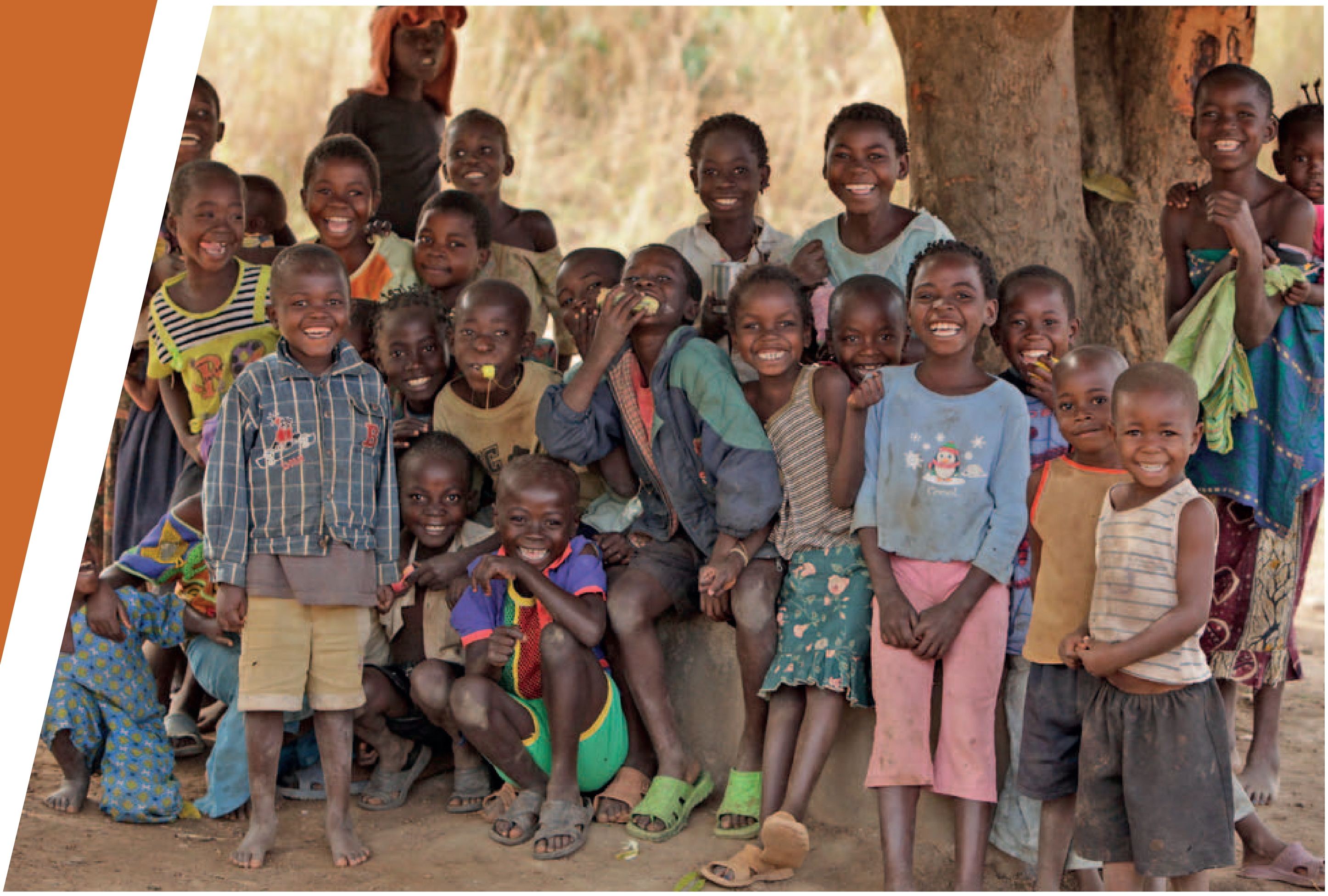
On 28 August 2012, Tiger announced it had entered into a strategic alliance with Zambian-focused copper explorer Chrysalis Resources Limited (ASX: CYS) through a commitment to acquire a 19.9% interest in CYS.

The investment provides Tiger with an excellent opportunity to expand its interests into the Zambian Copperbelt for what is considered a modest outlay. Tiger is represented on the board of Chrysalis and a joint technical committee by Managing Director Brad Marwood. Chrysalis's Shikila and Kabwima projects are located within 200km of Tiger's exploration team base in Lubumbashi, DRC.

Operations Review

community

New Kangambwa school buildings



Operations Review

RIMHOP meeting with local community

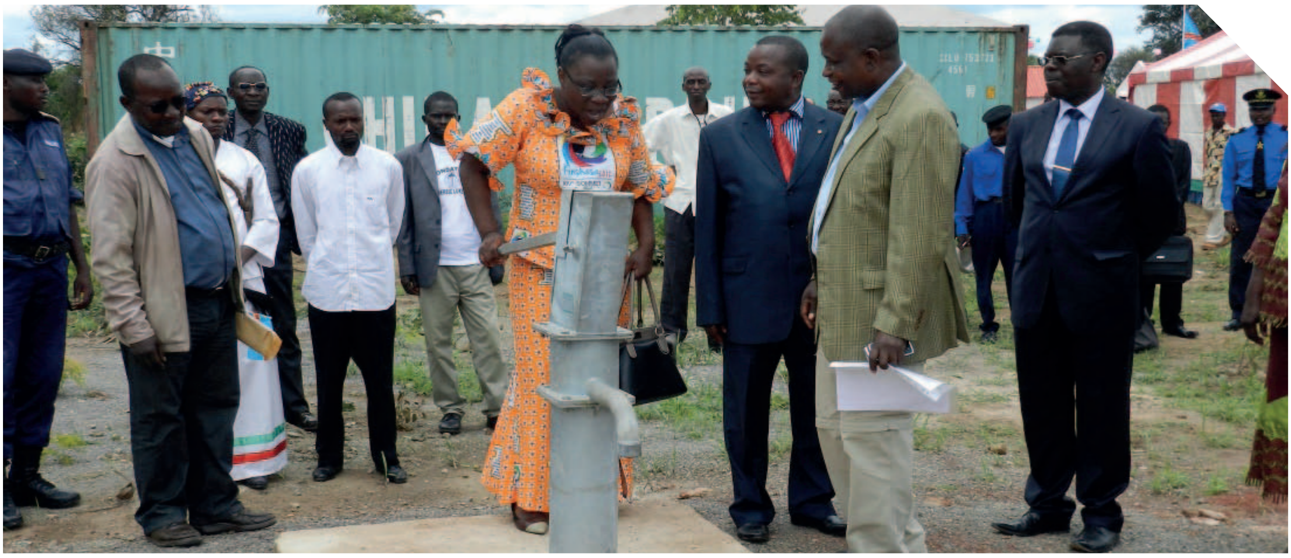
COMMUNITY

During the year Tiger made great strides in initiating and completing projects designed to improve standards of health, education and well-being in the Katanga province, coordinated by a full-time officer of the Company. Programmes are designed in consultation with the local communities and service institutions, who are engaged from an early stage to promote the initiatives to becoming self-sustaining community projects.

In collaboration with the Katanga Provincial Ministry of Health (PMOH) and Global Health Alliance in Western Australia (GHAWA), Tiger has initiated the Raising Infant and Maternal Health Outcomes Programme (RIMHOP) programme.

This seeks to significantly reduce child mortality rates and improve the maternal health of communities in close vicinity to its area of operation, through training in emergency obstetrics, 'train the trainer' programmes and the establishment of an ongoing mentoring programme. The RIMHOP project assessment and scoping was completed in 2012.

The Minister of Environment and Gender was present to officially commission a new water pump installed by Tiger providing potable water at the local Catholic Kangambwa village school, which serves the closest community to the Kipoi minesite.



Official commissioning of waterpump at Kangambwa

Operations Review

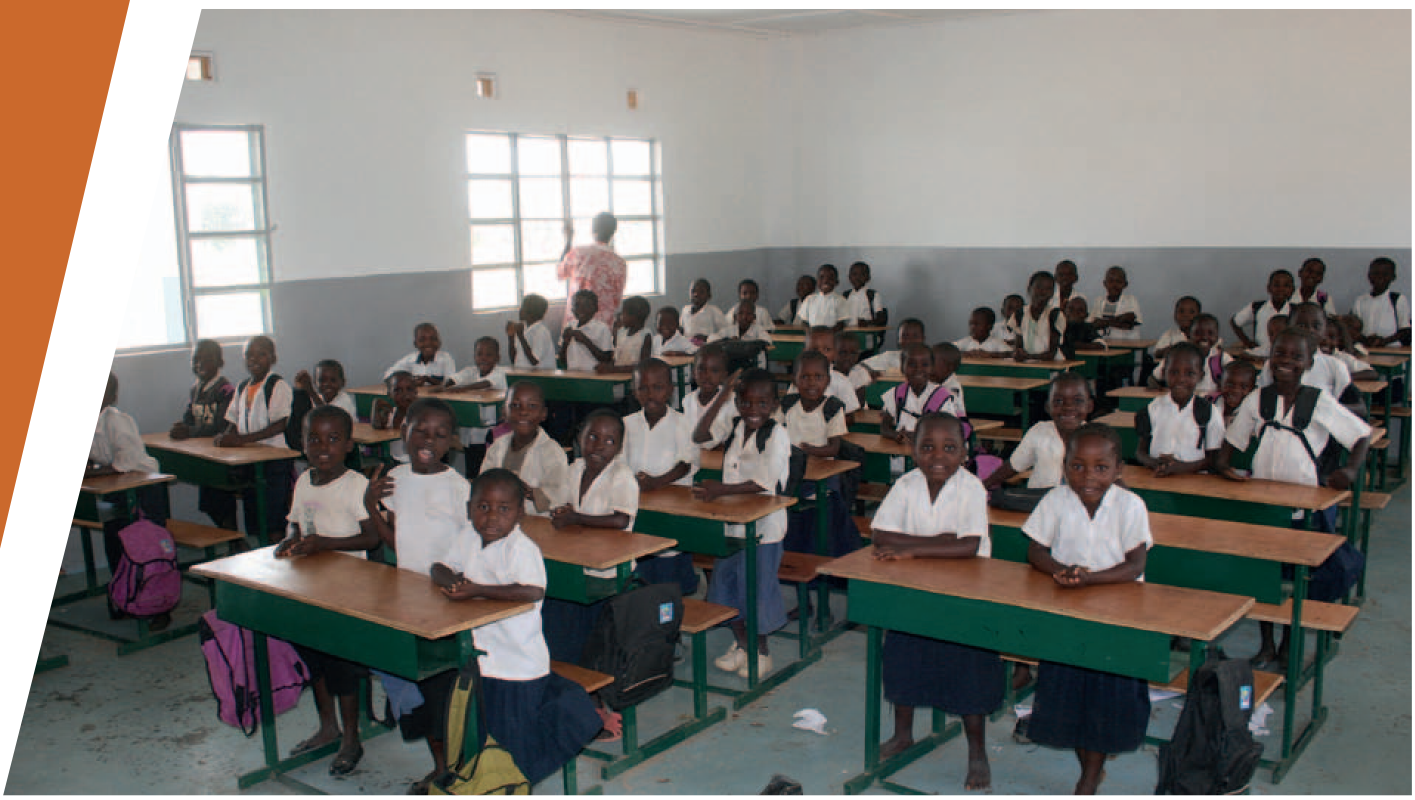
Tiger has also provided for the construction and furnishing of new buildings at the Kangambwa school which had been operating out of a local single roomed church and a single room house for its 200 pupils. The new facilities provide adequate facilities for around 500 pupils.

At the government Mzee Laurent Kabila School of Excellence, a Secondary School situated at Ankoro in the remote North East of Katanga province, Tiger implemented an Information Technology Support and Promotion programme to support educational improvement. The school was equipped with solar panels to provide electricity to supplement the local power supply and 25 laptops were installed with a satellite dish to provide students access to the internet and educational materials.

At Lubumbashi University, Tiger has arranged the installation of a computer server and 5 desktop computers and software, and the training of 5 university teachers on the Surpac mining and geology software. This provides students the opportunity to develop skills immediately in demand and relevant to the Katanga mining industry.

Information technology services have also been provided to assist the Provincial Office of Immigration with computer protection materials through supply and installation of 12 stabilizers and 12 UPS systems, and the equipment of the Provincial Labour Inspection Office with a desktop computer and printer.

Additional programmes are being run concurrently in consultation with local institutions to address community issues such as: HIV/AIDS, the equipping of health care facilities, and providing employment opportunities for members of the local communities. To date, 352 casual worker positions and 32 short-term contract positions have been filled by residents of the five communities in closest proximity to the Kipoi operations.



Students at new Kangambwa schoolroom

Operations Review

Tree nursery for revegetation

Competent person statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Brad Marwood, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Marwood is a Director of the Company.

Mr Marwood has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Marwood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this report that relates to Ore Reserves at Kipoi Central, Kileba and Kipoi North is based on a Reserve estimate compiled by Mr Quinton de Klerk who is a Fellow of the Australian Institute of Geoscientists ("AusIMM"). Mr de Klerk is a director and full time employee of Cube Consulting Pty Ltd. Mr de Klerk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the "JORC Code") and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr de Klerk consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The Information in this report that relates to Mineral Resources at Kipoi Central, Kileba, Kipoi North and Sase Central is based on resource estimates compiled by Mr Mark Zammit, who is a member of the Australian Institute of Geoscientists ("AIG"). Mr Zammit is a full time employee of Cube Consulting Pty Ltd. Mr Zammit has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the "JORC Code") and to qualify as a "Qualified Person" under National Instrument 43- 101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr Zammit consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Caution Regarding Forward Looking Statements and Forward Looking Information: This report contains forward looking statements and forward looking information, which are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements and forward looking information, including but not limited to those with respect to the Stage 1 mining, HMS and spiral system operations and the development of a Stage 2 SXEW plant at Kipoi Central, involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of copper, the actual results of current exploration, the availability of debt financing, the volatility in global financial markets, the actual results of future mining, processing and development activities and changes in project parameters as plans continue to be evaluated. There can be no assurance that the Stage 1 HMS plant will operate in accordance with forecast performance, that anticipated metallurgical recoveries will be achieved, that future evaluation work will confirm the viability of deposits identified within the project, that future required regulatory approvals will be obtained, that the Stage 2 expansion of the Kipoi Project will proceed as planned and within expected time limits and budgets or that, when completed, the expanded Kipoi Stage 2 project will operate as anticipated.

Directors' Report

Your Directors present their report on the consolidated entity comprising Tiger Resources Limited ("Tiger" or "the Company") and its controlled entities ("the consolidated entity" or "Group") for the year ended 31 December 2012.

Tiger is a company limited by shares that is incorporated and domiciled in Australia.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, except as otherwise indicated:

Rhett Brans
Darryll John Castle (appointed 24 May 2012 and resigned 9 October 2012)
David Constable
Neil Fearis
Jesus Fernandez Lopez (resigned 9 October 2012)
Deon Garbers (resigned 23 May 2012)
Michael Griffiths (appointed 7 December 2012)
Brad Marwood
Stephen Hills (appointed 21 February 2013)

Information on Directors

Neil Christian Fearis LL.B. (Hons) FAICD F FIN

Chairman – Independent, Non-Executive

Mr Fearis has over 30 years' experience as a commercial lawyer in the UK and Australia. He practises principally in the area of mergers and acquisitions, takeovers, public floats, and other forms of capital raising and is a member of several professional bodies associated with commerce and the law.

