



(All references in this report are to US\$, unless otherwise stated).

	Q1 2016	Q4 2015
Copper produced (tonnes)	6,162	6,557
Cash operating costs (\$/lb)	\$1.44	\$1.29

### Operational Summary

- Quarterly production of 6,162 tonnes, with 6,363 tonnes sold at a realised copper price of \$4,647/t
- Cash operating costs<sup>1</sup> of \$1.44/lb (\$1.55/lb in Q1 2015); all-in sustaining cash cost<sup>2</sup> (“AISC”) of \$1.56/lb (\$1.73/lb Q1 2015)
- 2016 production guidance of 26,000 – 28,000 tonnes of copper cathode at a cash operating cost of \$1.34 - \$1.42/lb and an AISC of \$1.56 - \$1.65/lb

### Corporate and Financial Summary

- Completed first drawdown of the \$162.5 million secured finance facility (“Facility”), with an initial amount of \$133.2 million drawn
- The retail component of the entitlement offer raised \$3.5 million, with Resource Capital Funds (“RCF”) and International Finance Corporation (“IFC”) subscribing for 48.7 million (\$1.57 million) and 154.7 million (\$5.0 million) shortfall shares respectively under their subscription agreements with the company
- Mr Michael Griffiths appointed as Managing Director and Chief Executive Officer
- Mr Ian Kerr appointed as an Independent Non-Executive Director

<sup>1</sup> Cash operating costs include all mining, processing, site administration & support costs and selling, export & transport costs.

<sup>2</sup> The all-in sustaining cash costs (“AISC”) is calculated as cash operating costs plus royalties and sustaining capital costs.

## OPERATIONS - KIPOI COPPER PROJECT, Democratic Republic of Congo (“KIPOI”)

### Overview

Kipoi delivered a consistent production performance during the quarter with 6,162 tonnes of copper cathode produced and 6,363 tonnes sold. In accordance with the wet season mitigation plan, the volume of ore stacked was 36% lower than the prior quarter at 219,328 tonnes. Cash operating costs of copper produced were \$1.44/lb, at an AISC of \$1.56/lb.

**Table A: Summary of Kipoi SXEW plant production, sales and costs**

KIPOI SXEW PLANT PRODUCTION, SALES AND COSTS SUMMARY FOR THE QUARTER ENDED 31 MARCH 2016			
		Q1 2016	Q4 2015
<b>PRODUCTION</b>			
Ore stacked	tonnes	219,328	345,001
Head grade	TCu %	4.39	4.18
Head grade <sup>1</sup>	AsCu %	2.24	2.54
Copper stacked	AsCu t	4,920	8,761
Copper-in-circuit	AsCu t	7,596	8,754
Copper produced	tonnes	6,162	6,557
<b>CATHODE SALES</b>			
Copper cathode sold	tonnes	6,363	5,972
Sales	\$'000	29,568	29,124
Realised price	\$/t	4,647	4,878
LME Grade A copper price	\$/t	4,671	4,891
<b>CATHODE STOCKPILE</b>			
Copper cathode	tonnes	1,465	1,666
<b>OPERATING COSTS</b>			
Mining	\$/lb	0.12	0.08
Processing	\$/lb	0.63	0.53
Site administration & support	\$/lb	0.41	0.38
Selling & export clearing	\$/lb	0.28	0.30
<b>Cash operating cost</b>	<b>\$/lb</b>	<b>1.44</b>	<b>1.29</b>
ROM inventory adjustment	\$/lb	0.13	0.26
<b>C1 costs</b>	<b>\$/lb</b>	<b>1.57</b>	<b>1.55</b>
Royalties	\$/lb	0.09	0.08
Sustaining capital	\$/lb	0.03	0.13
Non-cash ROM inventory adjustment	\$/lb	(0.13)	(0.26)
<b>All in sustaining cash costs</b>	<b>\$/lb</b>	<b>1.56</b>	<b>1.50</b>

<sup>1</sup> Acid soluble copper (AsCu) grade excludes chalcocite component of HSO material (~33% of total copper) of which 80% is expected to be recovered in the heap leach.

## **Safety**

The lost time injury (LTI) rate at 31 March 2016 remained at zero with no LTIs reported in 5.4 million cumulative man hours. Kipoi continues to entrench safety as the number one value on site through maintaining robust safety management standards and an active safety leadership development program.

