TIGER RESOURCES LIMITED

2015 ANNUAL REPORT

Corporate Directory

DIRECTORS*

Mark Connelly
Non-Executive Chairman

Michael Griffiths
Managing Director / CEO

Stephen Hills
Finance Director

Ian Kerr
Non-Executive Director

COMPANY SECRETARY

Susmit Shah

AUSTRALIAN BUSINESS NUMBER (ABN)

52 077 110 304

PRINCIPAL REGISTERED OFFICE IN AUSTRALIA

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West Perth WA 6005
Australia

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SHARE REGISTRY

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Perth WA 6000
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AUDITOR

PricewaterhouseCoopers
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Perth WA 6000
Australia

STOCK EXCHANGE LISTINGS

Australian Securities Exchange (ASX) (Code: TGS)
German Stock Exchange (Code: WKN AOCAJF)

WEBSITE ADDRESS

www.tigerresources.com.au

DEMOCRATIC REPUBLIC OF CONGO OFFICE

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Lubumbashi, Katanga
Democratic Republic of Congo

*Non-Executive Director David Constable resigned on 31 March 2016

(Expressed in US Dollars (US$000), unless stated otherwise)

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Chairman's Statement

Dear Shareholder,

It gives me pleasure to present to you Tiger Resources Limited's ("Company's") Annual Report for the year ended 31 December 2015. Our Kipoi Copper Project in the DRC has met all expectations, performing consistently throughout the year and I am pleased to report on our efforts to cement our position as a low cost copper producer listed on the Australian Securities Exchange.

Just prior to year-end, the Company secured a US$162.5 million long term finance facility with International Finance Corporation (IFC), a member of the World Bank Group and Taurus Mining Finance Fund (Taurus). The facility was a tremendous accomplishment in difficult market conditions and is integral to our plans to increase the capacity of our solvent-extraction and electro-winning (SXEW) plant at Kipoi from 25,000tpa to 32,500tpa. Importantly, all existing short term debt with Taurus and Gerald Metals SA was repaid soon after year-end.

Global mining private equity fund Resource Capital Funds (RCF) increased its shareholding in Tiger by investing ~ US$10.0 million of new equity in the Company. This investment is a show of support and has added strength to our share register.

With the long term financing now in place, we have already activated our strategy to debottleneck our SXEW plant which will result in increasing our annual production capacity by 30% to 32,500tpa with an investment of US$25.0 million.

Operationally, Tiger has achieved all that it set out to do in 2015 but market conditions have not been favourable. The copper price faced a decline, particularly in the second half of the year, and the whole resources sector continued to underperform impacting shareholder value. Management has taken a number of steps to make our operation more cost effective in the current copper market but maintaining our outstanding workplace safety record with no Lost Time Injuries (LTIs) or environmental incidents during 2015.

There were a number of Board changes during the year. Michael Griffiths, a Non-Executive Director with the Company since December 2012, was appointed Interim Chief Executive Officer until we finalise a permanent solution for the role which we expect in the first half of 2016. In addition, Neil Fearis resigned in December 2015 and I am pleased to take on the role in 2016 after joining the Tiger Board during the year. I look forward to drawing on my extensive operational experience in Africa and across the world and using it to Tiger's best advantage during its next phase of development.

I take this opportunity to thank Tiger's management and staff for their contributions through 2015 and our Shareholders for their continued support. The year ahead looks to be challenging for our Company as we continue to expand our operations and build on our strong operational performance and I look forward to sharing it with you.

We will aim to do what we say we will do, deliver on our commitments.

Mark Connelly
Non-Executive Chairman

Pregnant liquor containing high grade copper in solution leaching from the heaps.

Annual Mineral Resources and Ore Reserves Statement

KIPOI COPPER PROJECT, KATANGA PROVINCE, SOUTH EAST DEMOCRATIC REPUBLIC OF CONGO (TIGER 95%)