During the past three years Mr Fearis has also served as a Director of the following listed companies:

Company	*Date appointed*	*Date ceased*
Carnarvon Petroleum Limited	30 November 1999	-
Magma Metals Limited	8 October 2009	25 June 2012
Perseus Mining Limited	26 May 2004	-

Special responsibilities
Chairman of the Remuneration, Nomination and Corporate Governance Committee
Member of Audit and Risk Committee

Interest in shares, options and performance rights
1,000,000 options over ordinary shares in Tiger Resources Limited

Bradley William James Marwood BSc (Mining Engineering)

Managing Director

Mr Marwood graduated in mining engineering more than 25 years ago. His time in the industry has been spent equally in development and operations, including over 16 years' experience in Africa from Zimbabwe to Mali and he has been directly involved with the development of the gold mining industry in Ghana since 1987. As Manager Projects Africa for Normandy Mining Limited, Mr Marwood progressed projects in Ivory Coast, Mali, Eritrea, Sudan and Ghana, the most prominent being the Akim Yamfo-Sefwi Project, Ghana, now operated by Newmont Mining Limited. Mr Marwood has a strong background in project development, implementation and operations.

During the past three years Mr Marwood has also served as a director of the following listed company:

Company	*Date appointed*	*Date ceased*
Chrysalis Resources Limited	24 September 2012	-

Mr Marwood is nominated by Tiger to represent it on Chrysalis Resources Limited's Board of Directors.

Special responsibilities
Nil

Interest in shares, options and performance rights
1,843,928 ordinary shares in Tiger Resources Limited
3,000,000 options over ordinary shares in Tiger Resources Limited
1,189,915 performance rights over ordinary shares in Tiger Resources Limited

Rhett Boudewyn Brans MIEAust CPEng

Non-Executive Director

Mr Brans qualified as a civil engineer at what is now known as Monash University in 1974 and completed an advanced management programme at the University of Melbourne in 1991. Mr Brans has over 35 years international experience in the design and construction of mineral treatment facilities, including copper SXEW processing facilities. In this capacity, he has managed the development of numerous gold and base metal projects, including projects in Africa (and more particularly the DRC). His experience extends across the full range from mining feasibility studies through to commissioning operations.

Directors' Report

During the past three years Mr Brans has also served as a Director of the following listed company:

Company	Date appointed	Date ceased
Perseus Mining Limited	26 May 2004	-

Special responsibilities
Member of the Remuneration, Nomination and Corporate Governance Committee
Member of Audit and Risk Committee

Interest in shares, options and performance rights
500,000 options over ordinary shares in Tiger Resources Limited

David W. Constable BSc (Hons), MBA, ICD.D
Non-Executive Director

Based in Ontario, Canada, Mr Constable is a geologist with a BSc (Hons) in Geology & Mathematics from Mount Allison University, New Brunswick and an MBA (Hons) from Laurentian University, Ontario. He has over 40 years professional experience in the mining and exploration sector in North America and internationally, specifically in mineral exploration, investor relations and corporate development. Previously Mr Constable was Vice President Investor Relations for FNX Mining Company Inc. (later Quadra FNX Mining LTD. subsequently acquired by HGHM International) from 2002 to 2010 and Vice President Investor Relations for Normandy Mining Limited from 1996 to 2002. Mr Constable has an ICD.D designation from the Canadian Institute of Corporate Directors and is an experienced director of public resource companies and a past director of both Moly Mines Limited (ASX & TSX) and Aquiline Resources Inc. (TSX).
During the past three years Mr Constable has also served as a Director of the following listed companies:

Company	Date appointed	Date ceased
U3O8 Corp.	June 2006	-
Woulfe Mining Corp.	September 2010	-
Rockcliff Resources Inc.	August 2010	-
Acme Resources Corp.	February 2008	2 October 2012
Anglo Swiss Resources Inc.	December 2010	4 October 2012
Sandspring Resources Limited	January 2011	-
Magma Metals Limited	December 2010	25 June 2012
IMX Resources Limited	August 2012	-

Special responsibilities
Chairman of Audit and Risk Committee

Interest in shares, options and performance rights
50,000 ordinary shares in Tiger Resources Limited
600,000 options over ordinary shares in Tiger Resources Limited

Michael Richard Griffiths, BSc, Dip Ed, FAusIMM, GAICD
Non-Executive Director
(appointed 7 December 2012)

Mr Griffiths has over 30 years of experience in the minerals and energy sector in Australia and Africa. Mr Griffiths is the Non-Executive Chairman of ASX-listed Mozambi Coal Limited, sits on the board of TSX-V listed Currie Rose Resources Inc, and also currently serves as a consultant to ASX-listed Chalice Gold Mines Limited. In the role of Chief Executive Officer of Sub-Sahara Resources N.L. between 1998 and 2009, Mr Griffiths and his team were responsible for the discovery of significant gold deposits in both Tanzania and Eritrea. In Australia his exploration experience includes the discovery of significant gold resources in the Tanami Desert region of the Northern Territory.

During the past three years Mr Griffiths has also served as a Director of the following listed companies:

Company	Date appointed	Date ceased
Currie Rose Resources Inc	7 March 2005	-
Chalice Gold Mines Limited	26 August 2009	21 November 2011
Mozambi Coal Limited	14 April 2010	-

Special responsibilities
Member of the Remuneration, Nomination and Corporate Governance Committee

Interest in shares, options and performance rights
Nil

Directors' Report

Stephen Ernest Hills B.Com, B.Compt.(Hons) CA
Finance Director
(appointed 21 February 2013)

Mr Hills joined Tiger as Chief Financial Officer in June 2010 and has been a key member of the management team that has overseen the successful transition of the Company from a junior explorer to a mid-tier producer.

During the past three years Mr Hills has not served as a Director of any other listed companies.

Special responsibilities
Nil.

Interest in shares, options and performance rights
383,625 ordinary shares in Tiger Resources Limited
500,000 options over ordinary shares in Tiger Resources Limited
608,162 performance rights over ordinary shares in Tiger Resources Limited

Company Secretary

Susmit Shah

Mr Shah is a Chartered Accountant who has extensive experience as a Director and Company Secretary of various Australian public companies. He consults to public companies on a wide variety of matters including stock exchange requirements, financial reporting, corporate governance, joint venture negotiations and corporate fundraising.

Corporate

FINANCIAL REVIEW

Profit and Loss

The consolidated entity recorded a profit after tax for the year ended 31 December 2012 of $10.546 million (31 December 2011: loss after tax of $2.381 million), representing a profit per share of 0.28 cents (31 December 2011: loss per share of 0.88 cents).

Balance Sheet

Total current assets increased by $31.548 million from December 2011. This is mainly through an increase in the cash and cash equivalents by $29.444 million.

Total non-current assets increased by $17.903 million from December 2011, through recognition of $24.791 million obligations to joint venture partners as mine development assets (classified as exploration costs) that relate to the Kipoi Copper Project. These obligations are additional payments to La Générale des Carrières et des Mines (Gécamines) and to the vendors of Congo Minerals SPRL for additional copper reserves identified in the DFS for Stage 2 of Kipoi Copper Project. This increase is partially offset by mine properties amortisation during the year and decrease in deferred tax assets.

Total Group liabilities increased by $35.307 million to $55.417 million, represented mainly by a current obligation of $24.791 million to joint venture partners, a current tax liability of $9.485 million, an increase in Deferred tax liabilities of $2.062 million and an increase in trade and other payables due to suppliers and employees of the Kipoi Copper Project.

Tiger's total equity interests increased by $5.481 million to $68.551 million. This increase is partly due to contributions to equity of $441,000 from the exercise of unlisted options and vesting of performance rights; Tiger's total comprehensive income for the period of $3.976 million; and an increase in option premium reserve of $1.064 million.

Cash Flow

Net cash outflows of $9.493 million from investing activities and repayment of $4.5 million loan to Trafigura were financed though net cash inflows of $42.957 million from operating activities and the issue of shares for net inflows of $0.441 million.

Financing

Loan repayment instalments totalling $4.5 million were made according to the Trafigura Loan Note facility terms, reducing the principal outstanding facility to $7.5 million.

Board Changes

Directors Mr Deon Garbers retired from the Board on 23 May 2012 and Messrs Jesus Fernandez Lopez and Darryll Castle retired from the Board on 9 October 2012. Mr Michael Griffiths was appointed as a Non-Executive Director by the Board on 7 December 2012 and Mr Stephen Hills was appointed as a Finance Director by the Board on 21 February 2013 subsequent to year end.

Significant Changes In State Of Affairs

There have not been any significant changes in the state of affairs of the Company and its controlled entities during the financial year, other than as noted in this financial report.

Directors' Report

Dividends

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report (2011: Nil).

Matters Subsequent To The End Of The Financial Year

Subsequent to 31 December 2012, the Group announced a positive DFS for its Stage 2 SXEW plant at Kipoi. The Group has also committed to Phase 1 of the SXEW plant development estimated to cost $160.9 million in the DFS, and has entered into lump-sum turn-key contracts for the construction of the SXEW plant, heap leach and agglomerator at the Kipoi Copper Project.

Except for the matters discussed above, no other matter or circumstance has arisen since 31 December 2012 that has significantly affected, or may significantly affect:

(a) the Group's operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the Group's state of affairs in future financial years.

Likely Developments And Expected Results Of Operations

The Group will continue operation of the Stage 1 HMS plant at its Kipoi Copper Project, and proceed with the development of the Stage 2 SXEW plant as well as continue exploration and evaluation activities at its Kipoi, Lupoto and La Patience projects.

Environmental Regulation

The consolidated entity's operations are not subject to any significant Australian environmental laws but its exploration and production activities in the DRC are subject to local environmental laws, regulations and permit conditions. There have been no known breaches of environmental laws or permit conditions while conducting operations in the DRC during the 2012 reporting period.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held in the 12 months to 31 December 2012, and the numbers of meetings attended by each Director were:

	Board		*Audit and Risk Committee*		*Remuneration, Nomination and Corporate Governance committee*	
Name	*Eligible to attend*	*Attended*	*Eligible to attend*	*Attended*	*Eligible to attend*	*Attended*
R Brans	12	11	2	2	1	1
D Castle****	4	2	-	-	-	-
D Constable	12	12	2	2	-	-
N Fearis	12	12	2	2	1	1
D Garbers*	5	3	-	-	-	-
M Griffiths***	1	1	-	-	-	-
J Lopez**	9	6	2	1	1	1
B Marwood	12	12	-	-	-	-

Note: A Director is only eligible to attend the committee meeting if he is a member of the relevant committee, unless invitation to attend a meeting is extended to him by the relevant committee members.

* Resigned 23 May 2012
** Resigned 9 October 2012
*** Appointed 7 December 2012
**** Appointed 24 May 2012 and resigned 9 October 2012

Remuneration Report

The remuneration report is set out under the following main headings:

A. Remuneration policy
B. Service agreements
C. Details of remuneration
D. Share-based compensation

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

A. Remuneration policy

The Remuneration, Nomination and Corporate Governance Committee advises the Board on remuneration and incentive policies and practices, and makes specific recommendations on remuneration packages and other terms of employment for Executive Directors, other senior executives, and Non-Executive Directors. The Corporate Governance Statement provides further information on the role of this Committee. When reviewing remuneration the Company may also source external advice to assist with salary setting and determination of other benefits. An independent review was commissioned by the Committee in November 2011 to provide advice on Non-Executive Directors' fees, the issue of equity to Board members at the time of joining and the ongoing equity component of fees, Company Secretary remuneration and short term and long term incentive plans for Executives.

Fixed Remuneration

Fixed remuneration consists of total Directors' fees, salaries, consulting fees and employer contributions to superannuation funds, excluding performance pay (cash, shares and options). Fixed remuneration levels are reviewed annually by the Board.

Non-Executive Directors' remuneration

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board, in consultation with independent advisors where considered necessary, determine payments to the Non-Executive Directors and review their remuneration annually, based on market practice, duties and accountability.

Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company. The Board adopted the policy that Non-Executive Directors could not receive options or other performance-based equity issues as part of their remuneration once the Company was in full production, and that performance based equity issues ceased to be granted to Non-Executive Directors at the time the Company reached ongoing, full production.

Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at A$600,000 per annum and was approved by shareholders at the Annual General Meeting on 22 May 2012.

Executive remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework has three components:

- total fixed remuneration (TFR), fixed fee/salary inclusive of superannuation payments,
- short-term incentives (STIs), reward available for meeting pre-determined performance hurdles within a 12-month time period, and,
- long-term incentives (LTIs), reward typically granted annually, but not payable until longer-term (1 year plus) performance hurdles are met.

Performance pay (STIs and LTIs) is 'at risk' such that if performance targets are not met, the payment is not made. Performance pay may be paid in cash or in the form of share-based compensation through participation in the Employee Option Plan or Performance Rights Plan.

Under the framework, LTIs are capable of being earned as Performance Rights (PRs) determined at the beginning of the relevant incentive period. The vesting of the PRs at the end of the period is linked to the Company's performance through measurement of total shareholder return (TSR), by comparing the Company's share price performance against that of comparator companies represented by the Relative Average TSR for the S&P/ASX 300 Metals and Mining Index.

Directors' Report

Use of remuneration consultants

The Committee employed the services of PJ Kinder Consulting to review its existing remuneration policies and to provide recommendations in respect of both executive short-term and long-term incentive plan design for remuneration in 2012.

These recommendations also covered the Group's key management personnel. Under the terms of the engagement, PJ Kinder Consulting provided remuneration recommendations as defined in section 9B of the *Corporations Act 2001* and was paid A$8,800 for these services.

PJ Kinder has confirmed that the above recommendations have been made free from undue influence by members of the Group's key management personnel.

The following arrangements were made to ensure that the remuneration recommendations were free from undue influence:

- PJ Kinder was engaged by, and reported directly to, the chair of the Remuneration, Nomination and Corporate Governance Committee.
- The agreement for the provision of remuneration consulting services was executed by the Chair of the Remuneration, Nomination and Corporate Governance Committee under delegated authority on behalf of the Board.
- The report containing the remuneration recommendations was provided by PJ Kinder directly to the Chair of the Remuneration, Nomination and Corporate Governance Committee; and
- PJ Kinder was entitled to speak to management throughout the engagement to understand company processes, practices and other business issues and obtain management perspectives. However, PJ Kinder was not permitted to provide any member of management with a copy of their draft or final report that contained the remuneration recommendations.

As a consequence, the Board is satisfied that the recommendations were made free from undue influence from any members of the key management personnel.

B. *Service Agreements*

Key Management Personnel (KMP) encompass all Directors (Executive and Non-Executive) as well as those executives who have authority and responsibility for planning, directing and controlling the activities of the Group. The key terms of the service agreements in place for the year ended 31 December 2012 were as set out below:

Mr B. Marwood – Managing Director

- Fixed fee of A$439,875 per annum (exclusive of GST) for the provision of services.
- Services performed via consulting agreement between Corporate Mining Resources Pty Ltd and Tiger.
- Engagement commenced on 1 December 2010 and terminates on 31 March 2013.
- Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equal to the fixed fees for twelve months. Employment may be terminated by either the Company or Brad Marwood by giving 12 months' notice or in the case of the Company, payment in lieu of notice.

Mr S. Hills – Finance Director

- Total fixed remuneration of A$336,375 per annum.
- Term of agreement – indefinite, with three months' notice of termination required by either party, other than in the event of redundancy or change of control giving rise to a change in position where the termination obligation is six months' salary.

Mr C. Brown – Chief Operating Officer of DRC subsidiaries

- Total fixed remuneration of US$250,000 per annum, net of local taxes charges.
- Term of agreement – indefinite, with three months' notice of termination required by either party.

