



June 2019 Quarter Operational Activity

		Quarter Ended Jun-19	Year to date Jun-19	Annual Guidance	Prior Annual Guidance
ROM coal mined	k tonnes ("kt")	143	220	650 to 700	680 to 750
Coal delivered to Beringovsky Port	kt	143	209		
Coal loaded	kt	86	86		
Coal sold	kt	45	45	650 to 700	650 to 720
Total coal stocks	kt	402	402		
Waste mined	k bcm	705	1199		
ROM strip ratio ¹	bcm : t	4.9:1	5.5:1		

1. bcm waste: tonne ROM coal

Highlights

- **Safety** – No lost time injuries ("LTI") recorded during the quarter. Cumulative Total Reportable Injury Frequency Rate ("TRIFR") decreased to 3.02 per million hours.
- **Mine Production** – 143 kt of coal mined and delivered to port. 2019 coal mining volume expected to be between 650 and 700kt. On June 2 TIG mined its one millionth tonne, a significant milestone given the recent launch of mining operations.
- **Sales guidance** – 2019 sales guidance was updated to 650 to 700kt.
- **Start of the shipping season** – Loading commenced on June 5, 2 weeks earlier than in 2018. 45 kt of thermal and 41 kt of coking coal loaded at the end of the quarter, of which 45kt thermal coal was shipped.
- **Doubling of port capacity** – Construction in China and delivery to Beringovsky of two new 500t capacity barges was completed in July. An additional two used 500t barges were also acquired. 3 of these barges are at site working as of the date of this report.
- **Compliance and licencing** – Mining licence was granted over the Zvonkoye licence area within the Amaam North deposit.
- **Investments & procurement** – new mining and transshipment equipment, amounting to US\$10m was received in Beringovsky and deployed in operations
- **Community relations** – Working group including representatives of TIG and Association of Indigenous People of Chukotka was established and started selecting indigenous community projects to be supported by the Company for the benefit of local population.

Health and Safety

TIG's cumulative TRIFR decreased to 3.02 per million hours worked from 3.36 in the March 2019 quarter as a result of no lost time injuries (LTI) being incurred. There was one vehicle related safety incident which occurred during the unloading of coal at the port stockpile.

Ongoing safety awareness and training programmes continued in the June quarter focussed on pit safety, the "Arrive Alive" programme, driving standards and pit to port road traffic management practices. Signage on the pit to port road continues to be improved in addition to the introduction of procedures focussed on the identification of hazardous weather conditions and appropriate operator practice under such conditions.

The company continues to improve and support a workplace safety culture with training, communication and awareness of procedures and practices at its core.

Mining and Haulage Operations

		April	May	June	Total
ROM coal mined & delivered to Beringovsky Port	k tonnes	46	50	47	143
Waste mined	k bcm	230	241	234	705
Stripping ratio (SR)	k bcm: k tonnes	5.0 to 1	4.8 to 1	5.0 to 1	4.9 to 1
Coal at Port in stockpiles	k tonnes	311	361	324	
Haulage trucks commissioned*	Units	17.0	17.0	23.0	
Haulage trucks in operation*	Units	10.0	10.0	16.0	

*month end

During the June quarter, 143kt of ROM coal was mined and transported to the port stockpiles, comparing favourably to 77kt in the March quarter. We continued to experience a higher stripping ratio than anticipated at the beginning of the year.

TIG initially planned to mine at the Vostok 2 and Vostok 3 blocks of the Eastern mining block where initial exploration modelling had indicated that the stripping ratio should not exceed 4.0. Mining experience in January and February did not confirm the anticipated SR, which was higher than anticipated and accordingly the Q2 plan was adapted, with higher SR, to ensure product tonnages were produced sufficient to meet the shipping schedule as anticipated for the season.

2019 Production Guidance

Due to the higher SR continuing into the June quarter, TIG now expects annual production to be 650kt to 700kt.

Port Operations

Beringovsky port performance:

		April	May	June	Total
TIG coal loaded	kt	-	-	86	86
TIG coal shipped	kt	-	-	45	45
Beringovsky Port loading capacity	# of barges*	-	-	7	
Average productivity per barge	kt/day	-	-	964	
Average loading days per barge	days	-	-	13	13

*100t capacity

Port activities in the June quarter focused on the preparation for the shipping season and the commencement for the first time of dock-based loading and transshipment activities undertaken directly by TIG.