Table A: Mineral Resource

		Total Kipoi Mineral Resource as at 31 December 2015 Kipoi Central is reported above 0.3%Cu and includes Total Stockpiles Kipoi North, Kileba and Judeira are reported above 0.5%Cu					**Total Kipoi Mineral Resource at 31 December 2014** Kipoi Central is reported above 0.3%Cu and includes Stockpiles Kipoi North, Kileba and Judeira are reported above 0.5%Cu				
Classification	**Deposit**	**Tonnes (MT)**	**Cu Grade (%)**	**Co Grade (%)**	**Copper (000'T)**	**Cobalt (000'T)**	**Tonnes (MT)**	**Cu Grade (%)**	**Co Grade (%)**	**Copper (000'T)**	**Cobalt (000'T)**
Measured	Kipoi Central	5.9	2.3	0.14	136	8.1	7.0	2.6	0.14	180	9.6
Indicated	Kipoi Central	40.4	1.1	0.06	443	25.9	40.4	1.1	0.06	443	25.9
Indicated	Kipoi North	4.0	1.3	0.05	54	1.8	4.0	1.3	0.05	54	1.8
Indicated	Kileba	8.6	1.5	0.05	128	4.6	8.6	1.5	0.05	128	4.6
Total Measured & Indicated		**58.9**	**1.3**	**0.07**	**761**	**40.4**	**60.0**	**1.3**	**0.07**	**805**	**41.9**
Inferred	Kipoi Central	2.9	0.8	0.07	23	2.1	2.9	0.8	0.07	23	2.1
Inferred	Kipoi North	1.0	1.1	0.03	12	0.4	1.0	1.1	0.03	12	0.4
Inferred	Kileba	2.2	1.2	0.04	27	0.9	2.2	1.2	0.04	27	0.9
Inferred	Judeira	6.1	1.2	0.04	71	2.2	6.1	1.2	0.04	71	2.2
Total Inferred		**12.2**	**1.1**	**0.05**	**133**	**5.6**	**12.2**	**1.1**	**0.05**	**133**	**5.6**
Total		**71.1**	**1.3**	**0.06**	**894**	**46.0**	**72.2**	**1.3**	**0.07**	**938**	**47.5**

Review of material changes

The decrease in the Kipoi Central Mineral Resource is the result of material processed through the SXEW plant during 2015.

Ore reserves at Kipoi noted in Table B below are included in the mineral resources in Table A.

Table B: Stage 2 (SXEW) Ore Reserve

		Kipoi Stage 2 SXEW Ore Reserves Mining depleted to 31 December 2015 Kipoi Central is reported above 0.3%Cu and includes Total Stockpiles Kipoi North, Kileba and Judeira are reported above 0.5%Cu			**Kipoi Stage 2 SXEW Ore Reserves Mining depleted to 31 December 2014** Kipoi Central is reported above 0.3%Cu and includes Stockpiles Kipoi North, Kileba and Judeira are reported above 0.5%Cu		
Classification	***Deposit***	***Tonnes (MT)***	***Cu Grade (%)***	***Copper (000'T)***	***Tonnes (MT)***	***Cu Grade (%)***	***Copper (000'T)***
Proven	Kipoi Central	1.7	2.6	45	1.7	2.6	45
Proven	Kipoi Central Stockpiles	4.0	2.2	89	5.2	2.6	134
Total Proven		**5.7**	**2.3**	**134**	**6.9**	**2.6**	**179**
Probable	Kipoi Central	34.3	1.1	372	34.3	1.1	372
Probable	Kipoi North	1.9	1.5	28	1.9	1.5	28
Probable	Kileba	7.4	1.5	110	7.4	1.5	110
Total Probable		**43.6**	**1.2**	**510**	**43.6**	**1.2**	**510**
Total		**49.3**	**1.3**	**644**	**50.5**	**1.4**	**689**

Review of material changes

The decrease in the Kipoi Central Stage 2 Ore Reserve estimate is the result of mine depletion following the production of 26,151 tonnes of copper cathode and the increase in copper stacked on to the heap leach pads during 2015.

LUPOTO COPPER PROJECT, KATANGA PROVINCE, SOUTH EAST DEMOCRATIC REPUBLIC OF CONGO (TIGER 95%)

Table C: SASE Central Mineral Resources

SASE Central Mineral Resources December 2015 Grade tonnage reported above a cut off of 0.5% Copper							SASE Central Mineral Resources December 2014 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)	Tonnes (MT)	Cu Grade (%)	Co Grade (%)	Copper (000'T)	Cobalt (000'T)
Indicated		**9.6**	**1.39**	**0.05**	**134**	**5**	**9.6**	**1.39**	**0.05**	**134**	**5**
Inferred		**2.8**	**1.21**	**0.03**	**34**	**1**	**2.8**	**1.21**	**0.03**	**34**	**1**

Review of material changes

There has been no change to the mineral resources at SASE Central from December 2014 to December 2015. No material exploration activity took place at SASE Central during 2015.