C. *Details of remuneration*

Details of the remuneration of the Directors, the key management personnel of the Group (as defined in AASB 124 *Related Party Disclosures)* and specified executives of Tiger Resources Limited and the Group are set out in the following tables. The key management personnel of the Group are the Directors of Tiger Resources Limited, and also Stephen Hills – *Finance Director,* Charles Carron Brown – *Chief Operating Officer of DRC Operations* and Susmit Shah – *Company Secretary.*

Directors' Report

Remuneration of key management personnel of the Group and other Executives of the Group

Remuneration for the year ended 31 December 2012

	Short-term employee benefits		Post-employment benefits	Share-based remun-eration	Total	% of remuneration as options or incentive shares
	Cash salary and fees US$	Cash bonus US$	Super-annuation US$	US$	US$	%
Non-Executive Directors						
R Brans	80,729	-	7,266	-	87,995	
D Constable	88,546	-	-	44,054	132,600	33%
N Fearis	170,709	-	-	73,424	244,133	30%
M Griffiths	5,526	-	497	-	6,024	
Sub-total	345,510	-	7,763	117,478	470,751	
Executive Directors						
B Marwood	455,008	56,282	-	231,246	742,535	31%
Total	800,518	56,282	7,763	348,724	1,213,286	
Other Company and Group Executives						
C Brown	301,431	-	-	95,217	396,648	24%
S Hills	322,357	33,803	25,882	157,504	539,546	29%
S Shah (i)	-	-	-	22,451	22,451	
Total	623,788	33,803	25,882	275,172	958,645	
Grand total	1,424,306	90,085	33,645	623,896	2,171,931	

(i) Mr Shah (Company Secretary) is an employee of Corporate Consultants Pty Limited, a company related to him. The aggregate fees paid to Corporate Consultants Pty Limited are $39,126 and relate to the provision of the company secretarial services under the direction of Mr Susmit Shah.

Directors' Report

Remuneration of key management personnel of the Group and other executives of the Group

Remuneration for the year ended 31 December 2011

	Short-term employee benefits		Post-employment benefits	Share-based remun-eration	Total	% of remuneration as options or incentive shares
	Cash salary and fees US$	Cash bonus US$	Super-annuation US$	US$	US$	%
Non-Executive Directors						
R Brans	57,450	-	2,706	11,138	71,294	16%
D Constable	34,956	-	-	-	34,956	
N Fearis	62,520	-	-	-	62,520	
P Flint	13,811	53,685	1,243	-	68,739	
R Gillard	29,863	-	2,688	-	32,550	
Sub-total	198,600	53,685	6,637	11,138	270,059	
Executive Directors						
B Marwood	440,803	-	-	190,611	631,414	21%
Total	639,402	53,685	6,637	201,749	901,473	
Other Company and Group Executives						
S Hills	298,376	-	25,318	82,985	406,678	20%
S Shah (i)	-	-	-	8,202	8,202	
Total	298,376	-	25,318	91,187	414,880	
Grand total	937,778	53,685	31,955	292,935	1,316,353	

(i) Mr Shah (Company Secretary) is an employee of Corporate Consultants Pty Limited, a company related to Mr Reginald Gillard, Mr Patrick Flint and Mr Susmit Shah. The aggregate fees paid to Corporate Consultants Pty Limited were $35,176 and relate to the provision of the company secretarial, finance, accounting, bookkeeping and administrative services under the direction of Mr Susmit Shah.

Directors' Report

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed remuneration 31/12 2012	Fixed remuneration 31/12 2011	Performance based 31/12 2012	Performance based 31/12 2011
Non-Executive Directors				
R Brans	100%	84%	0	16%
D Constable	100%	100%	0	0
N Fearis	100%	100%	0	0
M Griffiths	100%	NA	0	NA
P Flint	NA	22%	NA	78%
R Gillard	NA	100%	NA	0
Executive Directors				
B Marwood	69%	79%	31%	21%
Other Company and Group Executives				
C Brown	76%	0	24%	0
S Hills	71%	80%	29%	20%
S Shah	100%	100%	0	0

D. Share-based compensation

Non Plan based payments

The Company issues unlisted options to Directors, consultants and/or service providers from time to time, not under any specific plan. The options are issued for nil consideration and in accordance with the specific guidelines established by the Directors of Tiger Resources Limited. Any issuance of unlisted options to Directors requires prior approval from shareholders at a general meeting.

The vesting period and maximum term of options granted vary according to Board's discretion.

Employee Share Option Plan (EOP)

Shareholders approved the Tiger Resources Limited EOP at the Annual General Meeting held on 22 May 2012. The EOP is designed to provide incentives, assist in the recruitment, reward, retention of employees and key consultants, so as to provide opportunities for employees (both present and future) to participate directly in the equity of the Company. The contractual life of each option granted is three years. There are no cash settlement alternatives.

The EOP does not allow for the issue of options to Directors of the Company.

Performance Rights Plan (PRP)

Shareholders approved the Tiger Resources Limited PRP at the Annual General Meeting held on 26 May 2011. The PRP is designed to more closely align rewards for performance with the achievement of the Company's growth and strategic objectives for 2011 and beyond.

The Board believes that the grant of Performance Rights under the Plan to eligible participants will underpin the employment strategy of attracting and retaining high calibre staff capable of executing the Company's strategic plans, and will maximise the retention of key management and operational staff; enhance the Company's ability to attract quality staff in the future, link the rewards of key staff with the achievement of strategic goals and the long term performance objectives of the Company, and provide incentives to participants of the Plan to deliver superior performance that creates shareholder value.

The Plan provides for the issue of Performance Rights which, upon determination by the Board that the performance conditions attached thereto have been met and subject to the terms of the Plan, convert into fully paid ordinary shares. Where the participant is a Director or related party of the Company, specific shareholder approval is required prior to the grant in accordance with the ASX Listing Rules.

The exercise price, if any, for Performance Rights is determined by the Board in its discretion and set out in the related invitation.

Directors' Report

The terms and conditions of each grant of options or rights affecting remuneration in the current or future reporting periods are as follows:

Types of securities	Number of options	Grant date	Date vested and exercisable	Expiry date	Exercise price A$	Value per option/ rights at grant date A$	% Vested
Unlisted options*	1,300,000	17 March 2011	16 March 2012	17 March 2014	0.48	0.237	100
Unlisted options*	400,000	14 February 2011	13 February 2012	13 February 2014	0.515	0.2567	100
Unlisted options*	225,000	25 July 2011	24 July 2012	24 July 2014	0.54	0.2734	100
Unlisted options*	100,000	17 January 2012	14 June 2012	14 June 2014	0.46	0.1041	100
Unlisted options*	2,650,000	21 February 2012	20 February 2013	20 February 2015	0.48	0.168	100
Unlisted options*	150,000	27 March 2012	27 March 2013	26 March 2015	0.48	0.129	100
Unlisted options**	1,600,000	22 May 2012	22 May 2012	21 May 2015	0.46	0.0709	100
Performance rights***	685,796	27 March 2012	Various	31 December 2014	-	0.2622	-
Performance rights***	804,649	22 May 2012	Various	21 May 2015	-	0.2153	-
Performance rights***	238,970	2 March 2012	Various	1 August 2014	-	0.43	37.5
Performance rights***	385,266	13 June 2011	Various	1 August 2014	-	0.46	27.4

**Employee Share Option Plan*
***Non Plan based Option issued to Director*
****Performance Rights Plan*

Options/Performance Rights over equity instruments granted as compensation

Details of options/performance rights over ordinary shares in the Company provided as remuneration to each Director of Tiger Resources Limited and each of the key management personnel of the Group are set out below. When exercisable, each option/performance right is convertible into one ordinary share of Tiger Resources Limited. Further information on the options/performance rights is set out in note 30 to the financial statements.

Value of options issued to Directors and executives

Compensation options granted and vested in year ended 31 December 2012

	Number granted	Grant date	Fair value per option at grant date A$	Exercise price per option A$	Expiry date	Vesting date	Number vested at end of year
N Fearis	1,000,000	22 May 2012	0.0709	0.46	21 May 2015	22 May 2012	1,000,000
D Constable	600,000	22 May 2012	0.0709	0.46	21 May 2015	22 May 2012	600,000
C Brown	500,000	21 February 2012	0.1680	0.48	20 February 2015	20 February 2013	-

Compensation options granted and vested in year ended 31 December 2011

	Number granted	Grant date	Fair value per option at grant date A$	Exercise price per option A$	Expiry date	Vesting date	Number vested at end of year
S Hills	500,000	17 March 2011	0.237	0.48	17 March 2014	16 March 2012	-

Directors' Report

Exercise of options granted as compensation to Directors and Executives

There were no compensation options exercised by Directors and key management personnel during the year ended 31 December 2012.

Year ended 31 December 2011

	Number of shares issued on exercise of options previously granted as compensation	Market value at exercise date (A$)	Amount paid per share A$
S Hills	500,000	0.48	0.25
S Shah	150,000	0.48	0.25

There were no amounts unpaid on the shares issued as a result of the exercise of the options in the 2011 financial year.

For each grant of options included in the tables on pages 75, the percentage of the available grant that vested, in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria is set out below. The options vest when the vesting conditions are met (service or performance conditions). No options will vest if the conditions are not satisfied, hence the minimum value of the option yet to vest is nil. The maximum value of the options yet to vest has been determined as the amount of the grant date fair value of the options that is yet to be expensed.

Share-based compensation benefits (options)

Name	Date granted	Vested %	Financial years in which options may vest	Maximum total value of grant yet to vest A$
R Brans	21 April 2010	100	31 December 2011	-
D Constable	22 May 2012	100	31 December 2012	-
N Fearis	22 May 2012	100	31 December 2012	-
B Marwood	21 April 2010	100	31 December 2011	-
C Brown	21 February 2012	-	31 December 2013	11,737
S Hills	17 March 2011	100	31 December 2012	-
S Shah	21 February 2012	-	31 December 2013	3,521

Fair value of options granted to Directors and Executives

The fair values at grant date of options issued are independently determined using a Black-Scholes option pricing model (refer to Note 1(r) to the Consolidated Financial Statements) that takes into account the exercise price, the term of the options, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the options. The model inputs for options granted in year ended 31 December 2012 included:

a) Exercise price: A$0.46 (31 December 2011: A$0.48)
b) Grant date: 22 May 2012 (31 December 2011: 17 March 2011)
c) Expiry date: 21 May 2015 (31 December 2011: 17 March 2014)
d) Share price at grant date: A$0.315 (31 December 2011: A$0.48)

Directors' Report

Value of performance rights issued to Directors and Executives as at 31 December 2012
Year ended 31 December 2012

	Number granted	Grant date	Fair value per rights at grant date A$	Exercise price per rights A$	Expiry date	Vesting date	Number vested at end of year	Maximum total value of grant yet to vest A$
B Marwood	669,640	13 June 2011	0.46	-	1 August 2014	Varies subject to meeting specific performance condition	183,928	-
B Marwood	804,649	22 May 2012	0.2153	-	21 May 2015	Varies subject to meeting specific performance condition	-	137,928
C Brown	316,604	27 March 2012	0.2622	-	31 December 2014	Varies subject to meeting specific performance condition	-	60,059
S Hills	409,664	2 March 2012	0.43	-	1 August 2014	Varies subject to meeting specific performance condition	153,625	115,440
S Hills	369,192	27 March 2012	0.2622	-	31 December 2014	Varies subject to meeting specific performance condition	-	70,035

Value of performance rights issued to Directors and Executives as at 31 December 2011
Year ended 31 December 2011

	Number granted	Grant date	Fair value per rights at grant date A$	Exercise price per rights A$	Expiry date	Vesting date	Number vested at end of year	Maximum total value of grant yet to vest A$
B Marwood	669,640	13 June 2011	0.46	-	1 August 2014	Varies subject to meeting specific performance condition	-	187,983

Each right is converted to one ordinary share upon vesting. The performance rights vest when the vesting conditions are met (performance conditions). No performance rights will vest if the conditions are not satisfied, hence the minimum value of the performance rights yet to vest is nil. The maximum value of the performance rights yet to vest has been determined as the amount of the grant date fair value of the performance rights that is yet to be expensed.

Fair value of performance rights granted

The fair values at grant date of performance rights issued are independently determined using a Black-Scholes option pricing model or Monte Carlo Simulation (refer to Note 1(r) to the Consolidated Financial Statements) that takes into account the exercise price, the term of the rights, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the rights. The model inputs for performance rights granted in year ended 31 December 2012 included:

a) Exercise price: nil (31 December 2011: nil)
b) Grant date: 2 March 2012, 27 March 2012 and 22 May 2012 (31 December 2011: 13 June 2011)
c) Expiry date: 1 August 2014, 31 December 2014 and 21 May 2015 (31 December 2011: 1 August 2014)
d) Share price at grant date: $0.43, $0.385 and $0.315 (31 December 2011: A$0.46)

Shares Under Option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Date options granted	Issue price of shares	Expiry date	Number under option
8 April 2010[1]	A$0.25	7 April 2013	1,300,000
21 April 2010	A$0.25	30 April 2013	3,250,000
21 April 2010	A$0.30	30 April 2013	3,250,000
21 April 2010	A$0.25	5 May 2013	24,216,577
7 December 2010[1]	A$0.44	7 December 2013	200,000
14 February 2011[1]	A$0.515	13 February 2014	400,000
17 March 2011[1]	A$0.48	17 March 2014	1,300,000
25 July 2011[1]	A$0.54	24 July 2014	225,000
22 May 2012	A$0.46	21 May 2015	1,600,000
17 January 2012[1]	A$0.46	14 June 2014	100,000
27 March 2012[1]	A$0.48	26 March 2015	150,000
21 February 2012[1]	A$0.48	20 February 2015	2,650,000
Refer to Note 19 (c)			38,641,577
Lapsed/Forfeited since 31 December 2012			
17 March 2011[1]	A$0.48	17 March 2014	(100,000)
21 February 2012[1]	A$0.48	20 February 2015	(300,000)
			38,241,577

[1] Options granted to employees:
No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Directors' Report

Shares Under Performance Rights

Unissued ordinary shares of the Company under performance rights at the date of this report are as follows:

Date performance rights granted	Issue price of Rights	Expiry date	Performance rights granted	Performance rights vested	Performance rights lapsed	Number under rights yet to vest or lapse
13 June 2011	Nil	1 August 2014	669,640	183,928	100,446	385,266
22 May 2012	Nil	21 May 2015	804,649	-	-	804,649
2 March 2012	Nil	1 August 2014	409,664	153,625	17,069	238,970
27 March 2012	Nil	31 December 2014	685,796	-	-	685,796

Shares issued

The following shares were issued during the financial year ended 31 December 2012

Issuing Entity	Number of shares issued	Class of shares	Issued under	Amount paid for shares US$	Amount unpaid on shares US$
Tiger Resources Limited	2,359,720	Ordinary	Exercise of options/ Performance rights vest	449,132	nil
				449,132	

There were no shares issued subsequent to 31 December 2012.

Loans to Directors and Executives

During the financial year ended 31 December 2012, there were no loans provided to Directors and Executives (2011: Nil).

Insurance of Officers

During the financial year ended 31 December 2012, the Company paid a premium to insure the Directors, secretaries and officers of the Company and its controlled entities. The Company is prohibited from disclosure of the amount paid under the insurance contract.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on Behalf of the Company

No person has applied to the Court under *section 237 of the Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under *section 237 of the Corporations Act 2001*.

Directors' Report

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board has considered the position and, in accordance with advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Board is satisfied that the provision of non-audit services by the auditor, as set out in Note 29 in the financial statements, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Details of the amounts paid or payable to the auditor (PwC) for audit and non-audit services provided by the auditor of the parent entity and its related practices during the period are set out in note 29 in the notes to the financial statements.

Auditor's independence declaration

A copy of the auditor's independence declaration as required by *section 307C of the Corporations Act 2001*, is set out on page 33.

Rounding

The Company is of a kind referred to in ASIC Class Order 98/0100 dated 10 July 1998 and in accordance with the Class Order, amounts in the Directors' report have been rounded to the nearest thousand dollars, or as otherwise indicated.

Auditor

PricewaterhouseCoopers continues in office in accordance with *section 327 of the Corporations Act 2001*.

This report is made in accordance with a resolution of its Directors:

B W J Marwood
Managing Director

Perth
27 March 2013

pwc

Auditor's Independence Declaration

As lead auditor for the audit of Tiger Resources Limited for the year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Tiger Resources Limited and entities it controlled during the period.

Pierre Dreyer
Partner
PricewaterhouseCoopers

Perth
27 March 2013

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Corporate Governance Statement

The Company and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders. The Company and its controlled entities together are referred to as the Group in this statement.