Various repairs were undertaken to the piers and loading areas in preparation for the shipping season, in addition to the completion of construction and commissioning of two 500t barges in China which were then sent to Beringovsky. In addition, two used 500t barges were acquired to further enhance transshipping capacity. One of these barges arrived in Beringovsky on July 16 and the other is expected to arrive early August. Hiring, training and scheduling of crews and support staff were undertaken along with all fit out and certification processes required to allow the barges to commence operations as soon as was practicable upon their arrival to Beringovsky Port.

The first 45kt shipment of thermal coal was completed and the vessel sailed on June 21st. A further 41kt of higher ash coking coal was loaded as of June 30th.

Annual sales guidance update

Sales guidance was updated to 650 to 700kt based on actual performance to date and the favourable effect of investments in pit to vessel mining and logistics infrastructure made during the course of the first half of 2019.

Capital investments

Capital investments during the June quarter included:

- 2 x new 500t barges for transshipment operations;
- 2 x used 500t barges for transshipment operations;
- 1 x Komatsu 475 bulldozer for overburden removal;
- 3 x Komatsu 90t dump trucks for waste and coal removal;
- 6 x Scania trucks for coal haulage;
- 1 x Komatsu 825 grader for road maintenance;
- 1 x Vibratory rolling compactor for road construction and maintenance;
- 2 x Liebherr K566 front-end loaders for port operations;
- 1 x Liebherr crane;
- 1 x Komatsu D155A bulldozer

Further ongoing investment was made in coal testing and project design works for the coal handling and processing plant during the first half of 2019, along with additional project design works on the pit to port road and the port facilities, both in preparation for upgrades and enhancements.

Coal Sales and Marketing

As of the date of the report the total volume of shipped coal so far during the season amounted to 245Kt. The focus over the remainder of the shipping season is to maximise loading to optimise coal sales and match availability of production. With the arrival of three 500t barges in H1 July, and the fourth 500t barge expected to be in operation in early August, average daily loading capacity will increase up to 12kt. Matching sales and vessel arrivals to production and loading availability will be a key outcome of TIG team's efforts over the next three months.

Coal Outlook

The coking coal market remains strong, with a marginal undersupply of high-quality coking coal driving up value in use of all coking coals.

In thermal coal markets, expanded production and muted demand is causing a build-up of coal inventories in key production basins. This is borne out by spot prices for thermal coal for both the Newcastle and Vostochny 6,000 kcal/kg NAR and high ash 5,500 kcal/kg NAR falling sharply. Newcastle 6000 NAR and 5500 NAR coals are assessed at \$70/t and \$52/t respectively, down from \$92/t and \$57/t three months ago. High-ash prices were in the mid \$60s/t in October last year, when they started to come under pressure from Chinese import curbs. Thermal prices for all grades have been sliding since August 2018, with a price drop for the headline Newc index falling by approximately 40% over this period.

There is relatively strong demand for TIG SSCC - both standard 9.5% ash and 12% ash products. The 9.5% ash SSCC being primarily sold into Japan, while the 12% ash SSCC is seeing demand from China and Korea. In terms of thermal coal, production this year has been mostly of higher ash material with CV around 5500 kcal/kg NAR. This coal has been sold into China so far this season, but with annual import quotas being imposed on some Chinese ports already this year, efforts are being made to diversify sales to other countries such as Vietnam.

TIG projected 2019 revenue was updated to reflect the changed market conditions.

Corporate

On 14 May, TIG's Annual General Meeting was held in Melbourne, Australia. All resolutions put to the shareholders, including the reappointment of Messrs Gray and Wiggill as directors of the TIG Board were passed. During that week there were a number of positive meetings held with a broad range of financial and coal market participants which, it is believed, will lay the foundation for further improving the awareness and recognition of TIG's achievements in the future.