Governance and internal controls

The Company's procedures for the sample techniques and sample preparation are regularly audited by independent experts. Assays are performed by independent internationally accredited laboratories with a QAQC program showing acceptable levels of accuracy and precision. The exploration assay results database is independently maintained by CSA Global.

The mineral resource and ore reserve estimate are undertaken independently by Cube Consulting Pty Ltd.

The grade control drilling and reconciliation to the mine models are completed at Kipoi and reviewed independently by Cube Consulting Pty Ltd on an annual basis.

COMPETENT PERSON STATEMENT

The information in this Annual Mineral Resources and Ore Reserves Statement 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 has approved the Statement as a whole and consents to its inclusion in the Annual Report in the form and context in which it appears.

Operations Review

KIPOI COPPER PROJECT (TIGER: 95%)

The Kipoi Copper Project is located approximately 75km north-northwest of Lubumbashi in the Katanga Province of the Democratic Republic of Congo (DRC) in central Africa.

Following a successful ramp up of the SXEW plant during 2014, the Company reported record annual production of 26,151 tonnes of copper cathode, 5% higher than the nameplate design of 25,000tpa.

The Company identified latent capacity within the SXEW plant and completed a debottlenecking study for the SXEW plant, to increase production from 25,000tpa to 32,500tpa[1] of copper cathode at a cost of $25.0 million.

It is envisaged that ore from Judeira and other deposits within the Kipoi Project area, and within Tiger's nearby 95%-owned Lupoto Project, will also be processed during the SXEW operations, providing additional returns and increasing the ore reserves available as feedstock to the SXEW plant. Any increase in resources from these deposits has the potential to increase mine life.

Safety

Tiger's impressive safety record at Kipoi has been maintained during the year, with a Lost Time Injury (LTI) rate of zero with no LTIs reported in 4.9 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.

[1] 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

Production

A total of 1,102,399 tonnes of ore was stacked to heap leach pads at an average grade of 2.28% acid soluble copper (AsCu) with a record 345,001 tonnes of ore stacked in the fourth quarter of 2015 at an average grade of 2.54% AsCu. This accelerated stacking is to maintain copper cathode output during the wet season.

Total copper cathode produced during the year was 26,151 tonnes. This was 1,151 tonnes, or 5%, above Tiger's guidance and nameplate capacity of 25,000 tonnes of copper cathode and demonstrated the SXEW plant's ability to perform above its nameplate capacity.

Production during the year was affected by unseasonal wet weather in April, however the SXEW plant outperformed nameplate from May, with monthly production volumes peaking in July 2015 with 2,459 tonnes of copper cathode produced, representing an annualised production rate of 29,500 tonnes.

Copper Sales

Revenue of $140.311 million was recognised from the sale of 26,090 tonnes of copper cathode at a realised copper price of $5,533/t.

Revenue of $6.065 million was recognised from the sale of the residual HMS concentrate stockpiles.

All remaining HMS concentrate stockpiles were sold during the year.

Operating costs

Table 1: SXEW operating cost summary

KIPOI SXEW PLANT OPERATING COST SUMMARY
FOR THE YEAR ENDED 31 DECEMBER 2015

		2015
Mining	$/lb	0.05
Processing	$/lb	0.75
Site administration	$/lb	0.32
Selling and export clearing	$/lb	0.30
Cash operating cost	$/lb	**1.42**
ROM inventory adjustment	$/lb	0.23
C1 cost	$/lb	**1.65**
Royalties	$/lb	0.10
Sustaining capital	$/lb	0.09
Non-cash ROM inventory adjustment	$/lb	(0.23)
All in sustaining cash costs (AISC)	$/lb	**1.61**

The C1 costs of $1.65/lb included a non-cash ROM inventory adjustment of $0.23/lb, which relates to the inventory value of the HMS stockpiles processed during the year.

Processing costs reflected the SXEW plant operating on 100% diesel power for the first half of the year. Following the commissioning of the first 30MVa transformer at the end of the second quarter, receipt of grid power commenced reaching a peak of 63% of total power requirements in the December 2015 quarter.