A description of the Group's main corporate governance practices is set out below. Unless otherwise disclosed in this Corporate Governance Statement, the Group complies with the ASX Corporate Governance Council Principles and Recommendations.

Principle 1: Lay solid foundations for management and oversight

Role of the Board and of Senior Executives

The relationship between the Board and senior management is critical to the Group's long-term success. The Directors are responsible to the shareholders for the performance of the Group in both the short and the longer term and seek to balance sometimes competing objectives in the best interests of the Group as a whole. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Group is properly managed.

The responsibilities of the Board include:

- providing strategic guidance to the Company including contributing to the development of and approving the corporate strategy
- reviewing and approving business plans, budgets and financial plans
- overseeing and monitoring:
  - organisational performance and the achievement of the Group's strategic goals and objectives
  - compliance with the Company's Code of Conduct (see Principle 3)
  - significant capital expenditures and other corporate projects including any acquisitions or divestments
- monitoring financial performance including approval of the annual and half-year financial reports and liaison with the Company's auditors
- appointment, performance assessment and, if necessary, removal of the Managing Director
- ratifying the appointment and/or removal and contributing to the performance assessment of senior management team members
- overseeing the operation of the Group's system for compliance and risk management reporting to shareholders
- ensuring effective management processes are in place and approving major corporate initiatives
- enhancing and protecting the reputation of the organisation
- ensuring appropriate resources are available to senior management.

Day to day management of the Group's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to the Managing Director and senior executives. These delegations are reviewed as appropriate.

The Managing Director is responsible for the attainment of the Company's goals and vision for the future, in accordance with the strategies, policies, programmes and performance requirements approved by the Board.

The Managing Director's specific responsibilities include:

- responsibility for the achievement of corporate goals and objectives;
- development of short, medium and long term corporate strategies and planning to achieve the Company's vision and overall business objectives;
- implementing and monitoring strategy and reporting/presenting to the Board on current and future initiatives;
- advising the Board regarding the most effective organisational structure and oversee its implementation;
- assessment of business opportunities of potential benefit to the Company;
- encouraging staff commitment;
- establishing and maintaining effective and positive relationships with Board members, shareholders, the investment community and other government and business liaisons;

Corporate Governance Statement

- undertaking the role of key Company spokesperson;
- recommending policies to the Board in relation to a range of organisational issues including delegations of authority, consultancies and performance incentives;
- ensuring statutory, legal and regulatory compliance and compliance with corporate policies and standards;
- ensuring appropriate risk management practices and policies are in place;
- selecting and appointing staff; and
- ensuring there is an appropriate staff appraisal system in place in the Company.

Senior Executive Performance Review

The Board reviews the performance of the Managing Director and Finance Director annually. This includes the setting of short-term and long-term goals for the coming year and reviewing the achievement of those goals for the past year.

Performance is measured by reference to key performance indicators of achievement of the goals, including the efficiency and effectiveness of the enhancement of the Company's mineral interest portfolio, the design and implementation of exploration and development programmes, maintenance of relationships with joint venture partners, operating cost and profitability criteria for producing assets, total shareholder return in comparison to the market as a whole and a peer Group of companies, the attainment of sustainable growth through corporate social responsibility and establishment of a sound system of governance and reporting throughout the organisation.

The Remuneration, Nomination and Corporate Governance Committee conducted a formal annual review process in February 2013 whereby the degree of success in achievement of the key performance indicators and the attitude, performance and approach of the senior executives toward meeting the short and long term objectives of the Company was assessed.

Principle 2: Structure the Board to add value

The Board operates in accordance with the broad principles set out in its charter which is available from the corporate governance information section of the Company website at www.tigerresources.com.au. The charter details the Board's composition and responsibilities.

The Board has been constituted so that it has an effective composition, size and commitment to adequately discharge its responsibilities and duties given the Company's current size, complexity and scale of operations.

Independent Directors, Chairman and Chief Executive Officer

ASX Corporate Governance Council Recommendation 2.1 requires a majority of the Board to be independent Directors. In assessing whether a Director is classified as independent, the Board considers the independence criteria set out in the ASX Corporate Governance Council Recommendation 2.1 and other facts, information and circumstances deemed by the Board to be relevant.

Using the ASX Recommendations for the assessment of the independence of Directors, the Board has determined that four of the five Directors are independent according to the criteria at the balance date. Mr Marwood is the Managing Director of the Company and therefore is not considered to be independent.

The Company considers that each of the Directors possesses skills and experience suitable for guiding the Company and that the current composition of the Board is adequate for the Company's current size and operations. The Board composition is regularly reviewed to ensure there is an appropriate mix of skills and expertise relevant to the Company's business, including taking account of recommendation 2.1 that the Board is comprised of a majority of independent Directors.

Corporate Governance Statement

Chairman

The Chairman, Mr Fearis, is an independent Non-Executive Director. The Chairman is responsible for leadership and effective performance of the Board and for the maintenance of relations between Directors and management that are open, cordial and conducive to productive cooperation. In accepting the position, the Chairman has acknowledged the significant time commitment required and has confirmed that other positions he holds will not hinder his effective performance in the role of Chairman.

Board members

Details of the members of the Board, their experience, expertise, qualifications, term of office and independent status are set out in the Directors' report under the heading ''Information on Directors". At the date of signing the Directors' report, there are four Non-Executive Directors, all of whom are deemed independent under the principles set out above, and two executive Directors.

Conflict of interests

Directors must disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

Independent professional advice

Directors and Board Committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense, on obtaining the consent of the Chairman, so as to assist them to carry out their responsibilities.

Board performance assessment

The Board undertakes an annual self-assessment of its collective performance, the performance of the Chairman and of its Committees. The assessment also considers the adequacy of induction and continuing education, access to information and the support provided by the Company Secretary. The Chairman undertakes an annual assessment of the performance of individual Directors and meets privately with each Director to discuss this assessment.

Board committees

The Board has established two Committees to assist in the execution of its duties and to allow detailed consideration of complex issues. These are the Remuneration, Nomination and Corporate Governance Committee and the Audit and Risk Committee. Matters determined by the Committees are submitted to the Board as recommendations for Board decisions.

Each Committee has a written charter approved by the Board setting out its role and responsibilities, composition, structure, membership requirements and the manner in which the Committee is to operate. The charters are reviewed on an annual basis and are available on the Company's website.

Remuneration, Nomination and Corporate Governance Committee

The members of the Remuneration, Nomination and Corporate Governance Committee at the date of this report were:
Mr Neil Fearis (Chairman)
Mr Rhett Brans
Mr Michael Griffiths

Details of each Director's attendance at Committee meetings are set out in the Directors' report.

The Committee's primary roles are to:

- to oversee and provide support to the Board concerning the Company's remuneration policies and practices
- the overall remuneration strategy and the award of incentive options and performance rights
- Where possible the Committee will verify the appropriateness of existing remuneration levels using external sources for comparison.
- identify and evaluate the particular skills, experience and expertise that will best complement the Board's effectiveness (where applicable, advice is sought from independent search consultants)
- review Board succession plans
- evaluate the Board's performance
- make recommendations for the appointment and removal of Directors to the Board
- assist the Board in fulfilling its governance responsibilities.

Directors' term of office

The Company's Constitution specifies that one third of the Directors must retire from office at each Annual General Meeting. Directors who have been appointed by the Board are required to retire from office at the next Annual General Meeting and are not taken into account in determining the number of Directors who are to retire by rotation at that Annual General Meeting.

Directors (except a Managing Director) cannot hold office for a period in excess of three years or later than the third Annual General Meeting following their appointment without submitting themselves for re-election. Retiring Directors are eligible for re-election by shareholders.

Principle 3: Promote ethical and responsible decision making

Code of Conduct

The Company has a Code of Conduct (The Code) which has been endorsed by the Board and applies to all Directors and employees. The Code is periodically updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Group's integrity. The Code outlines the responsibility and accountability of Company personnel to report and investigate reports of unethical practices.

Diversity

The Company recognises that a talented and diverse workforce is a key competitive advantage. The Company is committed to developing a workplace that promotes diversity, including diversity in gender, race and nationality.

The Company has the following departure from Recommendations 3.2 to 3.4:

- The Company does not have a documented policy concerning diversity or measurable objectives in this regard. Whilst the Company is committed to fostering diversity at all levels within the Group, it firmly believes that this must be done on a non-discriminatory basis. As such, the Group operates as a strict meritocracy, always seeking to employ and promote the best qualified person for the job, irrespective of race, colour, gender, religion, age, nationality, disability, marital status, sexual orientation, political conviction or any other personal attributes not relevant to the requirements of the job. To this end, the Company does not discriminate in favour of or against any group of people, other than as required by law in the DRC or other jurisdictions in which the Company has operations.

Accordingly, the Company does not support Recommendations 3.2 to 3.4 as these are arguably inconsistent with the policy of non-discrimination described above.

Corporate Governance Statement

Securities Trading Policy

Tiger and its Group Companies have adopted a policy that Directors, employees, advisers and consultants ("Applicable Persons") and their related parties (spouses, de facto spouses, parents and children) ("Related Persons") are aware of legal restrictions in dealing in Tiger securities while in possession of unpublished price sensitive information.

Under this policy Applicable Persons and Related Persons should:
- not engage in short term trading of Tiger securities;
- not deal in Tiger securities while in possession of Inside Information;
- in certain circumstances, notify the Company Secretary of any intended transactions involving Tiger securities; and
- ensure any of their buying or selling of Tiger securities occurs outside of Prohibited Periods unless prior written clearance is obtained in accordance with this policy.

Copies of the Code of Conduct and Securities Trading Policy are available on the Company's website.

Principle 4: Safeguard integrity in financial reporting

Audit and Risk Committee

The members of the Audit and Risk Committee at the date of this report are:
Mr David Constable (Chairman)
Mr Neil Fearis
Mr Rhett Brans

Details of each Director's qualifications and attendance at Committee meetings are set out in the Directors' report.

The Committee's primary roles are to:
- assist the Board in fulfilling its oversight responsibilities
- overseeing management's conduct of the Company's accounting and financial reporting process
- assist the Board in reviewing the effectiveness of the organisation's internal control environment, reporting systems, accounting and financial controls
- selecting, retaining and monitoring the independence and performance of the Company's external auditors
- overseeing the audit and review of the Company's annual and half-year financial statements
- approving any non-audit services
- providing an avenue of communication among the external auditors, management and the Board
- oversee the effective operation of the risk management framework.

All members of the Committee are financially literate and have an appropriate understanding of the industries in which the Group operates.

The Committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party.

External auditors

The Company and Audit and Risk Committee policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. PwC was appointed as the external auditor in 2007. It is PwC policy to rotate audit engagement partners on listed companies at least every five years.

An analysis of fees paid to the external auditors is provided in Note 29 to the financial statements. It is the policy of the external auditors to provide an annual declaration of their independence to the Audit and Risk Committee.

The external auditor will attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Corporate Governance Statement

Principle 5 and 6: Make timely and balanced disclosures and respect the rights of shareholders

Continuous disclosure and shareholder communication

The Company understands and respects that timely disclosure of price sensitive information is a foundation to the operation of an efficient securities market. It also respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:

- continuous disclosure of any information concerning the Group that a reasonable person would expect to have a material effect on the price of the Company's securities
- communicating effectively with shareholders through releases to the market via ASX and TSX disclosure portals, information transmitted to shareholders and the general meetings of the Company
- information disclosed to the ASX and TSX is posted on the Company's website as soon as it is disclosed to the market
- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals
- making it easy for shareholders to participate in general meetings of the Company
- requesting that the external auditor attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report
- the Company also makes available contact details (phone and email) for shareholders to make enquiries of the Company

The Company Secretary has been nominated as the person responsible for communications with the ASX and TSX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements as per each exchange's listing rules.

The Company seeks to provide opportunities for shareholders to participate through electronic means. This includes having information such as the Company announcements, media briefings, details of Company meetings, press releases and audited financial reports for at least the last three years all available on the Company's website.

The website also includes a feedback mechanism and an option for shareholders to register their email address for inclusion on distribution email updates of Company announcements and/or media releases.

Principle 7: Recognise and manage risk

The Company is committed to the identification, monitoring and management of risks associated with its business activities and seen as a key responsibility within the Board Charter.

The Board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements for adequately managing these risks. The Audit and Risk Committee is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The committee recommends any actions it deems appropriate to the Board for its consideration. Risk management is regularly reviewed at Board meetings, and the culture of risk management is encouraged in the day to day dealings of its team of executives, employees and strategic consultants.

Risk Management

Management, through the Managing Director, is responsible for designing, implementing and reporting on the adequacy of the Company's risk management and internal control system.

The Company's risk management policy is designed to provide the framework to identify, assess, monitor and manage the risks associated with the Company's business. The Company adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile. The risks involved in a resources sector Company and the specific uncertainties for the Company continue to be regularly monitored and the Managing Director regularly appraises the Board as to the effectiveness of the Company's management of its material business risks.

The Company has identified the following as the current areas of significant business risk that the Board carefully monitors:

- Plant operation
- Exploration and evaluation activities
- Joint venture management
- New project acquisitions
- Expenditure controls and financial reporting
- Funding
- Global economic commodity pricing - copper
- Mineral lease tenure
- Sovereign and political risks
- Compliance with laws and regulations
- ASX and TSX continuous disclosure
- Occupational health and safety ("OH&S") and security risk, and
- Access to land, environment and community considerations.

The Board is committed to a continuous review and update of its risk management policy and to ensuring that each identified risk is efficiently managed and monitored to enable achievement of the Group's business objectives.

Considerable importance is placed on maintaining a strong control environment. There are clearly defined roles and accountability along with levels of delegation of authority. Adherence to the Code of Conduct is required at all times and the Board actively promotes a culture of quality and integrity.

Corporate reporting

The Managing Director and Finance Director have made the following certifications to the Board:

- that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Group and are in accordance with relevant accounting standards
- that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control is operating efficiently and effectively in all material respects in relation to financial reporting risks.

Principle 8: Remunerate fairly and responsibly

Remuneration Committee and ***Remuneration Policy***

As described under Principle 2, there exists a Remuneration, Nomination and Corporate Governance Committee. The Committee's primary "Remuneration" roles are to:

- oversee and provide support to the Board concerning the Company's remuneration policies and practices
- consider the overall remuneration strategy and the award of incentive options and performance rights
- where possible, verify the appropriateness of existing remuneration levels using external sources for comparison.

Each member of the senior executive team signs a formal employment contract at the time of their appointment covering a range of matters including their duties, rights, responsibilities and any entitlements on termination. The contract refers to a specific formal job description. This job description is reviewed by the Remuneration, Nomination and Corporate Governance Committee on an annual basis and, where necessary, is revised in consultation with the relevant employee.

Further information on Directors' and Executives' remuneration, including the principles used to determine remuneration, is set out in the Directors' report under the heading ''Remuneration Report".

The current composition of the Committee is considered adequate for the Company's current size and operations, and includes an appropriate mix of skills and expertise, relevant to the Company's business.

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board, in consultation with independent advisors where considered necessary, determine payments to the Non-Executive Directors and review their remuneration annually, based on market practice, duties and accountability.

Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company. The Board adopted the policy that Non-Executive Directors could not receive options or other performance-based equity issues as part of their remuneration once the Company was in full production, and that performance based equity issues ceased to be granted to Non-Executive Directors at the time the Company reached ongoing, full production.