## **Production**

Kipoi produced 6,162 tonnes of copper cathode for the quarter, an increase of 8% from 5,723 tonnes of copper cathode produced in Q1 2015.

Ore stacked during the quarter of 219,328 tonnes was 36% lower than Q4 2015, due to the preparations undertaken in Q4 2015 to over-stack ore onto the heap leach pads to ensure continuity of production through the wet season.

The average grade of material stacked was 4.39% total copper with a reported acid soluble copper grade (AsCu) of 2.24% copper. The lower average AsCu grade reflects the blend of ores stacked, with a majority of high sulphur oxide material with the balance being medium-low grade ROM stockpiles.

## **Operating costs**

Cash operating costs of copper produced were \$1.44/lb with all-in sustaining costs of \$1.56/lb within guidance (\$1.56 - \$1.65/lb).

Mining costs incurred during the quarter of \$0.12/lb of copper produced were within expectations and relate to the reclaim of ore stockpiles, civil works required to access the ore stockpile locations and mine geology activities.

Processing costs during the quarter of \$0.63/lb were higher than expected due to additional maintenance required to the crusher and conveyors as a result of the highly abrasive nature of the high grade HSO ore as well as ore saturation from seasonal rains. Additional higher cost contract mobile crushing services were necessary to meet the crushing requirements during maintenance downtime.

The ratio of grid power (41% compared to 63% in Q4 2015) also contributed to higher processing costs quarter on quarter. Grid power volumes supplied to Kipoi for the first two months were impacted by power generation and network instability (including infrastructure failure) in the DRC national grid and continued power shortages in Zambia limiting the export of power to the DRC national grid. These external factors improved substantially in March, and grid power for the month averaged 67% of total power requirements. These conditions have continued into April.

Site administration and support costs of \$0.41/lb were higher than guidance of \$0.31/lb, but in line with expected total dollar costs. These included costs associated with the community agriculture program and employee redundancy costs. The unit cost reflects the impact of lower production volumes on the relatively fixed quarterly site administration and support costs.

## **Sales of copper cathode**

Sales for the quarter were 6,363 tonnes of copper cathode at a realised average copper price of \$4,647/t inclusive of quotational period (QP) pricing adjustments, consistent with the average LME Grade A copper price of \$4,671/t.

QP pricing was fixed for all copper cathode delivered during the quarter, with no pricing exposure remaining for copper cathode sold up to 31 March 2016.

Copper cathode selling and export clearing costs reduced to \$0.28/lb (\$0.30/lb in Q4 2015), through reductions in transport rates.

### **Kipoi debottlenecking**

Tiger is debottlenecking the SXEW plant at Kipoi to expand its nameplate production capacity by 30% from 25,000 to 32,500 tonnes per annum of copper cathode. SENET, the principal construction contractor of the existing Kipoi SXEW facilities, has been engaged for the Tank Leach circuit and additional Electro-Winning (EW) cells contracts. Design works for the Tank Leach circuit have been completed. All long lead items have been ordered and site works have commenced for both the Tank Leach circuit and the additional EW cells. The purpose of Tank Leach is to mitigate most of the wet season disruptions and provide treatment option for fines and slimes that cannot be heap leached.

Permitting for the construction of the Tailing Storage Facility (TSF) is well underway and no impediments have been identified.

Progress is on schedule for completion of the Tank Leach circuit and 14 EW cells in 4Q 2016. The estimated capital cost of \$25 million for the Tank Leach, additional EW cells and a tailings storage facility will be spent in 2016. Additional capital costs of \$3.5 million are expected for related owner's expenses and electrical tie-ins, and \$1.7 million for capitalised costs for the restart of mining.

Refer "Debottlenecking Progress in Pictures" on our website:

[http://www.tigerresources.com.au/debottlenecking\\_pics\\_.1205.html](http://www.tigerresources.com.au/debottlenecking_pics_.1205.html)

### **Exploration – Mining Services**

Exploration activities centred on finalising detailed geological studies (re-logging core, sterilisation work and lithological modelling) in preparation for the re-start of mining in Q3 2016, as well as the construction of the TSF and additional Heap Leach pads.

Total expenditure during the quarter was \$0.5 million (4Q 2015: \$0.5 million) and was expensed to mining costs.