Debottlenecking study

In July, Tiger announced the results of a debottlenecking study (engineering and costing study) that identified the potential to increase copper cathode output from 25,000 to 32,500 tonnes per annum. The study focused on modifications to utilise the latent capacity of the SXEW processing train at Kipoi.

The debottlenecking works are expected to be completed during Q4 2016 with full increased capacity during 2017.

Highlights of the study included:

- Reserve-backed life of mine (LOM) of +16 years at 32,500tpa rate
- Low technical risk debottlenecking project
- Average LOM cash costs of US$1.27/lb at 32,500tpa
- Capital cost of $25m

Tiger executed Letters of Intent ("LOI") with the principal contractor for the electro-winning and tank leach expansion projects during the December quarter, and these were placed within the capital expenditure estimate of $25.0 million in the engineering and costing study.

EXPLORATION

Kipoi Copper Project (Tiger: 95%)

Exploration activities for year concentrated on near mine activities including detailed pit mapping and low cost ground geophysics to assist in sterilisation for additional heap leach pads as well as preparation for the restart of mining activities scheduled for the Q3 2016.

Lupoto Copper Project (Tiger: 95%)

Tiger was granted an Exploitation Permit (Mining Licence) for the Lupoto Copper Project in February 2015. The mining licence provides 40 years of tenure with the 168,000-tonne copper resource at Sase Central expected to be processed through the SXEW plant at Kipoi situated 25km north of the deposit.

A full evaluation of Lupoto drill core was completed during the year to source suitable samples for further metallurgical testwork and geotechnical studies.

STABILITY REPORT

The Group's policies and practices embrace equal importance of maintaining profitability with due care for the environment, people and the community. The Group focuses on training and developing employees from the local community, providing workers with safety skills, long term stable employment beyond the life of the mine, and environmental protection.

The Group's activities for 2015 were as follows:

Occupational Health & Safety (OHS)

- Formal induction and re-induction process for all employees, contractors and visitors to Kipoi
- Formal Health, Safety and Environment workplace inspections were conducted regularly and findings communicated to relevant department heads for corrective action to be taken.
- Full paramedic, nursing and emergency response team services are available at Kipoi providing emergency response capabilities for Group staff and the local community.

Environment

There were no significant or reportable environmental incidents reported during the year. The biennial independent environmental risk assessment/audit of the Kipoi operation was made and the Group's environmental management systems found to be satisfactory.

Land Disturbance, Rehabilitation and Environmental Monitoring Programs

The Group continuously monitors environmental performance through workplace inspections and internal audits designed to detect any impact the mine's activities may have on the natural environment and surrounding communities.

Some of the key activities undertaken during the year included:

- Analysis of surface and ground water quality, noise and air quality monitoring from areas within and surrounding the Kipoi operations
- Control of all discharges from operating areas with analysis and remediation
- Control of all hydrocarbons and chemicals within specified areas to minimise the potential contamination footprint
- Maintenance of a negative water balance at site annually to minimise environmental impacts.

The Group also performed rehabilitation works on the sewerage system, introduced sewerage treatment systems, monitors the pH of all effluent streams, seepage pond and slimes dam to test for abnormalities in the water system. Water samples were sent to Jones Environmental for biological and chemical analysis.

Rehabilitation activities focused on grass planting and slope stabilisation on the various solution ponds and exposed ground surrounding the SXEW plant. A large number of native trees seedlings were planted to provide visual and noise barriers.

Social Development

During the year the Group continued to make progress in initiating and completing projects designed to improve standards of health, education and well-being in the Katanga Province, with activities coordinated by a full-time officer of the Company. Programs are designed in consultation with the local communities and service institutions, who are engaged from an early stage to promote these initiatives as self-sustaining community projects.

Employment

The Group has a policy of employing local personnel whenever possible. The Community Development Committees and Village Chiefs near the mine are consulted regarding local recruitment. Tiger maintains a policy of hiring at least 90% local residents and has hired from the local villages Kangambwa, Katanga, Luafi, Bungu Bungu and Lukutwe as a priority.

Education

The Group maintains support of the Kangambwa School and Ankoro Secondary College. During the year the Company provided solar electricity, computers, internet and teaching manuals as part of its ongoing commitment to the community education.

Agriculture

The Group has helped to improve local agriculture through the provision of training to local communities, installation of water tanks and a drip irrigation system, provision of agricultural materials and equipment as well as initiating gardening activities to transplant underused land with vegetables. In addition, the Group supported the cultivation of 500 hectares of new maize crops and 50 hectares of market gardening during 2015.