Financial Statements

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2012

	Note	Consolidated 2012 US$000	Consolidated 2011 US$000
Revenue	5	146,381	41,752
Cost of goods sold	6	(92,362)	(24,412)
		54,019	17,340
Other income	5	31	1
Exploration and evaluation expenses		(17,684)	(4,942)
Administrative expenses	7	(5,645)	(6,593)
Foreign exchange loss		-	(1,104)
Finance costs	7	(4,472)	(3,379)
Profit before income tax		26,249	1,323
Income tax expense	8	(15,703)	(3,704)
Profit/(Loss) for the year		10,546	(2,381)
Net profit/(loss) attributable to:			
Owners of Tiger Resources Limited	21	1,883	(5,762)
Non-controlling interest		8,663	3,381
		10,546	(2,381)
Other comprehensive income/(loss)			
Changes in the fair value of available-for-sale financial assets	20	2,093	-
Other comprehensive income for the period, net of tax		2,093	-
Total comprehensive income/(loss) for the period		12,639	(2,381)
Total comprehensive income/(loss) for the period is attributable to:			
Owners of Tiger Resources Limited		3,976	(5,762)
Non-controlling interest		8,663	3,381
		12,639	(2,381)
Basic profit/(loss) per share (cents per share)	22	0.28	(0.88)
Diluted profit/(loss) per share (cents per share)	22	0.28	(0.88)

The accompanying notes form part of these consolidated financial statements.

Consolidated Balance Sheet

As at 31 December 2012

	Note	Consolidated	
		2012 US$000	2011 US$000
ASSETS			
Current assets			
Cash and cash equivalents	9	34,463	5,019
Restricted cash	9	125	125
Trade and other receivables	10	4,621	5,501
Inventories	11	16,203	13,219
Total current assets		55,412	23,864
Non-current assets			
Mine development	13	22,956	29,375
Plant and equipment	14	16,573	16,625
Exploration assets	15	55,261	30,470
Available-for-sale financial assets	12	3,739	-
Deferred tax assets	8	-	4,156
Total non-current assets		98,529	80,626
Total assets		153,941	104,490
LIABILITIES			
Current liabilities			
Trade and other payables	16	44,099	10,560
Borrowings	17	6,478	3,000
Total current liabilities		50,577	13,560
Non-current liabilities			
Borrowings	17	-	4,547
Other payables		645	-
Provisions	18	2,133	2,003
Deferred tax liabilities	8	2,062	-
Total non-current liabilities		4,840	6,550
Total liabilities		55,417	20,110
Net assets		98,524	84,380
Equity			
Contributed equity	19	140,163	139,722
Reserves	20	13,836	10,679
Accumulated losses	21	(85,448)	(87,331)
Capital and reserves attributable to the owners of Tiger Resources Limited		68,551	63,070
Non-controlling interests		29,973	21,310
Total equity		98,524	84,380

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2012

Consolidated	Contributed equity US$000	Option premium reserve US$000	Foreign currency translation reserve US$000	Non-controlling interest reserve US$000	Available for sale financial assets reserve US$000	Accumu-lated losses US$000	Total US$000	Non-controlling interests US$000	Total Equity US$000
Balance at 1 January 2011	123,376	19,030	(6,033)	(3,034)	-	(81,569)	51,770	17,929	69,699
(Loss)/Profit for the year	-	-	-	-	-	(5,762)	(5,762)	3,381	(2,381)
Total comprehensive (expense)/ income for the year	-	-	-	-	-	(5,762)	(5,762)	3,381	(2,381)
Transactions with owners in their capacity as owners:									
Contributions of equity, net of transaction costs	16,346	-	-	-	-	-	16,346	-	16,346
Share based payments	-	716	-	-	-	-	716	-	716
	16,346	716	-	-	-	-	17,062	-	17,062
Balance at 31 December 2011	139,722	19,746	(6,033)	(3,034)	-	(87,331)	63,070	21,310	84,380
Profit for the year	-	-	-	-	-	1,883	1,883	8,663	10,546
Other comprehensive income for the year	-	-	-	-	2,093	-	2,093	-	2,093
Total comprehensive income for the year	-	-	-	-	2,093	1,883	3,976	8,663	12,639
Transactions with owners in their capacity as owners:									
Contributions of equity, net of transaction costs	441	-	-	-	-	-	441	-	441
Share based payments	-	1,064	-	-	-	-	1,064	-	1,064
	441	1,064	-	-	-	-	1,505	-	1,505
Balance at 31 December 2012	140,163	20,810	(6,033)	(3,034)	2,093	(85,448)	68,551	29,973	98,524

The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2012

	Note	Consolidated	
		2012 US$000	2011 US$000
Cash flows from operating activities			
Receipts from product sales (inclusive of GST and VAT)		140,786	38,318
Payments to suppliers and employees (inclusive of GST and VAT)		(78,574)	(30,736)
Exploration expenditure		(18,329)	(4,759)
Interest received		37	130
Interest paid		(963)	(1,043)
Bank guarantees		-	402
Net cash inflows from operating activities	23	42,957	2,312
Cash flows from investing activities			
Sale of plant and equipment		-	2
Purchase of plant and equipment		(5,847)	(13,289)
Deferred purchase consideration		(2,000)	(2,000)
Payments for available-for-sale financial assets		(1,646)	-
Development expenditure		-	(11,399)
Net cash outflows from investing activities		(9,493)	(26,686)
Cash flows from financing activities			
Repayment of borrowings		(4,500)	-
Other financing costs		-	(283)
Issue of shares		449	16,370
Share issue costs		(8)	(24)
Net cash (outflows)/inflows from financing activities		(4,059)	16,063
Net increase/(decrease) in cash and cash equivalents held		29,405	(8,311)
Net foreign exchange differences		39	(228)
Cash and cash equivalents at the beginning of the financial year		5,019	13,558
Cash and cash equivalents at the end of the financial year		34,463	5,019

The accompanying notes form part of these consolidated financial statements.

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Notes to the Consolidated Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Corporate information

Tiger Resources Limited is a Company limited by shares, incorporated and domiciled in Australia.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Tiger Resources Limited and its subsidiaries.

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial report was authorised for issue by the Directors on 27 March 2013.

Compliance with IFRS
The financial report of Tiger Resources Limited complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical Cost Convention
The financial report has also been prepared under the historical cost basis, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Rounding of Amounts
The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or as otherwise indicated.

(b) Parent entity financial information

The financial information for the parent entity, Tiger Resources Limited, disclosed in note 4 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities
Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Tiger Resources Limited.

(ii) Financial guarantees
Where the parent entity has provided financial guarantees in relation to loans and payables of subsidiaries for no compensation, the fair values of these guarantees are accounted for as contributions and recognised as part of the cost of the investment.

(c) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tiger as at 31 December 2012 and the results of all subsidiaries for the year then ended. Tiger Resources Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group (refer to note 1(i)).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Tiger.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(d) Interest in joint venture

Joint venture interests are incorporated in the financial statements by including the Group's proportion of joint venture assets and liabilities under the appropriate headings.

Where the Group has contractual arrangements to earn an interest (farming-in arrangements) to mineral properties, such as undertaking expenditure in the joint venture area of interest, this is recognised as exploration and evaluation expenditure as incurred. Any contributions received from joint venture partners, as per those contractual arrangements, will be treated as a reduction in the aggregate exploration and evaluation expenditure.

(e) Exploration and evaluation expenditure

Exploration and evaluation expenditure is expensed as incurred. Acquisition costs of rights to explore are accumulated in respect of each separate area of interest. Acquisition costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future. Amortisation is not charged on costs carried forward in respect of areas of interest.

(f) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in USD, which is Tiger's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Translation differences on financial assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale financial assets are included in the fair value reserve in equity.

(iii) Group Companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each profit and loss item are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the profit and loss, as part of the gain or loss on sale where applicable.

Fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the acquiree and translated at the closing rate.

(g) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing an asset to a working condition ready for its intended use, and the costs of dismantling and removing the items. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss during the reporting period in which they are incurred.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These are included in the profit and loss.

Depreciation

Depreciation on assets is calculated using the straight line method or units or production method to allocate their cost, net of their residual values, over their estimated useful lives.

(i) Straight line method

Assets within operations where production is not expected to fluctuate significantly from one year to another or which have a physical life that differs from the related mine are depreciated on a straight line basis over the estimated useful life of the asset as follows:

Asset class	Useful life
Plant and equipment	3 to 6 years
Motor vehicles	2 to 4 years
Buildings	20 years

(ii) Units of production method

Where the useful life of an asset is directly linked to the extraction of ore from the mine, the asset is depreciated using the units of production method. In applying the units of production method, depreciation is normally calculated using the quantity of material extracted from the mine in the period as a percentage of the total quantity of material to be extracted in current and future periods based on proved reserves.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit and loss in the period the item is derecognised.

(h) Mine development expenditure and mine properties

Mine development expenditure incurred is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises net direct costs and appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific connection with a particular area of interest, which is expensed in the year it is incurred.

Once a development decision has been taken, the carrying amount of the exploration and evaluation acquisition costs in respect of the area of interest is aggregated with the development expenditure and classified under non-current assets as "mine development expenditure".

A development property is reclassified as a "mining property" at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

No depreciation is recognised in respect of mine development until reclassified as "mining properties". Mine development expenditure is tested for impairment in accordance with the policy in note 1(j).

When further development expenditure is incurred in respect of a mining property after the commencement of production, such expenditure is carried forward as part of the mining property when it is probable that additional future economic benefits associated with the expenditure will flow to the consolidated entity. Otherwise such expenditure is classified as a cost of production. Depreciation is charged using the units-of-production method, with separate calculations being made for each area of interest. The units-of-production basis results in a depreciation charge proportional to the depletion of proved reserves. Mine properties are tested for impairment in accordance with the policy note 1(j).

Costs associated with the commissioning period are capitalised where the asset is available for use, but incapable of operating at normal levels without a commissioning period.

(i) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Notes to the Consolidated Financial Statements

(j) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(k) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with a maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(l) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 14 days.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(m) Inventories

Raw materials, ore and concentrate stockpiles as well as stores consumables are stated at the lower of cost and net realisable value ("NRV").

Inventories of broken ore and concentrate are initially physically measured by estimating the number of tonnes added and removed from the stockpile. At month end, survey equipment is used to obtain the exact stockpile numbers and adjustments are made to ensure stockpile agrees to measurement from the survey equipment.

Cost represents weighted average cost and includes direct costs and an appropriate portion of fixed and variable overhead expenditure, including depreciation and amortisation.

(n) Investments and other financial assets

Classification

The Group classifies its financial assets in the following categories: loans and receivables or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

(i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

(ii) Available-for-sale financial assets
Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the profit and loss as gains and losses from investment securities.

Subsequent measurement

a) Loans and receivables are subsequently carried at amortised cost using the effective interest method.

b) Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the profit and loss within other income or other expenses in the period in which they arise. Changes in the fair value of securities classified as available-for-sale are recognised in equity.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Details on how the fair value of financial instruments is determined are disclosed in note 2.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or Group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the profit and loss. Impairment losses recognised in the profit and loss on equity instruments classified as available-for-sale are not reversed through the profit and loss.

(o) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

(p) Rehabilitation provision

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

(q) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

Notes to the Consolidated Financial Statements

(r) Share-based payment transactions

Equity settled transactions

The Group provides benefits to Directors, employees and consultants in the form of share, performance rights and option-based payments. The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes option pricing model or Monte Carlo Simulation that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, and the risk free interest rate for the term of the option.

The fair value of options granted under the Tiger Resources Limited Employee Option Plan and performance rights granted under the Performance Rights Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options or performance rights granted, which includes any market performance conditions but excludes the impact of any service and non-market performance vesting conditions and the impact of any non-vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options or performance rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(s) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income
Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Commodity Sales
Revenue associated with the sale of commodities is recognised when all significant risks and rewards of ownership of the asset sold are transferred to the customer, usually when insurance risk has passed to the customer and the commodity has been delivered to the shipping agent. At this point Tiger retains neither continuing management involvement to the degree associated with ownership nor effective control over the commodities and the costs incurred, or to be incurred, in respect of the sale can be reliably measured.

The sales price is determined provisionally at the date of sale, with the final price determined at a mutually agreed date, generally at a quoted market price at that time. This contractual feature has the character of a commodity derivative. As a result, the invoice price on these sales is marked-to-market at balance sheet date based on the forward metal prices for the relevant quotation period. This ensures that revenue is recorded at the fair value of consideration to be received. All mark-to-market adjustments are recorded in sales revenue.

During the pre-production phase, Australian Accounting Standards allow for pre-production related costs to be capitalised up to the point where commercial production is attained. All costs directly incurred to achieve commercial production (operating as intended by management) from the HMS processing plant were capitalised accordingly. Revenues from the sale of production during the pre-production phase are applied against capitalised pre-production related costs.

Notes to the Consolidated Financial Statements

(t) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences and carry-forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and,
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the profit and loss.

(u) Goods and services tax (GST) and Value added tax (VAT)

Revenues, expenses and assets are recognised net of the amount of GST or VAT except:

- where the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST or VAT included.

The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Statements of Cash Flows on a gross basis and the GST or VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST or VAT recoverable from, or payable to, the taxation authority.

(v) Trade and other payables

Trade payables and other payables are initially recognised at fair value and subsequently carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(w) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(x) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

(y) Deferred stripping costs

Stripping costs incurred in the development of a mine before production commences are capitalised as part of the cost of constructing the mine and subsequently amortised over the life of the mine on a units-of-production basis.

Where a mine operates several open pits that are regarded as separate operations for the purpose of mine planning, stripping costs are accounted for separately by reference to the ore from each separate pit. If, however, the pits are highly integrated for the purpose of the mine planning, the second and subsequent pits are regarded as extensions of the first pit in accounting for stripping costs. In such cases, the initial stripping, (i.e., overburden and other waste removal) of the second and subsequent pits is considered to be production phase stripping relating to the combined operation.

Stripping costs incurred subsequently during the production phase of an operation are deferred where this is the most appropriate basis for matching the cost against the related economic benefits and the effect is material. The amount of stripping costs deferred is based on the strip ratio obtained by dividing the tonnage of waste mined by the quantity of ore mined. Stripping costs incurred in the period are deferred to the extent that the actual cumulative ratio exceeds the life of the mine strip ratio. Such deferred costs are then charged to profit or loss to the extent that, in subsequent periods, the current period ratio falls short of the life of mine (or pit) ratio. The life of mine (or pit) ratio is based on economically recoverable reserves of the mine (or pit).

Deferred stripping costs are included as part of 'Mine properties'. These form part of the total investment in the relevant cash generating units, which are reviewed for impairment if events or changes of circumstances indicate that the carrying value may not be recoverable.

(z) Employee benefits

(i) Wages and salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(aa) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(bb) Earnings per share

Basic earnings/(loss) per share is calculated as net profit/(loss) attributable to equity holders of the Company, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the Company, adjusted for:

- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(cc) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker who is the Managing Director is responsible for allocating resources and assessing performance of the operating segments.

Notes to the Consolidated Financial Statements

(dd) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2012 reporting periods. The Group's assessment of the impact of these new standards and interpretations is set out below.

Impact of standards issued but not yet applied by the entity:

- *AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2012-6 Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures (effective for annual reporting periods beginning on or after 1 January 2015)*

  AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption.

  There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated as at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed. The Group has not yet decided when to adopt AASB 9.

- *AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)*

  In August 2011, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

  AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements,* and Interpretation 12 *Consolidation – Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns before control is present. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. There is also new guidance on participating and protective rights and on agent/principal relationships. While the Group does not expect the new standard to have a significant impact on its composition, it has yet to perform a detailed analysis of the new guidance in the context of its various investees that may or may not be controlled under the new rules.

  AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control. As the Group is currently not party to any joint arrangements, this standard will not have any impact on its financial statements.

  AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 128. Application of this standard by the Group will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to the Group's investments.

Notes to the Consolidated Financial Statements

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. They are not expected to have any significant impact on the Group's financial statements.

The Group does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 31 December 2013.

- *AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)*
  AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. The Group does not use fair value measurements extensively. It is therefore unlikely that the new rules will have a significant impact on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. The Group does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 31 December 2013.
- *AASB Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine and AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20 (effective 1 January 2013)*

  Interpretation 20 sets out the accounting for overburden waste removal (stripping) costs in the production phase of a mine. It states that these costs can only be recognised as an asset if they can be attributed to an identifiable component of the ore body, the costs relating to the improved access to that component can be measured reliably and it is probable that future economic benefits associated with the stripping activity (improved access to the orebody) will flow to the entity. The costs will be amortised over the life of the identified component of the ore body. This is different to the Group's current accounting policy which is to capitalise stripping costs based on a general waste-to-ore stripping ratio and amortise the costs over the life of the mine. The interpretation must applied retrospectively and the Group will have to write off existing stripping cost asset balances to retained earnings on the date of transition, unless they relate to an identifiable component of the orebody. The Group has not yet undertaken a review of its existing stripping cost assets in light of the requirements of the interpretation and hence is unable to quantify the effect, if any, on the amounts recognised in the financial statements.