Stakeholder relations

TIG has continued to work with all local stakeholders to ensure that our operations provide a basis for ongoing sustainable development. In the environment space, TIG continues to work with both the local indigenous community, as well as regulators in accordance with TIG's policies and procedures to ensure that our mining, haulage, storage and loading activities are undertaken in a manner which leaves a minimal impact on the environment in which we operate. This includes the performance of ongoing base studies for future monitoring and comparison, the implementation of waste management processes to ensure the by-product of the production process is appropriately stored, recycled or managed as the case requires.

In the June quarter TIG actively supported cleaning Lakhtin Lagoon, the local community's traditional recreation area, while ongoing monitoring of the waterways continued. On World Environment Day (June 7th) TIG staff collected approximately 60 bags of rubbish, playing a personal part in helping to keep the environment in which we work and live in the best condition possible.

To support the traditions of the Association of indigenous Peoples of Chukotka (AKMNCH), special tambourines were acquired and provided to representatives of the local indigenous community, with the aim of developing the creativity of the national children's dance ensemble "Olenenok", in which children of Beringovsky and Alkatvaam villages partake.

Working Group comprising representatives of the Company and AKMNCH was established to select indigenous community projects for the benefit of local population of Beringovsky and Alkatvaam village. Four socially significant projects in Beringovsky were selected in May and funding for their implementation was provided.

During the June quarter TIG personnel with a variety of specialties such as ecologists, geologists and surveyors spoke about their professions to students at the Beringovsky school. Additionally, TIG continues its support of a program aimed at the promotion of sports and a healthy lifestyle. TIG's support of the local children's volleyball and basketball teams is one example of many initiatives targeted at the support of healthy living in the younger generations of our local communities.

Exploration and Licencing Activities

During the June quarter 561m was drilled at the Zvonkoye license. We are currently negotiating a contract for drilling and we expect to start our drilling operations in Q3 and plan to drill 7,700m in 2019 and 2020.

Financing and Cash balances

At the end of the June quarter, TIG had \$A4.8 million in cash with total bank liabilities outstanding of Russian Rubles (RUB) 900mln (A\$20.3 million).

During the June quarter TIG executed and fully drew down on two one-year loans of US\$2.5 million each with Bruce Gray and an entity affiliated with Baring Vostok Mining Holdings Limited ("BVMHL"). These loans provided support for TIG's investment in mining and transshipment capacity expansion as detailed above.

Capital Structure (as at 30 June 2019)

Ordinary shares on issue:	1,791,669,870
Options on issue:	31,669,000

ABOUT TIGERS REALM COAL (ASX CODE: TIG)

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PROJECT SUMMARY

TIG is developing a large-scale coking coal basin that covers two areas, Amaam and Amaam North (Figure A below), with combined Resources of up to 632 Mt.

At Amaam North, TIG owns a 100% beneficial interest in Exploration Licence No. AND01203 TP (Levoberezhniy Licence), the Exploration and Extraction (Mining) Licence, No. AND 15813 TE, which covers the initial Project F mine development area and the Exploration and Extraction (Mining) Licence No. AND 01314 TE, which covers the Zvonkoye licence area, the eastern extension of the Project F licence area.

At Amaam, TIG owns an 80% beneficial interest in Exploration Licence No. AND 01277 TP (Zapadniy Subsoil Licence) and two Exploration and Extraction (Mining) Licences, No. AND 01278 TE and No. AND 01288 TE.