Health

During the year, the Group completed the construction and equipping of the clinic at Kangambwa to provide maternal medical assistance to the local communities. The Group continued its partnership with Project C.U.R.E. to improve healthcare facilities through the provision of medical equipment support in Katanga Province. The Group continues its efforts to raise awareness of HIV/AIDS by peer educators in the workplace through various introductory session and educational campaigns. The Group extended the awareness of HIV/AIDS through mentoring programs to the local communities surrounding Kipoi and has offered free HIV/AIDS testing.

Directors’ Report

Your Directors present their report on the consolidated entity consisting of Tiger Resources Limited (the Company) and the entities it controlled at the end of, or during, the year ended 31 December 2015 (Group or Consolidated entity).

Throughout the report, the consolidated entity is referred to as the Group. All amounts in this report are presented in US Dollars ($), unless stated otherwise.

Directors and Company secretary

The following persons were Directors of Tiger Resources Limited during the whole of the financial year and up to the date of this report:

Mark Connelly *(appointed 13 October 2015)*

Michael Griffiths

Stephen Hills

David Constable

Neil Fearis *(resigned 31 December 2015)*

Bradley Marwood *(resigned 17 August 2015)*

Information on Directors

Mark Connelly, **B.Bus, MAICD**
Non-Executive Director (appointed 13 October 2015)
Chairman – Independent, Non-Executive
(appointed 31 December 2015)

Experience and expertise
Mark Connelly has more than 27 years of experience in the mining industry, and has held senior executive positions with Newmont Mining Corporation and Inmet Mining Corporation. He is the former Managing Director and Chief Executive Officer of Papillon Resources Limited, a Mali-based gold developer which was acquired by B2Gold Corp in a US$570 million transaction. He was Chief Operating Officer of Endeavour Mining Corporation following its merger with Adamus Resources, where he was Managing Director and CEO. Mark has extensive experience in financing, development, construction and operation of mining projects in a variety of commodities including gold, base metals and other resources in West Africa, Australia, North America and Europe.

Other current and former Directorships
Mr Connelly is Non-Executive Chairman at West African Resources Limited (since June 2015), Cardinal Resources Limited (since November 2015) and Toro Gold Plc (since February 2014). He is also a Director of Saracen Mineral Holdings Limited (since 2015), B2Gold Corp (since 2014) and Ausdrill Limited (since 2012).

Over the past 3 years Mr Connelly served as a Director of Manas Resources Limited (from 2013 to 2015)

Special responsibilities
Member of the Remuneration, Nomination and Corporate Governance Committee
Member of the Audit and Risk Committee

Interest in shares, options and performance rights
None

David Wayne Constable, **BSc (Hons), MBA, ICD.D**
Non-Executive Director - Independent

Experience and expertise
Based in Ontario, Canada, Mr Constable is a geologist with a BSc (Hons) in Geology & Mathematics from Mount Allison University, New Brunswick and an MBA (Hons) from Laurentian University, Ontario. He has over 40 years’ professional experience in the mining and exploration sector in North America and internationally, specifically in mineral exploration, investor relations and corporate development. Previously Mr Constable was Vice President Investor Relations for FNX Mining Company Inc. (later Quadra FNX Mining Ltd, subsequently acquired by HGHM International) from 2002 to 2010 and Vice President Investor Relations for Normandy Mining Limited from 1996 to 2002. Mr Constable has an ICD.D designation from the Canadian Institute of Corporate Directors and is an experienced Director of public resource companies and a past Director of both Moly Mines Limited (ASX & TSX) and Aquiline Resources Inc. (TSX).

Other current and former Directorships
Currently a Director of: U3O8 Corp. (since 2006) and Sandspring Resources Limited (since 2011).

Over the past 3 years Mr Constable served as a Director of Woulfe Mining Corp. (from 2010 to 2015), Rockliff Resources Inc. (from 2010 to 2013) and IMX Resources Limited (from 2012 to 2014).