The Group expects to adopt the interpretation from 1 January 2013.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Notes to the Consolidated Financial Statements

2. FINANCIAL RISK MANAGEMENT

(a) Financial risk management objectives

The Group is exposed to financial risks through the normal course of their business operations. The key risks impacting the Group's financial instruments are considered to be foreign currency risk, interest rate risk, liquidity risk, commodity price risk and credit risk. The Group's financial instruments exposed to these risks are cash and short term deposits, receivables, trade payables and borrowings.

The Executive Directors monitor the Group's risks on an ongoing basis and report to the Board. The Group has not used derivative financial instruments as part of its risk management process.

(b) Foreign currency risk management

The Group has significant operations in the DRC. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The Group's functional currency is US dollars. Revenue from copper sales is denominated in US dollars, as are the majority of the Group's operating costs.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Management's policy is to manage foreign exchange risk against the functional currency. Management manage foreign exchange risk by continuously monitoring forecasts and spot prices of foreign currency.

The carrying amounts of the Group's financial assets and liabilities are denominated in US dollars except as set out below:

Group	31 December 2012 A$000	31 December 2011 A$000
Cash and cash equivalents	57	806
Trade and other payables	257	139

Group sensitivity
Based on the financial instruments held at 31 December 2012, had the Australian dollar weakened/strengthened by 10% against the US dollar with all other variables held constant, the Group's post tax profit for the year would have been $20,565 higher/$25,602 lower (31 December 2011: $74,092 higher/$60,200 lower), mainly as a result of foreign exchange gains/losses on translation of Australian dollar denominated financial instruments as detailed in the above table. There would have no impact on other equity had the Australian dollar weakened/strengthened by 10% against the US dollar. The Group's exposure to other foreign exchange movements was not material.

(c) Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group deposit funds at both short-term fixed and floating rates of interest.

The Group's main interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. During 2012, the Group's borrowings at variable rate were denominated in US dollars.

As at the end of the reporting period, the Group had the following variable rate borrowings:

	31 December 2012 Weighted average interest rate %	31 December 2012 US$000	31 December 2011 Weighted average interest rate %	31 December 2011 US$000
Current and non-current borrowings (Note 17)	8.99	7,500	8.68	12,000

Group sensitivity

At 31 December 2012, if interest rates had changed by +/-100 basis points from the period end rates with all other variables held constant, post tax profit for the year would have been $71,000 higher/lower (31 December 2011: $84,000 higher/lower), mainly as a result of higher/lower interest income from cash and cash equivalents.

(d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who oversees a liquidity risk management framework for the management of the Group's funding and liquidity management requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring there are appropriate plans in place to finance these future cash flows.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group (31 December 2012)	Less than 6 months US$000	6 – 12 months US$000	1 - 2 years US$000	2 - 5 years US$000	Total contractual cash flows US$000	Carrying amount liabilities US$000
Non-derivatives						
Non-interest bearing	(45,428)	-	-	-	(45,428)	(44,808)
Interest bearing (Refer Note 17)	(3,000)	(4,500)	-	-	(7,500)	(6,478)
Total non-derivatives	(48,428)	(4,500)	-	-	(52,928)	(51,286)

Group (31 December 2011)	Less than 6 months US$000	6 – 12 months US$000	1 - 2 years US$000	2 - 5 years US$000	Total contractual cash flows US$000	Carrying amount liabilities US$000
Non-derivatives						
Non-interest bearing	(7,703)	(2,857)	-	-	(10,560)	(10,560)
Interest bearing (Refer Note 17)	(2,031)	(2,037)	(9,405)	-	(13,473)	(7,547)
Total non-derivatives	(9,734)	(4,894)	(9,405)	-	(24,033)	(18,107)

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(e) Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Group's commodity inputs and outputs. The Group is exposed to commodity price risk arising from revenue derived from copper sales. The Group's commodity price risk associated with financial instrument relates primarily to changes in fair value caused by settlement adjustments to receivables. The Group has the option of entering into price fixing with the customer for concentrate delivered in order to limit its exposure to future commodity price movements.

As at December 31, 2012, the Group had provisionally invoiced 1,196 tonnes of copper of which it has fixed the price of 1,175 tonnes of the provisionally invoiced copper at $7,981 per tonne. (31 December 2011: $7,526 per tonne). As a result of the price-fixing, the Group was not exposed to commodity price risk on those receivables at year ended 31 December 2012 (2011: Nil).

(f) Credit risk management

The Group's maximum exposures to credit risk in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. Credit risk arises from the non-performance by counterparties of contractual financial obligations. Credit risk arises from cash and cash equivalents, deposits with banks, credit exposures to customers, any outstanding receivables and committed transactions.

Management assesses the credit quality of the customer by taking into account its financial position, past experience and other factors. For banks and financial institutions, management considers the independent rating. If there is no independent rating, risk control assesses the credit quality of the parties, taking into account its financial position, past experience and other factors.

Credit risk further arises in relation to financial guarantees given to certain parties (see note 4(b) for details). Such guarantees are only provided in exceptional circumstances and are subject to specific Board approval.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2012 US$000	2011 US$000
Cash and cash equivalents		
AA rated banks	12,082	3,663
BBB rated banks	12,103	-
Unrated external banks	10,278	1,356
Restricted cash – unrated institution (Note 9)	125	125
Receivables		
Existing receivables – unrated institution (less than 6 months)	1,970	3,375
Total	36,558	8,519

(g) Fair value estimations

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements represent or approximate their respective fair values.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In applying the Group's accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below.

(a) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Share based payment transactions
The Group measures the cost of equity-settled transactions with employees and financiers by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes valuation model, with the assumptions detailed in note 28. The accounting estimates and assumptions relating to equity-settled share-based payments impact the carrying amounts of assets and liabilities, expenses and equity in the current and future reporting periods.

Income taxes
The Group is subject to income tax in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Rehabilitation Provision
The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date. This provision has been created based on a study with respect to environmental protection and rehabilitation performed by a third party environmental consultancy working in the DRC. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future copper prices, which are inherently uncertain.

Ore reserve and resource estimates
Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves based on information compiled by appropriately qualified persons relating to the geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of commodity prices, future capital requirements, and production costs along with geological assumptions and judgements made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact upon the carrying value of mine properties, provision for rehabilitation, and depreciation and amortisation charges.

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4. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2012 US$000	2011 US$000
Balance Sheet		
Current assets	12,443	3,834
Total assets	68,063	64,337
Current liabilities	(468)	(452)
Total liabilities	(518)	(452)
Shareholders' equity		
Contributed equity	140,163	139,722
Reserves		
Share-based payments	20,810	19,746
Available-for-sale financial assets reserve	2,093	-
Accumulated losses	(95,521)	(95,583)
	67,545	63,885
Profit/(loss) for the year	63	(6,350)
Total comprehensive income/(expense)	2,156	(6,350)

(b) Guarantees entered into by the parent entity

	2012 US$000	2011 US$000
Carrying amount included in current liabilities	-	-

The parent entity has provided financial guarantees in respect of loans to subsidiaries amounting to $12,000,000 (2011: $12,000,000) (see note 17), such security provided including a floating charge over its assets, mortgage of contractual rights and subordination agreements in respect of loans with subsidiaries and various pledges of shares in subsidiaries through which it holds ownership rights in the Kipoi project. As at the end of 31 December 2012, the principal loan amount is $7,500,000 (31 December 2011: $12,000,000).

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 31 December 2012 or 31 December 2011. For information about guarantees given by the parent entity, please see above.

(d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity did not have any contractual commitments as at 31 December 2012 or 31 December 2011.

5. REVENUE AND INCOME

	Consolidated	
	2012 US$000	2011 US$000
REVENUE		
Sale of copper concentrate	146,333	41,664
Interest	48	88
	146,381	41,752
OTHER INCOME		
Gain from disposal of plant and equipment	31	1
	31	1

6. COST OF GOODS SOLD

	Consolidated	
	2012 US$000	2011 US$000
Operating expenses	76,816	19,306
Amortisation and depreciation	15,546	5,106
	92,362	24,412

7. EXPENSES

	Consolidated	
	2012 US$000	2011 US$000
Finance costs		
Interest expense on loan	911	1,050
Accretion of finance costs on loan	3,431	1,915
Discounting of rehabilitation costs	130	122
Other finance costs	-	292
	4,472	3,379
Administrative expenses		
Wages and salaries	1,771	2,320
Superannuation expense	84	87
Share-based payments expense	1,064	716
Total employee benefits expense	2,919	3,123
Depreciation	181	420
Other administration	2,445	3,050
Total	5,645	6,593

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8. INCOME TAX

	Consolidated	
	12 months to 31 December 2012 US$000	12 months to 31 December 2011 US$000
Income Tax Expense		
Current tax	9,485	-
Deferred tax	6,218	3,704
Total	15,703	3,704
Reconciliation of prima facie income tax benefit on profit/(loss) before income tax as provided in the financial statements		
Profit/(Loss) before income tax	26,248	1,323
Prima facie tax thereon at 30% (31 December 2011: 30%)	7,874	397
Add tax effect of:		
Equity compensation	319	209
Prior year underprovision	1,883	-
Other non-deductible expenses	2,084	1,421
Unrealised foreign exchange losses	-	322
Income tax benefit not brought to account	3,543	1,355
Income tax expense	15,703	3,704

The prior year underprovision arises due to an updated estimate of the tax positions adopted in relation to Group subsidiaries in the DRC. Prior year estimates of the Group's tax position and related tax effect accounting were based on the best estimates available in the prior year, which have subsequently been updated based on current tax law interpretation.

Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	42,620	24,520
Potential tax benefit @ 30%	12,786	7,356

All unused tax losses were incurred by parent entity and its subsidiaries that are not part of a tax consolidated group.

Unrecognised temporary differences		
Temporary difference relating to various balance sheet items	3,155	207
Unrecognised deferred tax assets relating to the above temporary differences	946	62
Deferred tax assets		
Balance comprises temporary differences attributable to:		
Inventories	481	-
Provisions	370	595
Tax losses	-	4,049
	851	4,644
Deferred tax liabilities		
Balance comprises temporary differences attributable to:		
Depreciation	1,586	51
Mine development and exploration costs	1,327	437
	2,913	488
(Deferred tax liabilities)/Deferred tax assets balance	(2,062)	4,156

9. CASH AND CASH EQUIVALENTS

	Consolidated	
	2012 US$000	2011 US$000
Cash at bank	22,588	1,469
Deposits at call	11,875	3,550
	34,463	5,019

(a) Risk exposure
The Group's exposure to interest rate risk is discussed in note 2. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

(b) At 31 December 2012, the Group had $125,000 (2011: $125,000) held in bank deposits which are provided as collateral for bank guarantees issued to the DRC Customs Department in relation to the importation of materials and parts required for the production of copper concentrate. These deposit amounts are not included in cash balances at the period end.

10. TRADE AND OTHER RECEIVABLES – CURRENT

	Consolidated	
	2012 US$000	2011 US$000
Trade receivables	1,970	3,375
Security deposits	84	13
Other receivables (i)	2,567	2,113
	4,621	5,501

(i) Other receivables include amounts outstanding for goods and services tax (GST) and value added tax (VAT). These amounts are non-interest bearing and have repayment terms applicable under the relevant government authorities.

As of 31 December 2012 and 31 December 2011, trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these receivables, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

(a) Foreign exchange and interest rate risk
Information about the Group's exposure to foreign currency risk in relation to trade and other receivables is provided in note 2.

(b) Fair value and credit risk
Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 2 for more information on the risk management policy of the Group and the credit quality of the entity's receivables.

Notes to the Consolidated Financial Statements

11. INVENTORIES – CURRENT

	Consolidated	
	2012 US$000	2011 US$000
Consumables – at cost	1,516	964
Ore stockpiles – at cost	11,311	11,790
Concentrate in stockpiles – at cost	3,376	465
	16,203	13,219

Value of ore stockpiles is calculated on the basis of 204,938 tonnes of high grade ROM grading 5.2% copper. The value of concentrate stockpiles is calculated on the basis of 9,394 tonnes grading 22.6% copper. For accounting purposes medium grade ore (<3.25% Cu) and low grade ore are treated as waste.

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Consolidated	
	2012 US$000	2011 US$000
Listed securities		
Australian Equity securities	3,739	-
Equity securities consist of:		
Payment to acquire available-for-sale-financial assets	1,646	-
Fair value adjustment as at 31 December 2012 (Refer Note 20(d))	2,093	-
	3,739	-

Available-for-sale financial assets comprise of an investment of 19.9% in Chrysalis Resources Limited. The investment is recorded at cost and is marked to market at the balance date (including movement attributable to foreign exchange) with changes recognised directly in other comprehensive income. The financial assets are neither past due nor impaired. The available-for-sale financial assets are denominated in Australian currency and converted to US dollars for reporting.

13. MINE PROPERTIES AND DEVELOPMENT

	Consolidated	
	2012 US$000	2011 US$000
Opening cost	29,375	24,166
Additions	4,797	11,434
Amortisation	(11,216)	(6,225)
Closing	22,956	29,375

Mine properties and development expenditure includes acquisition cost of $12.573 million relating to the Kipoi Project Stage 1 development, $7.140 million of pre-production expenditure in relation to the Kipoi Project Stage 1 development (including mining and owners costs), pre-stripping costs of $8.455 million, a rehabilitation asset consisting of the capitalised costs of the initial estimates of restoration and rehabilitation liabilities for disturbance up to the balance date of $1.881 million and deferred stripping costs of $10.348 million capitalised in respect of the Stage 1 Kipoi Project development and operation. The additions for the year consist of movement in deferred stripping costs. Mine properties and development expenditure is amortised over the life of mine. Total cumulative amortisation as at balance sheet date is $17.441 million.

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14. PLANT AND EQUIPMENT

Consolidated	Motor Vehicles US$000	Plant and Equipment US$000	Land and Buildings US$000	Construction in Progress US$000	Total US$000
At 1 January 2011					
Cost	1,278	1,524	-	5,829	8,631
Accumulated depreciation	(591)	(1,093)	-	-	(1,684)
Net book value	687	431	-	5,829	6,947
Year ended 31 December 2011					
Opening net book value	687	431	-	5,829	6,947
Additions	895	9,487	2,166	-	12,548
Disposals	(29)	-	-	-	(29)
Transfer from construction in progress	-	5,754	-	(5,754)	-
Reversal of depreciation on disposal	28	-	-	-	28
Depreciation charge	(303)	(2,522)	(44)	-	(2,869)
Closing net book value	1,278	13,150	2,122	75	16,625
At 31 December 2011					
Cost	2,144	16,765	2,166	75	21,150
Accumulated depreciation	(866)	(3,615)	(44)	-	(4,525)
Net book value	1,278	13,150	2,122	75	16,625
Year ended 31 December 2012					
Opening net book value	1,278	13,150	2,122	75	16,625
Additions	850	3,397	936	1,003	6,186
Depreciation charge	(471)	(5,628)	(140)	-	(6,238)
Closing net book value	1,657	10,919	2,919	1,078	16,573
At 31 December 2012					
Cost	2,994	20,161	3,102	1,078	27,336
Accumulated depreciation	(1,337)	(9,243)	(184)	-	(10,763)
Net book value	1,657	10,919	2,919	1,078	16,573

Notes to the Consolidated Financial Statements

15. EXPLORATION ASSETS – NON CURRENT

	Consolidated	
	2012 US$000	2011 US$000
Opening balance	30,470	30,470
Additions	24,791	-
	55,261	30,470

Exploration assets relate to property acquisition costs which have been allocated to Stage 2 of the Kipoi Project. The increase in exploration assets relates to reserve payment obligations to the vendors of Congo Minerals sprl and Gécamines Sarl arising from the declaration of an increased Proven and Probable reserve at Kipoi. Refer to Notes 16(a) and 24(b).

