



September 2021 Quarterly Production and Activities Report

ASX RELEASE
15 October 2021



September 2021 Quarter Operational Activity

		Quarter Ended	Year to date	Annual Guidance	Prior Annual Guidance to Dec - 21
		Sept-21	Sept-21		
ROM coal mined	kt	339	722	950-1 000	950-1 000
Coal delivered to Beringovsky Port	kt	429	677		
Coal loaded	kt	533	730		
Coal sold	kt	539	713	800-850	750-800
Total coal stocks	kt	461	461		
Waste mined	bcm	1 172	3 042		
ROM strip ratio	bcm : t	3.5:1	4.2:1		

Highlights

- **COVID 19** – Vaccination program with Russian Sputnik V vaccines at site is in progress. More than 50% of personnel vaccinated.
- **Safety** – The cumulative Total Reportable Injury Frequency Rate (“TRIFR”) decreased to 2.35 per million hours from 2.64 in the June quarter. No lost time injuries (“LTI”) were recorded during the September quarter.
- **Coal Production** – 339kt of coal was mined during the September quarter, 429kt delivered to port, including 90kt from intermediate stockpile for further sale. Overall 722kt mined during the first nine months of 2021 - 28% (158kt) higher than during the same period in 2020. In September TIG mined 159kt – a monthly historical maximum.
- **Port operations** – Loading in the September quarter was 533kt and 730kt for the first nine months, 11% higher than for the same period last year. The average loading rate increased by 40% from 7.3kt per weather working day (“pwwd”) in Q3 2020 to 10.2kt in Q3 2021. A record loading rate of 15.5ktpwwd was achieved on 12 July 2021. As of 14 October, 782kt were loaded YTD.
- **CHPP Project** – As of the date of this report the equipment installation is 95% complete excluding assembly of the modular building to enclose the plant. Testing and commissioning procedures are expected to be performed in Q4, 2021.
- **Sales** – On the basis of our mining and port performance to date, TIG raises its full-year sales guidance from 750 – 800kt to 800 – 850kt. We also note that we have been experiencing strong demand for our products, especially out of China.
- **Compliance and licencing** – The Company is in compliance with all license obligations.

Health and Safety

A vaccination program at site using the Sputnik V vaccine is in place. More than 50% of staff members vaccinated. Vaccine take-up in Russia remains low but TIG continues active promotion and encouragement to all staff to vaccinate.

TIG's cumulative TRIFR decreased to 2.35 per million hours worked, from 2.64 as recorded in the September 2021 quarter. No lost time injuries ("LTI") were recorded during the June quarter.

Mining and Haulage Operations

		July	August	September	Total
ROM coal mined	kt	74	106	159	339
Coal delivered to Beringovsky Port	kt	114	134	181	429
Waste mined	kbcm	398	384	390	1 172
Stripping ratio	bcm : t	5.4	3.6	2.5	3.5
Total Coal stocks (end of month)	kt	550	514	461	

During the September quarter, TIG mined 339kt of ROM coal and delivered 429kt to the port, including 90kt from the intermediate stockpile. Overall 722kt mined during the nine-month period, 28% (158kt) higher than during the same period in 2020. In September TIG mined 159kt – a monthly historical maximum.

The quarterly average stripping ratio decreased from 6.2:1 in the June quarter to 3.5:1.

Beringovsky Port Operations

		July	August	September	Total
Coal loaded	kt	237	182	114	533
Coal sold	kt	185	142	212	539



During September quarter the average loading rate increased by 40% from 7.3ktpwwd in Q3 2020 to 10.2ktpwwd. A record loading rate of 15.5ktpwwd was achieved on 12 July 2021.

Total tonnage loaded in the September quarter was 533kt and during the 9 months to 30 September 2021 a total of 730kt was loaded, which is 11% higher than during the first 9 months of 2020. As of 14 October, 782kt were loaded YTD.

CHPP Project

Despite adverse weather conditions during September, CHPP works are continuing on schedule. The construction is 95% complete as of the date of this report. The modular building housing the plant and the full winterization of facilities as well as testing and commissioning of the plant will commence during Q4 2021.



Coal Sales and Marketing

During the September quarter, TIG completed the loading of eight cargos. Four further vessels are scheduled for loading in October and November, one of which completed on 5 October and one of which is loading as of the date of this report. Our sales are being supported by exceedingly strong demand in the Asian market, especially out of China as a result of which TIG has taken the opportunity of selling excess low quality thermal coal cargoes at these currently attractive coal prices.