### **Production and cost guidance**

Tiger announced 2016 production guidance of 26,000 to 28,000 tonnes of copper cathode at a cash operating cost of \$1.34-\$1.42/lb and an AISC of \$1.56-\$1.65/lb.

Tiger will recommence mining (cut-back) at the Kipoi Central pit in Q3 2016 to provide new copper ore by Q4 2016 to coincide with the depletion of existing stockpiles. The mining costs in the cash operating costs guidance include costs treated as deferred waste for accounting purposes and also include 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 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 and support costs include all DRC in-country budgeted support costs as well as community and social responsibility (CSR) programmes.

Sustaining capital of \$8 million will be required for two additional heap leach pads and ancillary equipment. The new pads will be constructed at a reduced cost, due to more effective pad construction techniques. In addition, the Company will employ revised heap leach stacking practices to achieve lower cost and high volume stacking.

### **Operating efficiencies**

Tiger management has undertaken a cost-cutting and efficiency drive, changing the management structure, and restructuring and streamlining responsibilities. This has seen a 38 per cent reduction in site-based expatriate staff and a 33 per cent reduction in staff based at the Perth office. Additionally, director and senior management fees have been reduced and further cost savings are being pursued.

### **\$162.5m Secured Finance Facility**

On 29 January 2016, Tiger completed the first drawdown of the \$162.5 million facility arranged by Taurus Mining Finance Fund (“Taurus”) and the IFC for the refinancing and expansion of Kipoi.

The Facility refinanced the existing secured debt facilities with Taurus and Gerald Metals SA and provides the required expansion capital for the debottlenecking projects to increase the capacity of the Kipoi SXEW plant to 32,500 tonnes per annum.

Key terms of the Facility include:

- Term of 99 months to 31 January 2024;
- Interest only period to 31 January 2017; and
- Prepayable at any time without financial penalty

The Gerald Metals SA Advanced Payment facility and the Taurus acquisition finance facility have been repaid in full. The offtake agreement with Gerald Metals SA remains in place.

During the quarter, Resource Capital Funds entered into an agreement with Taurus and IFC to join the lending syndicate of the Facility.

### **Equity capital raising**

The equity capital raising announced in December 2015, comprising a placement to RCF and an entitlement offer to eligible shareholders, was completed during the quarter.

Retail offer subscriptions raised \$3.5 million, and RCF and IFC subscribed for 48.7 million (\$1.57 million) and 154.7 million (\$5.0 million) shortfall shares respectively under their subscription agreements.

In total, Tiger raised gross proceeds of ~\$23 million from the equity raisings.

### **Cash & borrowings**

As at 31 March 2016, Tiger held cash on hand and deposit of \$13.1 million (31 December 2015: \$19.0 million). The balance of copper cathode inventory on hand was 1,465 tonnes with a sales value of ~\$7.1 million.

Borrowings as at 31 March 2016 comprised \$133.2 million of secured facilities and \$24.6 million of short-term facilities provided by DRC banks.

After taking into account positive cash flows from the Kipoi operations, additional cash flows for the quarter included:

- \$5.0 million of capital expenditure, including payments for mobilisation of the mining contractor, the Kipoi debottlenecking project and pads 4 and 5 constructed in late 2015;
- \$1.5 million of prepayments in respect of the energy efficiency and electricity network reinforcement program;
- \$5.3 million reduction in the drawn balance of short-term facilities provided by DRC banks;
- \$11.6 million reduction in trade and other payables; and
- \$10.1 million of equity raised.

## Board Changes

Tiger appointed Mr Michael Griffiths, an Independent Non-Executive Director since December 2012 and Interim CEO since August 2015, as Managing Director and CEO with effect from 1 April, 2016.

Ian Kerr has been appointed as an Independent Non-Executive Director. Mr Kerr is a professional engineer with 33 years of experience, including 28 years in the mining industry, and was previously a Director of mining consultancy firm Mintrex Pty Ltd, to which he is now an Executive Consultant.

David Constable, an Independent Non-Executive Director of Tiger's Board since June 2011, has resigned.

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**Caution Regarding Forward Looking Statements and Forward Looking Information:** This announcement 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 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 and equity financing, the volatility in global financial markets, the actual results of future mining, processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated. Except as required by law or regulation (including the ASX Listing Rules), Tiger Resources undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

**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.

**SXEW forecast financial information:** Reference ASX market release titled "Tiger Resources 2016 Guidance" dated 17 March 2016.