16. TRADE AND OTHER PAYABLES – CURRENT

	Consolidated	
	2012 US$000	2011 US$000
Current		
Trade and other payables	9,739	8,482
Current tax payable	9,485	-
Other payables – Gécamines (a)	12,849	2,000
Other payables – Vendors of Congo Minerals sprl (b)	11,942	-
Other payables – Annual leave (c)	84	78
	44,099	10,560

(a) Payment accrued for additional copper reserves identified at the Kipoi Project under the terms of the agreement to acquire Congo Minerals sprl. Refer Note 24 (b).

(b) Payment accrued for additional copper reserves identified at the Kipoi Project under the terms of the shareholders' agreement between Congo Minerals sprl and Gécamines Sarl. Refer Note 24 (b).

(c) Amounts not expected to be settled within the next 12 months:
Other payables represent accruals for annual leave. The entire obligation is presented as current, since the Group does not have an unconditional right to defer settlement.

(d) Risk exposures:
Information about the Group's exposure to foreign exchange risk is provided in note 2.

17. BORROWINGS – CURRENT AND NON-CURRENT

	Consolidated	
	2012 US$000	2011 US$000
Principal loan amount	7,500	12,000
Transaction costs	(4,453)	(6,367)
	3,047	5,633
Accretion of finance costs	3,431	1,914
Total borrowings	6,478	7,547
Borrowings – Current	(6,478)	(3,000)
Borrowings – Non-Current	-	4,547

The disclosures above are in respect of the $12 million Loan Note facility provided by Trafigura.

Transaction costs are recognised at the inception of the loan, and accreted over the loan life. Accretion expense is calculated by applying the effective interest rate to the liability.

Trafigura financing

In November 2009, the Company entered into agreements with Trafigura Beheer BV for a combined equity and debt financing package, including a $12 million Loan Note facility provided to acquire the 60% interest in the Kipoi Project. (The financing package included a $15 million Project Loan facility which was subsequently cancelled.)

Interest is payable on the Loan Note facility at LIBOR plus 6% per annum plus political risk insurance premium. The principal is repayable in half-yearly instalments based on surplus cash flows generated from the Kipoi Project, and is repayable in full by 18 May 2013.

In connection with the financing package, the Company issued a total of 95,328,975 options to Trafigura. The fair value of the options granted was determined using the Black-Scholes method with the valuation reference date of 21 April 2010. In accordance with AASB 139, the costs related to the Loan Note facility is classified as a deferred financing asset and offset against the facility when drawn, and the facility amount is accreted back to its face value over its term.

The deferred financing asset relating to the cancelled Project Loan facility was expensed in the financial period ended 31 December 2010.

(a) Information about the security relating to the secured non-current borrowings is set out in note 4(b).

(b) Risk exposures

Information about the Group's exposure to foreign exchange risk is provided in note 2.

18. PROVISIONS – NON-CURRENT LIABILITIES

	Consolidated	
	2012 US$000	2011 US$000
Opening balance	2,003	1,687
Additional provision recognised – charged to mine properties and development	-	194
Unwinding of discount	130	122
Provision for rehabilitation	2,133	2,003

The provision for rehabilitation relates to the Kipoi Copper project area in the DRC. The Group makes provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis. The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites based on disturbance incurred to balance date, which are expected to be incurred up to 2025.

These provisions have been created based on a study with respect to environmental protection and rehabilitation performed by a third party environmental consultancy working in the DRC. Assumptions, based on the current economic environment, have been made which management believe are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future copper prices, which are inherently uncertain.

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19. CONTRIBUTED EQUITY

(a) Issued capital

	Number of shares		Consolidated	
	2012	2011	2012 US$000	2011 US$000
Ordinary shares – issued and fully paid	673,470,269	671,110,549	140,163	139,722

(b) Movements in share capital

Date	Details	Number of shares	Issue price (US$)	US$000
1-Jan-11	Opening balance	597,373,151		123,376
31-Jan-11	Options exercised at A$0.25	150,000	0.25	38
28-Feb-11	Options exercised at A$0.215	61,112,398	0.22	13,315
28-Feb-11	Options exercised at A$0.24	10,000,000	0.24	2,432
24-May-11	Options exercised at A$0.25	100,000	0.27	27
24-May-11	Options exercised at A$0.15	300,000	0.16	48
5-Jul-11	Options exercised at A$0.25	525,000	0.26	135
14-Jul-11	Options exercised at A$0.25	950,000	0.27	260
14-Jul-11	Options exercised at A$0.18	600,000	0.19	115
	Less: Transaction costs on share issue			(24)
1-Jan-12		671,110,549		139,722
01-Feb-12	Options exercised at A$0.30	500,000	0.32	159
28-Feb-12	Performance rights vested and converted to shares at nil consideration	337,553	-	-
21-Mar-12	Options exercised at A$0.18	1,522,167	0.19	290
	Less: Transaction costs on share issue			(8)
31-Dec-12		673,470,269		140,163

Notes to the Consolidated Financial Statements

19. CONTRIBUTED EQUITY (CONTINUED)

(c) Unlisted options

Movement for the year ended 31 December 2012 is as below:

Exercise price (A$)	Expiry date	Balance at beginning of the year Number	Granted during the year Number	Forfeited during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
$0.30	01-Feb-12	500,000	-	-	(500,000)	-	-	-
$0.50	18-Dec-12	1,000,000	-	-	-	(1,000,000)	-	-
$0.25	07-Apr-13	1,300,000	-	-	-	-	1,300,000	1,300,000
$0.25	30-Apr-13	3,250,000	-	-	-	-	3,250,000	3,250,000
$0.30	30-Apr-13	3,250,000	-	-	-	-	3,250,000	3,250,000
$0.25	05-May-13	24,216,577	-	-	-	-	24,216,577	24,216,577
$0.18	04-Jun-13	428,665	-	-	(428,665)	-	-	-
$0.18	16-Jul-13	1,093,502	-	-	(1,093,502)	-	-	-
$0.44	07-Dec-13	200,000	-	-	-	-	200,000	200,000
$0.515	13-Feb-14	400,000	-	-	-	-	400,000	400,000
$0.540	24-Jul-14	225,000	-	-	-	-	225,000	225,000
$0.48	17-Mar-14	1,400,000	-	(100,000)	-	-	1,300,000	1,300,000
$0.46	14-Jun-14	-	100,000	-	-	-	100,000	100,000
$0.48	20-Feb-15	-	3,250,000	(600,000)	-	-	2,650,000	-
$0.48	26-Mar-15	-	150,000	-	-	-	150,000	-
$0.46	21-May-15	-	1,600,000	-	-	-	1,600,000	1,600,000
		37,263,744	5,100,000	(700,000)	(2,022,167)	(1,000,000)	38,641,577	35,841,577
Weighted average exercise price (A$)		$0.273	$0.470	$0.480	$0.210	$0.500	$0.290	$0.280

Notes to the Consolidated Financial Statements

Movement for the year ended 31 December 2011 is as below:

Exercise price (A$)	Expiry date	Balance at beginning of the year Number	Granted during the year Number	Forfeited during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
$0.60	1-Apr-11	200,000	-	-	-	(200,000)	-	-
$0.30	1-Feb-12	500,000	-	-	-	-	500,000	500,000
$0.60	30-Jun-11	550,000	-	-	-	(550,000)	-	-
$0.60	31-Aug-11	200,000	-	-	-	(200,000)	-	-
$0.50	18-Dec-12	1,000,000	-	-	-	-	1,000,000	1,000,000
$0.15	30-Jun-11	300,000	-	-	(300,000)	-	-	-
$0.25	7-Apr-13	3,025,000	-	-	(1,725,000)	-	1,300,000	1,300,000
$0.25	30-Apr-13	3,250,000	-	-	-	-	3,250,000	3,250,000
$0.30	30-Apr-13	3,250,000	-	-	-	-	3,250,000	3,250,000
$0.22	5-May-13	61,112,398	-	-	(61,112,398)	-	-	-
$0.25	5-May-13	34,216,577	-	-	(10,000,000)	-	24,216,577	24,216,577
$0.18	4-Jun-13	1,028,665	-	-	(600,000)	-	428,665	428,665
$0.18	16-Jul-13	1,093,502	-	-	-	-	1,093,502	1,093,502
$0.44	7-Dec-13	400,000	-	(200,000)	-	-	200,000	200,000
$0.515	13-Feb-14	-	600,000	(200,000)	-	-	400,000	-
$0.540	24-Jul-14	-	725,000	(500,000)	-	-	225,000	-
$0.48	17-Mar-14	-	1,600,000	(200,000)	-	-	1,400,000	-
		110,126,142	2,925,000	(1,100,000)	(73,737,398)	(950,000)	37,263,744	35,238,744
Weighted average exercise price (A$)		$0.237	$0.502	$0.506	$0.220	$0.600	$0.273	$0.260

(d) Performance rights - Movement for the year ended 31 December 2012 is as below:

Exercise price (A$)	Expiry date	Balance at beginning of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Nil	1-Aug-2014	669,640	409,664	(337,553)	(117,515)	624,236	-
Nil	31-Dec-2014	-	685,796	-	-	685,796	-
Nil	21-May-2015	-	804,649	-	-	804,649	-
		669,640	1,900,109	(337,553)	(117,515)	2,114,681	-

Performance rights - Movement for the year ended 31 December 2011 is as below:

Exercise price (A$)	Expiry date	Balance at beginning of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Nil	1-Aug-2014	-	669,640	-	-	669,640	-

(e) Capital risk management

The capital structure of the Group comprises of issued capital and reserves attributable to shareholders. The Group is committed to manage its capital and monitor the gearing ratio to safeguard the Group's ability to continue as a going concern and maximise returns to stakeholders.

The Group operates through subsidiary companies in the DRC. None of the Group's subsidiaries are subject to externally imposed capital requirements. The Group's cash flows are used for exploration and development of the mineral interests and to fund corporate costs of the Company.

20. RESERVES

	Consolidated	
	2012 US$000	2011 US$000
Share option reserve (a)	20,810	19,746
Foreign currency translation reserve (b)	(6,033)	(6,033)
Non-controlling interest reserve (c)	(3,034)	(3,034)
Available-for-sale financial assets reserve (d)	2,093	-
	13,836	10,679

(a) Share option reserve

The share option reserve is used to record the value of share-based payments provided through the issue of options over ordinary shares.

	Consolidated	
	2012 US$000	2011 US$000
Balance at beginning of year	19,746	19,030
Options issued to Directors and employees	1,064	716
Balance at end of year	20,810	19,746

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations.

(c) Non-controlling interest reserve consists of the effect of changes in the ownership interest of the entities on the equity attributable to owners of Tiger Resources Limited due to the difference between consideration received and carrying amount of the non-controlling interest.

(d) Available-for-sale financial assets reserve

	Consolidated	
	2012 US$000	2011 US$000
Balance at beginning of the year	-	-
Fair value adjustment (Refer Note 12)	2,093	-
Balance at end of year	2,093	-

21. ACCUMULATED LOSSES

	Consolidated	
	2012 US$000	2011 US$000
At the beginning of the year	(87,331)	(81,569)
Profit/(Loss) for the year	1,883	(5,762)
At the end of the year	(85,448)	(87,331)

Notes to the Consolidated Financial Statements

22. EARNINGS/(LOSS) PER SHARE

	Consolidated	
	2012	2011
	Cents per share	
Basic earnings/(loss) per share	0.28	(0.88)
Diluted earnings/(loss) per share	0.28	(0.88)
	US$000	US$000
Net profit/(loss) used in calculating basic/ diluted earnings/(loss) per share	1,883	(5,762)
	Number	Number
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings/(loss) per share	673,047,004	658,349,504
Adjustments for calculation of diluted earnings per share:		
Options/Performance rights	9,250,027	-
Weighted average number of shares on issue and potential ordinary shares used as the denominator in calculating diluted earnings per share	682,297,031	658,349,504

Diluted loss per share for the year ended 31 December 2011 is the same as basic loss per share as it does not result in a less favorable position.

23. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of profit/(loss) after tax to net cash flows from operations

	Consolidated	
	2012 US$000	2011 US$000
Profit/(Loss) after income tax	10,546	(2,381)
Depreciation and amortisation	15,085	5,526
Share-based payments	1,064	716
Non-cash finance costs	3,561	2,036
Net exchange differences	(31)	1,104
Net cash inflows/outflows from operating activities before change in working capital	30,225	7,001
Change in working capital		
Bank guarantee	-	420
Decrease/(Increase) in trade and other receivables	880	(4,910)
Increase in inventories	(2,984)	(9,449)
Increase in trade and other payables	8,618	5,546
(Increase)/Decrease in deferred tax assets	4,156	3,704
Increase in deferred tax liabilities	2,062	-
Net cash inflows from operating activities	42,957	2,312

24. COMMITMENTS AND CONTINGENCIES

(a) Commitments

A balance of approximately $5.979 million is committed for mining operation services and ancillary medical, catering and assaying services for the Kipoi project, and rental obligation payable within one year (31 December 2011: $5.85 million).

(b) Contingent liabilities

Kipoi mineral properties, Katanga Province DRC

The Group reported an updated statement of the Kipoi mineral reserve on 9 January 2013, resulting in a cumulative total of 567,125 tonnes of copper in reserve or mined.

Under the terms of the agreement under which Tiger acquired Congo Minerals sprl, Tiger has an obligation to pay the vendors US$2.75 million for each 50,000 tonnes of probable copper reserves identified at the Kipoi Project in excess of 350,000 tonnes. Accordingly, a payment obligation has accrued in respect of 217,125 tonnes (refer Note 16(b)) and a contingent obligation exists in respect of additional reserve identified in excess of 567,125 tonnes of copper.

Under the terms of the shareholders agreement between Congo Minerals sprl and Gécamines sarl, Tiger has an obligation to pay Gécamines US$35/tonne of copper for reserves in excess of 200,000 tonnes of copper identified at the Kipoi Project. Accordingly, a payment obligation has accrued in respect of 367,125 tonnes (refer Note 16(a)) and a contingent obligation exists in respect of additional reserve identified in excess of 567,125 tonnes of copper.

25. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to 31 December 2012, the Group announced a positive DFS for its Stage 2 SXEW plant at Kipoi. The Group has also committed to Phase 1 of the SXEW plant development estimated to cost $160.9 million in the DFS, and has entered into lump-sum turn-key contracts for the construction of the SXEW plant, heap leach and agglomerator at the Kipoi Copper Project.

Except for the matters discussed above, no other matter or circumstance has arisen since 31 December 2012 that has significantly affected, or may significantly affect:

(a) the Group's operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the Group's state of affairs in future financial years.

26. INVESTMENT IN CONTROLLED ENTITIES

Entity		Country of incorporation	Equity holding 2012 %	2011 %
Tiger Congo sprl	Ordinary shares	DRC	100	100
Congo Minerals sprl	Ordinary shares	DRC	100	100
SEK sprl	Ordinary shares	DRC	60	60
Sase Mining sprl	Ordinary shares	DRC	100	100
Tiger Resources Finance Ltd	Ordinary shares	British Virgin Islands	100	100
Balcon Holdings Ltd	Ordinary shares	British Virgin Islands	100	100

Notes to the Consolidated Financial Statements

27. SEGMENT REPORTING

Description of segment

The Group considers that it has only operated in one reportable segment, being minerals exploration, development and production in the DRC.

28. SHARE-BASED PAYMENTS

Non Plan based payments

The Company makes share based payments to Directors, consultants and/or service providers from time to time, not under any specific plan. The shares and options are issued for nil consideration and in accordance with the specific guidelines established by the Directors of Tiger Resources Limited. Any share based payment to Directors requires the approval of shareholders at a general meeting.