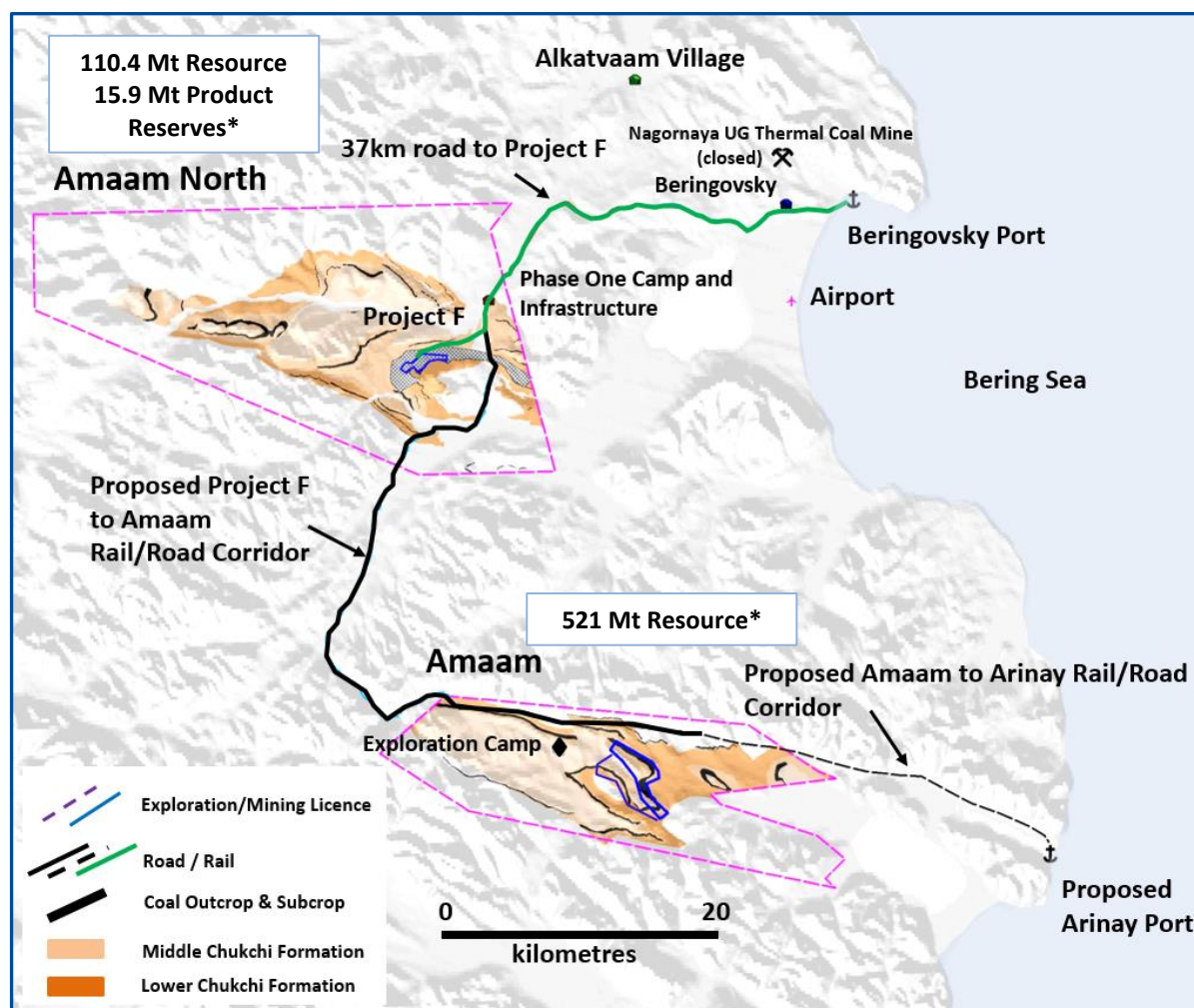


Figure A Amaam and Amaam North Coking Coal Projects *Total estimated project

Amaam and Amaam North are two exceptionally well-located coking coal deposits, approximately 40km from the Bering Sea with shorter shipping distances to North Asian markets than from peer producers in Queensland and British Columbia.

At Project F and Amaam North

- Project F Phase One is in production
- Project F 1.0 Mtpa Feasibility Study completed, Resources and Reserves as at June 30th, 2019 of:
 - 15.1 Mt of remaining Product Reserves, 5.3 Mt Proven & 9.8 Mt Probable;
 - 110.4Mt total Resource, 21.9 Mt Measured, 55.6 Mt Indicated & 32.9Mt Inferred.
- TIG owns and operates the Beringovskiy coal port terminal

At Amaam:

- A PFS completed on 5Mtpa open pit operation producing a high vitrinite content (>90%) coking coal with excellent coking properties
 - The total Resource is 521 Mt comprising 3.1 Mt Measured, 91 Mt Indicated, and 428 Mt Inferred
- The planned wash plant is 25 km from the planned year-round port site, only 8 days shipping to China, Korea and Japan