ROM stock-build at the washplant of coking coal feedstock has resulted in sales of thermal coal being predominant during the quarter.

Sales Guidance

TIG has been experiencing exceptionally strong demand for our products, particularly in China. Given our mining and port performance for the first nine months, TIG raises its full-year 2021 sales guidance from 700 – 800kt to 800 – 850kt.

Market Outlook

Coking Coal

The Asian coking coal market continued strengthening during Q3. This was driven by restricted supply from Australia and strong demand from all Asian steelmakers, particularly India and China. The Chinese spot metcoal market has been very strong for US, Canadian and Russian coal producers, with CFR prices for hard coking coal (HCC) rising from \$300/t in Q2 to around \$400/t at this moment. Occasional cargoes are rumored to have been secured at prices approaching \$600/t. Australian HCC prices have doubled again, from circa \$200/t in Q1 to circa \$400/t currently, but still lag behind the prices being achieved by other regions for sales into China.

Thermal Coal

The Asia-Pacific thermal coal market continued strongly on the back of strong global demand driven by high energy prices in Europe and Asia, particularly gas. In addition, tightness in Chinese domestic supply, caused by continued safety and weather related mine shut-downs, peak summer demand and low power station stock levels heading into winter, have driven Chinese domestic thermal prices higher. The current QHD marker price is RMB 1,461/mt, which is up by 46% since the start of Q2 and is providing strong support to Russian import prices. Newcastle 6,000 NAR and 5,500 NAR coals are trading at \$203/t and \$115/t respectively, according to trade publications. Whilst prices are expected to moderate eventually, supply is so tight at present that significant retracing it is not likely before the end of Chinese winter season.

Capital investments

New capital investments during the September quarter included:

- 4x articulated 50m³ Bell dump trucks
- 1x road haul truck for coal transportation
- 1x excavator 7m³
- General repair and maintenance projects in the port
- Various equipment for CHPP construction activities

Corporate

On 26 August TIG has issued Interim financial report.

Stakeholder relations

In Q3 2021 TIG continued its work in the following areas:

Environment

- Sanitary-biological, chemical and radiological laboratory studies of the quality of water from the well supplying the port operations have been carried out. According to the research results, the water from the well meets the sanitary and hygienic standards and is suitable for consumption.

- Laboratory studies of atmospheric air in coal mine and camp were carried out. According to the test reports, the concentration of pollutants in the air does not exceed the maximum permissible values.

Government and community relations

- TIG congratulated local schoolchildren with the beginning of new school year and presented backpacks and stationery.
- During the Eastern Economic Forum in Vladivostok, on September 3, 2021, Tigers Realm Coal signed cooperation MOU with Corporation for the Development of the Far East and the Arctic.
- On 24 August TIG conducted a celebration devoted to the 10th anniversary of TIG's IPO. The event was held in Moscow and was attended by three of our directors, including the Chairman and Chairman of the Audit, Risk & Compliance Committee, senior management, many of our long-time employees as well as key suppliers, financial institutions, and several former employees who had made significant contributions to TIG's development.
- In Chukotka on Aug 27 – 28 TIG celebrated Miners' Day (a professional holiday celebrated throughout the coal industry in Russia).
- Meetings with local and indigenous communities were held in Beringovsky.



Exploration and Licencing Activities

The Company is in material compliance with all license obligations.

Cash balances

At the end of the quarter, TIG had a cash balance of US\$28.4M in cash with no bank liabilities outstanding.

Capital Structure (as at 30 September 2021)

Ordinary shares on issue: 13,066,702,368

Options on issue: 9,291,000

This announcement has been authorized by the Board of Directors.