The vesting period and maximum term of shares or options granted vary according to Board's discretion.

Financing cost

The Company issued unlisted options as a component of the fees for the financing facility arranged with Trafigura (refer note 17) and a private placement to institutional investors.

Employee Share Option Plan (EOP)

Shareholders approved the Tiger Resources Limited EOP at the Annual General Meeting held on 22 May 2012. The EOP is designed to provide incentives, assist in the recruitment, reward, retention of employees and key consultants, so as to provide opportunities for employees (both present and future) to participate directly in the equity of the Company. The contractual life of each option granted is three years. There are no cash settlement alternatives.

The EOP does not allow for the issue of options to Directors of the Company.

Each option issued under share-based payments converts into one ordinary share in the Company on exercise. The options carry neither rights to dividends nor voting rights.

Performance Rights Plan (PRP)

Shareholders approved the Tiger Resources Limited PRP at the Annual General Meeting held on 26 May 2011. The PRP is designed to more closely align rewards for performance with the achievement of the Company's growth and strategic objectives for 2011 and beyond.

The Board believes that the grant of Performance Rights under the PRP to eligible participants will underpin the employment strategy of attracting and retaining high calibre staff capable of executing the Company's strategic plans, and will maximise the retention of key management and operational staff; enhance the Company's ability to attract quality staff in the future, link the rewards of key staff with the achievement of strategic goals and the long term performance objectives of the Company, and provide incentives to participants of the Plan to deliver superior performance that creates shareholder value.

The PRP provides for the issue of Performance Rights which, upon determination by the Board that the performance conditions attached thereto have been met and subject to the terms of the PRP, convert into fully paid ordinary shares. Where the participant is a Director or related party of the Company, specific shareholder approval will have to be sought under the ASX Listing Rules prior to the grant of Performance Rights to such an individual.

The exercise price, if any, for Performance Rights will be determined by the Board in its discretion and set out in the related invitation. The exercise price may be any amount and may be as low as zero, in which case a statement to that effect will be set out in the related invitation.

Notes to the Consolidated Financial Statements

The aggregate share based payment expense recognised in the profit and loss in relation to share-based payments is disclosed in Note 7.

Please refer to note 19(c) and (d) for the summaries of options and performance rights granted under share-based payments.

The weighted average remaining contractual life of share options outstanding at the end of the year was 0.60 years (2011: 1.37 years).

The weighted average remaining contractual life of performance rights outstanding at the end of the year was 2 years (2011: 2.59 years).

Fair value of options and performance rights granted

The fair values at grant date are independently determined using a Black-Scholes option pricing model or Monte Carlo Simulation (refer to Note 1(r)) that takes into account the exercise price, the term of the options or rights, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the options or rights.

The model inputs for options granted during the year ended 31 December 2012 included:

	31 December 2012	31 December 2011	
a) Exercise price:		A$0.46-A$0.48	A$0.48-A$0.54
b) Grant date:	17 January 2012-27 March 2012	14 February 2011-25 July 2011	
c) Expiry date:	14 June 2014-26 March 2015	13 February 2014-24 July 2014	
d) Share price at grant date:	A$0.38-A$0.445	A$0.48-A$0.545	
e) Expected price volatility of the Company's shares:	70%	70%	
f) Risk-free interest rate:	Various ranging from 3.3% to 3.7%	Various ranging from 4.5% to 4.76%	

The model inputs for performance rights granted during the year ended 31 December 2012 included:

a) Exercise price: nil (2011: nil)
b) Grant date: 2 March 2012-22 May 2012 (2011: 13 June 2011)
c) Expiry date: 1 August 2014-21 May 2015 (2011: 1 August 2014)
d) Share price at grant date: A$0.315-A$0.43 (2011: A$0.46)

Expenses arising from share-based payment transactions

Total share-based payment transactions recognised during the period were as follows:

	Consolidated	
	2012 US$000	2011 US$000
Non Plan based payments		
Options/Shares/Performance Rights issued to Directors and employees	462	269
	462	269
Options issued under EOP	602	447
	1,064	716

29. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by the auditors of the parent entity, its related practices and non-related audit firms:

	Consolidated	
	2012 US$	2011 US$
PwC - Australian firm:		
Audit and review of financial reports	133,314	133,310
Other services – Tax consulting	9,348	4,225
Network firms of PwC Australia:		
Audit and review of financial reports	157,940	138,000
	300,602	275,535

30. KEY MANAGEMENT PERSONNEL

(a) Key management personnel compensation

	Consolidated	
	2012 US$	2011 US$
Short-term	1,514,390	991,462
Post-employment	33,645	31,955
Share-based remuneration	623,896	292,935
	2,171,931	1,316,352

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in section D Share-based compensation of the Remuneration Report.

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Notes to the Consolidated Financial Statements

Option holdings

The number of options over ordinary shares in the Company held during the financial year by each Director of Tiger Resources Limited and other key management personnel of the Group, including their personally related parties are set-out in the tables that follow:

31 December 2012

	Balance at 1 January 2012 Number	Options acquired as compensation Number	Options lapsed/ exercised Number	Balance at 31 December 2012 Number	Balance vested at 31 December 2012 Number
Non-Executive Directors					
R Brans	500,000	-	-	500,000	500,000
D Constable	-	600,000	-	600,000	600,000
N Fearis	-	1,000,000	-	1,000,000	1,000,000
Executive Director					
B Marwood	3,000,000	-	-	3,000,000	3,000,000
Other Company and Group Executives					
C Brown	-	500,000	-	500,000	-
S Shah	-	150,000	-	150,000	-
S Hills	500,000	-	-	500,000	500,000
Total	4,000,000	2,250,000	-	6,250,000	5,600,000

All vested options are exercisable at the end of the period. No amounts were unpaid on any shares issued on the exercise of options.

31 December 2011

	Balance at 1 January 2011 Number	Options acquired as compensation Number	Options lapsed/ exercised Number	Balance at 31 December 2011 Number	Balance vested at 31 December 2011 Number
Non-Executive Directors					
P Flint	1,000,000	-	-	**1,000,000	1,000,000
R Brans	500,000	-	-	500,000	500,000
Executive Director					
B Marwood	3,000,000	-	-	3,000,000	3,000,000
Other Company and Group Executives					
S Shah	300,000	-	(300,000)	-	-
S Hills	500,000	500,000	(500,000)	500,000	-
Total	5,300,000	500,000	(800,000)	5,000,000	4,500,000

***Closing balance at date of resignation*

All vested options are exercisable at the end of the period. No amounts were unpaid on any shares issued on the exercise of options.

(ii) Share holdings

The number of shares in the Company held during the financial year by each Director of Tiger Resources Limited and other key management personnel of the Group, including their personally related parties, are set out in the tables below.

31 December 2012

	Balance at 1 January 2012 Number	Granted as remuneration Number	(Disposal)/ Purchase Number	Exercise of options/ Performance Rights vested Number	Balance at 31 December 2012 Number
Non-Executive Directors					
D Constable	10,000	-	40,000	-	50,000
Executive Director					
B Marwood	1,899,800	-	-	183,928	2,083,728
Other Company and Group Executives					
S Shah	150,000	-	-	-	150,000
S Hills	230,000	-	-	153,625	383,625
Total	2,289,800	-	40,000	337,553	2,667,353

31 December 2011

	Balance at 1 January 2011 Number	Granted as remuneration Number	(Disposal)/ Purchase Number	Exercise of options Number	Balance at 31 December 2011 Number
Non-Executive Directors					
R Gillard	3,230,000	-	-	-	**3,230,000
P Flint	1,590,833	-	(350,000)	-	**1,240,833
D Constable	-	-	10,000	-	10,000
Executive Director					
B Marwood***	1,899,800	-	-	-	1,899,800
Other Company and Group Executives					
S Shah	805,000	-	(805,000)	150,000	150,000
S Hills	-	-	(270,000)	500,000	230,000
Total	7,525,633	-	(1,415,000)	650,000	6,760,633

***Closing balance at date of resignation*

****Opening balance includes shares held by spouse*

Notes to the Consolidated Financial Statements

(iii) Performance Rights

The number of Performance Rights in the Company held during the financial year by each Director of Tiger Resources Limited and other ey management personnel of the Group, including their personally related parties, are set out in the tables below.

31 December 2012

	Balance at 1 January 2012 Number	Performance Rights acquired Number	Lapsed/ Other movement Number	Performance Rights vested/ Convert to shares Number	Balance at 31 December 2012 Number	Balance vested at 31 December 2012 Number
Executive Directors						
B Marwood	669,640	804,649	(100,446)	(183,928)	1,189,915	-
Other Company and Group Executives						
C Brown	-	316,604	-	-	316,604	-
S Hills	-	778,856	(17,069)	(153,625)	608,162	-
	669,640	1,900,109	(117,515)	(337,553)	2,114,681	-

31 December 2011

	Balance at 1 January 2011 Number	Performance Rights acquired Number	Lapsed/ Other movement Number	Balance at 31 December 2011 Number	Balance vested at 31 December 2011 Number
Executive Directors					
B Marwood	-	669,640	-	669,640	-

(c) Loans to key management personnel

There were no loans to key management personnel during the current financial year (2011: nil).

(d) Other transactions with key management personnel and their related parties

Corporate Consultants Pty Limited, a Company related to Mr Susmit Shah, received aggregate fees of $39,126 (2011: $35,176) relating to the provision of the Company secretarial, finance, accounting, bookkeeping and administrative services.

During the year the Company paid $54,381 (2011: $58,480) for legal fees to Squire Sanders (previously Minter Ellison), a company related to Mr Neil Fearis.

All transactions with related parties were made on normal commercial terms and conditions and at market rates.

31. RELATED PARTY TRANSACTIONS

(a) Parent entity

The parent entity within the Group is Tiger Resources Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 26.

(c) Key management personnel

Disclosures relating to key management personnel are set out in note 30.

Directors' Declaration

In the opinion of the Directors:

(a) the financial statements and notes set out on pages 42 to 86 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the financial year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director and Finance Director required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

B W J Marwood
Managing Director
27 March 2013
Perth

pwc

Independent auditor's report to the members of Tiger Resources Limited

Report on the financial report

We have audited the accompanying financial report of Tiger Resources Limited (the company), which comprises the balance sheet as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for the Tiger Resources Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757
Brookfield Place, 125 St Georges Terrace, PERTH WA 6000, GPO Box D198, PERTH WA 6840
T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

Independent auditor's report to the members of Tiger Resources Limited (continued)

Auditor's opinion

In our opinion:

a) the financial report of Tiger Resources Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards – including the Australian Accounting Interpretations and the *Corporations Regulations 2001*, and

b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).

Report on the Remuneration Report

We have audited the remuneration report included in pages 22 to 30 of the directors' report for the year ended 31 December 2012. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of Tiger Resources Limited for the year ended 31 December 2012, complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

Pierre Dreyer
Partner

Perth
27 March 2012

Shareholder Information

The shareholder information set out below was applicable as at 20 March 2013.

A. Distribution of equity securities

The numbers of security holders, by size of holding are:

			Shares	Unlisted options
1	-	1,000	208	-
1,001	-	5,000	925	-
5,001	-	10,000	758	-
10,001	-	100,000	1,546	8
100,001	and over		303	29
			3,740	37

There were 326 holders of less than a marketable parcel of ordinary shares.

B. Unlisted options

	Exercise price $	Expiry date	Number of options	Number of holders
Unlisted options	0.25	7 Apr 2013	1,300,000	3
Unlisted options	0.44	7 Dec 2013	200,000	1
Unlisted options	0.48	17 Mar 2014	1,200,000	5
Unlisted options	0.515	13 Feb 2014	400,000	2
Unlisted options	0.54	24 Jul 2014	225,000	2
Unlisted options	0.46	14 Jun 2014	100,000	1
Unlisted options	0.25	30 Apr 2013	3,250,000	3
Unlisted options	0.30	30 Apr 2013	3,250,000	3
Unlisted options	0.48	20 Feb 2015	2,350,000	13
Unlisted options (i)	0.25	5 May 2013	24,216,577	1
Unlisted options	0.48	26 Mar 2015	150,000	1
Unlisted options	0.46	21 May 2015	1,600,000	2

The names of the holders of 20% or more options in these unlisted options are listed below:
(i) Chalmsbury Nominees Pty Ltd is the holder of the relevant unlisted options disclosed in above table.

C. Performance rights

	Exercise price $	Expiry date	Number of options	Number of holders
Performance rights	Nil	1 Aug 2014	624,236	2
Performance rights	Nil	31 Dec 2014	685,796	2
Performance rights	Nil	21 May 2015	804,649	1

D. Voting rights

There are no restrictions to voting rights attached to the ordinary shares. On a show of hands every member present in person will have one vote and upon a poll, every member present or by proxy will have one vote for each share held.

Shareholder Information

E. Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with *Section 671B of the Corporations Act 2001* are:

	Shares held	Percentage interest
National Australia Bank Limited and its associated entities	45,633,088	6.776%
Contango Asset Management Limited	40,447,806	6.01%

F. On-market buy-backs

There is no current on-market buy-back.

G. Equity security holders

The names of the twenty largest holders of ordinary shares are listed below:

	Name of holder	Number of ordinary fully paid shares held	Percentage of issued capital held
1	JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	162,891,071	24.19
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	114,797,852	17.05
3	NATIONAL NOMINEES LIMITED	106,302,025	15.78
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	69,956,233	10.39
5	CITICORP NOMINEES PTY LIMITED	13,411,052	1.99
6	BNP PARIBAS NOMS PTY LTD <DRP>	13,320,006	1.98
7	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	5,900,388	0.88
8	MACQUARIE BANK LIMITED	4,782,215	0.71
9	BOND STREET CUSTODIANS LTD <MACQUARIE SMALLER CO'S A/C>	4,418,806	0.66
10	NEFCO NOMINEES PTY LTD	3,852,880	0.57
11	CS FOURTH NOMINEES PTY LTD	3,060,617	0.45
12	ARMADA TRADING PTY LTD	2,850,000	0.42
13	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	2,535,781	0.38
14	SHEERWATER PTY LTD	2,500,000	0.37
15	RED PUMA PTY LTD	2,100,000	0.31
16	P & S FAHEY PTY LTD	2,090,000	0.31
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	2,083,967	0.31
18	UBS NOMINEES PTY LTD	2,075,567	0.31
19	MR NIGEL STRONG	2,000,000	0.30
20	MERRIWEE PTY LTD <MERRIWEE SUPER FUND A/C>	1,950,000	0.29
		522,878,460	**77.64**

Tenement Directory

Mineral tenements held at 20 March 2013 are as follows:

Project	Tenement Reference	Comment
DRC Kipoi Project	PE533 and PEs 11383 - 11387	60% all mineral rights
Lupoto Project	PR 2214	100% all mineral rights
La Patience Exploration Licence	PR 10715	Licence transfer pending finalisation

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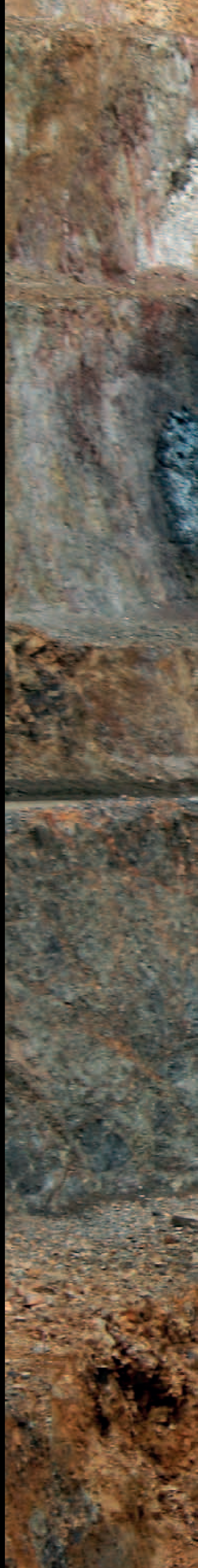

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