

### TIGER ANNOUNCES 2016 PRODUCTION AND COST GUIDANCE

**Perth, Western Australia:** Tiger Resources Limited (ASX: TGS) (“Tiger”) is pleased to announce its guidance for 2016 copper cathode production and all-in sustaining costs for the Kipoi Copper Project in the Democratic Republic of Congo (DRC).

#### 2016 Production and Cost Guidance

<b>Copper cathode production (tonnes)</b>	26,000 - 28,000
<b>Cash Operating Cost<sup>1</sup></b>	US\$/lb 1.34 - 1.42
Royalties	US\$/lb 0.09
Sustaining CAPEX	US\$/lb 0.13 - 0.14
<b>All-in Sustaining Cost (AISC)<sup>2</sup></b>	US\$/lb 1.56 - 1.65

1. Cash Operating Cost = mining, processing, site administration & support costs and selling, export & transport costs, before adjustment for deferred waste or stockpile movements

2. All-in Sustaining Costs = Cash Operating Cost plus royalties and sustaining capital expenditure

Tiger plans to produce between 26,000 - 28,000 tonnes of copper cathode for 2016.

The Company expects 2016 cash operating costs to be in the range of US\$1.34-1.42/lb, royalties of US\$0.09/lb and sustaining capital of US\$0.13-0.14/lb for an all-in sustaining cash cost (AISC) in the range of US\$1.56-1.65/lb.

Tiger’s interim CEO Mr Mike Griffiths, currently in the DRC, has emphasised that: “This is a new era for the company and the guidance reflects efforts to streamline the business and cost reduction to achieve the planned activities and production for 2016.”

#### Cash operating costs

The breakdown of expected cash operating costs of US\$1.34/lb is set out below:

	US\$/lb
• Mining	\$0.19
• Processing	\$0.57
• Site administration and support costs	\$0.31
• Selling, export and transport	\$0.27

Tiger will recommence mining at the Kipoi Central pit in Q2 2016. The mining costs included in cash operating costs guidance is inclusive of the costs treated as deferred waste for accounting purposes and also includes costs of sterilisation, grade control and geotechnical drilling.

Processing costs are expected to be lower in 2016 due to the improved availability of grid power, which is less expensive than diesel generated electricity. The Kipoi site was connected to grid during 2015 and during the December 2015 quarter the grid provided 63% of total power requirements. The Company is targeting an average supply ratio of 60% grid power, and under this scenario power will account for approximately 40% of processing costs in 2016.

Site administration costs includes all DRC in-country budgeted support costs and community and social responsibility (CSR) programmes.

### **Sustaining capital**

Sustaining capital of US\$8 million will be required for two additional heap leach pads and ancillary equipment. The new pads will be constructed at a reduced cost to previous pads, due to more effective pad construction techniques employed. In addition, revised heap leach stacking practices more applicable to Kipoi and based on low cost, high volume stacking will be implemented.

### **Debottlenecking expansion**

Tiger has committed to debottlenecking the SXEW plant to expand its nameplate production capacity from 25,000tpa to 32,500tpa of copper cathode. SENET, the principal construction contractor of the existing Kipoi SXEW facilities, has been engaged for the tank leach and electro-winning (EW) cells. To date design works for the Tank Leach have been completed, all long lead items have been ordered and site works have commenced for both the Tank Leach and the additional EW cells. Permitting for the construction of the tailing storage facility is well underway and no impediments have been identified. Progress is on schedule for completion of the new Tank Leach and 14 EW cells in 4Q 2016.

The estimated capital cost of US\$25 million for the Tank Leach, additional EW cells and a tailings storage facility will be spent in 2016. Additional capital costs of US\$3.5 million are expected for related owner's expenses and electrical tie-ins, and US\$1.7 million for capitalised costs for the restart of mining. These costs are in addition to, and do not form part of AISC.

### **Operating efficiencies**

Management has conducted a vigorous cost-cutting and efficiency drive, in particular securing a permanent change to the management structure. Through restructuring and streamlining of responsibilities, the number of site-based expatriate personnel has been reduced by 38%. At the Perth head office, the headcount has been reduced by 33%. In addition non-executive directors have taken a 10% reduction in fees, and further costs savings are being pursued in the first half of 2016.

Efforts to extract maximum value for expenditure and focus on systemic change initiatives remain ongoing.

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**Production Targets:** *All Production targets referred to in this Report are underpinned by estimated Ore Reserves which have been prepared by competent persons in accordance with the requirements of the JORC Code.*