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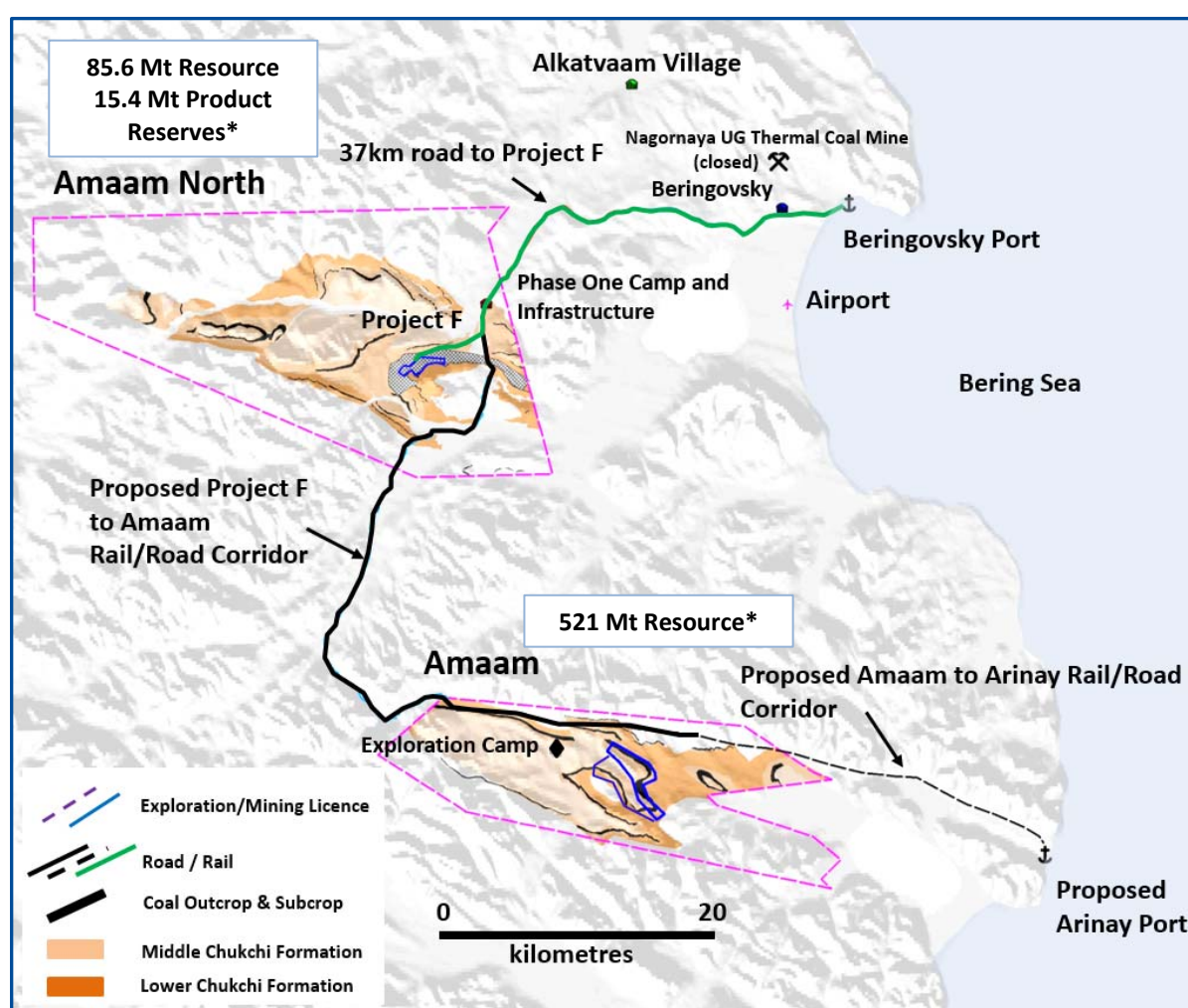
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PROJECT SUMMARY

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 607 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 (Fandyushkinskoe Field) 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 Amaam AND 01379 TP (former AND 01277 TP Zapadny Subsoil Licence) and two Exploration and Extraction (Mining) Licences, No. AND 01278 TE and No. AND 01288 TE.



*Total estimated project

Figure A Amaam and Amaam North Coking Coal Projects

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 Amaam North – Project F

- Project F Phase One is in production
- Amaam North – Project F reserves as disclosed in ASX release “TIG Announces Results of New Amaam North JORC Report” on 24 November 2020:
 - 15.4 Mt of Marketable Reserves, 9.8 Mt Proven & 5.6 Mt Probable;
 - 85.6 Mt Total Resource, 24.2 Mt Measured, 26.4 Mt Indicated & 35.0 Mt Inferred.
- TIG owns and operates the Beringovsky coal port terminal

At Amaam:

- A Project Feasibility Study completed on 5.0 Mtpa open pit operation producing a high vitrinite content (>90%) coking coal with excellent coking properties
- The total Resource is 521 Mt comprising 3 Mt Measured, 91 Mt Indicated, and 427 Mt Inferred