#### Competent Person Statement:

The information in this report that relates to Exploration Results is based on, and fairly represents information and supporting documentation prepared by Mr. Michael Griffiths, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Griffiths is a Director of the Company. Mr. Griffiths has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Griffiths consents to the inclusion in this 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 the Mineral Resources and Ore Reserves were first reported by the Company in compliance with JORC 2012 in market releases dated as follows:

Kipoi Central, Kipoi North and Kileba Ore Reserves (Stage 2 SXEW) – 16 April 2015;

Kipoi Central, Kipoi North and Kileba Mineral Resources – 16 April 2015;

Judeira Mineral Resource – 26 November 2013; and

Sase Central Mineral Resource - 12 July 2013.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred to above and further confirms that all material assumptions and technical parameters underpinning the ore reserve and mineral resource estimates contained in those market releases continue to apply and have not materially changed.

**KIPOI COPPER PROJECT, KATANGA PROVINCE, SOUTH-EAST DEMOCRATIC REPUBLIC OF CONGO  
(TIGER 95% AT 31 March 2016)**

**Table B: Kipoi Mineral Resource**

Kipoi Mineral Resource Mining depleted to 31 December 2015 Kipoi Central grade tonnage reported above a cut off of 0.3% Copper Kileba, Kipoi North and Judeira grade tonnage reported above a cut off of 0.5% Copper						
Classification	Deposit	Tonnes (MT)	Cu Grade (%)	Co Grade (%)	Copper (000'T)	Cobalt (000'T)
Measured	Kipoi Central	5.9	2.3	0.14	136	8.1
Indicated	Kipoi Central	40.4	1.1	0.06	443	25.9
Indicated	Kipoi North	4.0	1.3	0.05	54	1.8
Indicated	Kileba	8.6	1.5	0.05	128	4.6
<b>Total Measured &amp; Indicated</b>		<b>58.9</b>	<b>1.3</b>	<b>0.07</b>	<b>761</b>	<b>40.4</b>
Inferred	Kipoi Central	2.9	0.8	0.07	23	2.1
Inferred	Kipoi North	1.0	1.1	0.03	12	0.4
Inferred	Kileba	2.2	1.2	0.04	27	0.9
Inferred	Judeira	6.1	1.2	0.04	71	2.2
<b>Total Inferred</b>		<b>12.2</b>	<b>1.1</b>	<b>0.05</b>	<b>133</b>	<b>5.6</b>
<b>Total</b>		<b>71.1</b>	<b>1.3</b>	<b>0.06</b>	<b>894</b>	<b>46.0</b>

**Table C: Kipoi Stage 2 SXEW Ore Reserve**

Kipoi Stage 2 SXEW Ore Reserves Mining depleted to 31 December 2015 Kipoi Central grade tonnage reported above a cut off of 0.3% Copper Kipoi North and Kileba grade tonnage reported above a cut off of 0.5% Copper				
Classification	Deposit	Tonnes (MT)	Cu Grade (%)	Copper (000'T)
Proven	Kipoi Central	1.7	2.6	45
Proven	Kipoi Central Stockpiles	4.0	2.2	89
<b>Total Proven</b>		<b>5.7</b>	<b>2.3</b>	<b>134</b>
Probable	Kipoi Central	34.3	1.1	372
Probable	Kipoi North	1.9	1.5	28
Probable	Kileba	7.4	1.5	110
<b>Total Probable</b>		<b>43.6</b>	<b>1.2</b>	<b>510</b>
<b>Total</b>		<b>49.3</b>	<b>1.3</b>	<b>644</b>

**LUPOTO COPPER PROJECT, KATANGA PROVINCE, SOUTH-EAST DEMOCRATIC REPUBLIC OF CONGO (TIGER 95% AT 31 March 2016)**

**Table D: SASE Central Mineral Resources**

SASE Central Mineral Resources July 2013 Grade tonnage reported above a cut off of 0.5% Copper					
Classification	Tonnes (MT)	Cu Grade (%)	Co Grade (%)	Copper (000'T)	Cobalt (000'T)
Indicated	9.6	1.39	0.05	134.0	5.0
Inferred	2.8	1.21	0.03	34.0	1.0