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ASX RELEASE

TIGER ANNOUNCES DEBT REFINANCING

Tiger Resources Limited ("Tiger") is pleased to announce that it has agreed terms with Taurus Mining Finance Fund ("Taurus") for the refinancing of Tiger's existing secured debt facilities and arrangement of a new facility to fund potential debottlenecking works at the Company's Kipoi Copper Project in the Democratic Republic of Congo ("DRC").

Background

The terms agreed with Taurus envisage provision of two tranches of funding totaling up to US\$162.5 million. Tranche 1 will be for a fully underwritten amount of US\$137.5 million and be used to term out Tiger's existing secured facilities to December 2021. Tranche 2 will be US\$25 million and will be used for the proposed debottlenecking of the Company's existing 25,000tpa SXEW plant at Kipoi with the aim of increasing production to 32,500tpa (as announced to the ASX in the release "*Record Kipoi Production in May*" on 11 June 2015).

The debottlenecking initiative is complementary to the potential Phase 2 expansion of SXEW capacity. The Phase 2 expansion would involve the replication of the Phase 1 SXEW process train and, with the addition of the debottlenecking initiatives noted above, the Phase 2 expansion now has the potential to increase Kipoi's capacity to 65,000tpa.

Tiger has considered a number of traditional and non-traditional funding alternatives. Tiger chose to proceed with Taurus after considering the high level of confidence in deliverability of the financing through an existing lender and cost of capital considerations with regard to Tiger's overall financing structure. The debottlenecking funding option being pursued with Taurus is also considered to be a lower risk financing option given the current market environment and Tiger's current capital structure.

While significant progress had been made under the project finance mandate with Standard Bank and Rand Merchant Bank for the refinancing and funding of the Phase 2 expansion, under prevailing market conditions the terms that can be offered are not considered to provide the best outcome for Tiger's shareholders at this time. Tiger will however continue to work with the banks in relation to future funding initiatives.

In anticipation of ongoing capital and financing requirements up until the expected drawdown of Tranche 1, Tiger has drawn down the remaining US\$25 million portion of its existing US\$100 million Taurus loan facility in June 2015.

Tranche 1 – Senior secured term facility

The proposed Tranche 1 facility of US\$137.5 million will be used to fully refinance the existing Taurus Bridge Facility and the balance of the Gerald Metals Facility outstanding as at the targeted drawdown date of 1 October 2015.

Key terms of the Tranche 1 facility include:

- a term of approximately 6 years and 3 months to 31 December 2021
- fixed coupon of 9.25% per annum
- Taurus will also earn an additional charge in relation to the facility equivalent to US\$50/t of Kipoi copper cathode sold, which will reduce to US\$45/t on achievement of certain conditions (capped at 700,000 tonnes)
- no mandatory copper hedging requirements, however the facility allows for agreed levels of discretionary hedging should Tiger elect to do so
- repayable at any time without financial penalty
- no equity raising requirement

The facility remains subject to a number of conditions including; Taurus finalising its technical due diligence, credit committee approval, completion of loan documentation and satisfaction of customary conditions precedent. Given Taurus's significant pre-existing knowledge of Kipoi, the excellent relationship between the parties and Taurus's demonstrated flexibility in supporting Tiger since 2014, Tiger and Taurus are confident these remaining steps will be completed in a timely manner. Credit committee approval is anticipated by end July with finalisation of loan documentation targeted for September 2015 and drawdown shortly thereafter.

Tranche 2 – Debottlenecking facility

The proposed second Tranche of US\$25 million, to be arranged by Taurus, is to be used to fund the debottlenecking of the SXEW plant to increase capacity from 25,000tpa to 32,500tpa cathode.

Tranche 2 is expected to have a maturity date of 31 December 2023. Tiger is still in the process of optimising the debottlenecking plans and, as such, drawdown of Tranche 2 will require the completion of an Independent Technical Expert's report in relation to the debottlenecking exercise in addition to the conditions outlined for Tranche 1. There are no additional per tonne fees payable in relation to Tranche 2.

The Tranche 2 documentation and arranging process will be undertaken in parallel with Tranche 1 outlined above and the work being undertaken by Tiger management to finalise the investment case for debottlenecking.

Conclusion

With the agreement on terms with Taurus now in place, Tiger looks forward to satisfying the necessary conditions and completing the refinancing while also focusing on building on the solid operating performance the team continues to deliver at Kipoi.

Neil Fearis, Chairman of Tiger said:

“We are pleased to have reached agreement on this financing with Taurus and thank Taurus for their ongoing support of Tiger. This is an important milestone as on completion of the facilities we will have matched our long life project with a term facility that offers certainty and flexibility as we progress the development of the Kipoi SXEW project.”

Mike Davies, Managing Director of Taurus said:

“The establishment of the Kipoi Project in the DRC by Tiger has been an outstanding achievement and Taurus is delighted to continue to partner with Tiger as it delivers on its potential.”

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