Special responsibilities
Chairman of Audit and Risk Committee
Member of the Remuneration, Nomination and Corporate Governance Committee

Interest in shares, options and performance rights
150,000 ordinary shares in Tiger Resources Limited

Directors' Report

Michael Richard Griffiths, **BSc, Dip Ed, FAusIMM, GAICD**
Director (Non-Executive until appointed interim CEO on 17 August 2015)
Interim Chief Executive Officer (appointed 17 August 2015)

Experience and expertise
Mr Griffiths has over 30 years of experience in the discovery, feasibility and development of mining projects in Australia and Africa in a variety of commodities including gold, base metals and the energy sector. Over the past 20 years, Mr Griffiths has operated in numerous African countries including Tanzania, Eritrea, Mozambique and the DRC. In the role of Chief Executive Officer of Sub-Sahara Resources N.L. between 1998 and 2009, Mr Griffiths and his team were responsible for the discovery of significant gold deposits in both Tanzania and Eritrea. Mr Griffiths sits on the Board of a number of ASX and TSX-V companies and has over 15 years listed Company experience.

Other current and former Directorships
Currently a Director of: Currie Rose Resources Inc. (since 2005) and RMG Limited (since 2013).

Over the past 3 years Mr Griffiths served as a Director of: Chrysalis Resources Limited (from 2013 to 2014), East Africa Resources Limited (from 2013 to 2015) and Mozambi Coal Limited (from 2010 to 2013).

Special responsibilities
Member of the Remuneration, Nomination and Corporate Governance Committee (resigned 17 August 2015)
Member of the Audit and Risk Committee (resigned 17 August 2015)

Interest in shares, options and performance rights
199,334 ordinary shares in Tiger Resources Limited

Stephen Ernest Hills, **B.Com, B.Compt (Hons), CA**
Finance Director

Experience and expertise
Mr Hills has over 30 years' experience in the mining and associated industries, the last 20 years as Chief Financial Officer (CFO) level or above. He joined Tiger as CFO in June 2010 and has been a key member of the management team that has overseen the transition of the Company from a junior explorer to a mid-tier producer. Mr Hills brings to the Board a wealth of industry knowledge with specific focus on funding and business management systems.

Other current and former Directorships
None.

Special responsibilities
None.

Interest in shares, options and performance rights
1,613,863 ordinary shares in Tiger Resources Limited

2,540,861 performance rights over ordinary shares in Tiger Resources Limited

Bradley William James Marwood, **BSc (Mining Engineering)**
Managing Director (resigned 17 August 2015)

Experience and expertise
Mr Marwood graduated in mining engineering more than 30 years ago. His time in the industry has been spent equally in development and operations, including over 20 years' experience in Africa, from Zimbabwe to Mali, and he has been directly involved with the development of the gold mining industry in Ghana since 1987. As Manager Projects Africa for Normandy Mining Limited, Mr Marwood progressed projects in Ivory Coast, Mali, Eritrea, Sudan and Ghana, the most prominent being the Akim Yamfo-Sefwi Project, Ghana, now operated by Newmont Mining Limited. Mr Marwood has a strong background in project development, implementation and operations.

Neil Christian Fearis, **LL.B. (Hons) FAICD F FIN**
Chairman - Independent, Non-Executive
(resigned 31 December 2015)

Experience and expertise
Mr Fearis has over 35 years' experience as a commercial lawyer in the UK and Australia. He practices principally in the area of mergers and acquisitions, takeovers, public floats, and other forms of capital raising and is a member of several professional bodies associated with commerce and the law.

Company Secretary

Susmit Shah, **B.Com, CA**

Mr Shah is a Chartered Accountant who has extensive experience as a Director and Company secretary of various Australian public companies. He consults to public companies on a wide variety of matters including stock exchange requirements, financial reporting, corporate governance, joint venture negotiations and corporate fundraising.

CORPORATE

Principal activities

The principal continuing activities of the Group during the course of the financial year were mineral exploration, development, mining and sale of copper concentrate and cathode.

FINANCIAL REVIEW

Profit and Loss

The consolidated entity recorded a loss after tax attributable to the owners of Tiger for the year ended 31 December 2015 of $17.507 million (31 December 2014: profit after tax of $3.160 million), representing loss per share of 1.52 cents (31 December 2014: profit per share of 0.34 cents). The decrease in earnings was primarily due to a reduction in the realised copper price in 2015 from 2014, higher non-cash run of mine inventory expenses associated with a full-year of processing HMS stockpiles through the SXEW plant, higher finance costs associated with the Taurus acquisition finance facility, partly offset by higher payable copper production volumes.

Balance Sheet

Total current assets decreased by $38.702 million, mainly through reductions of $13.193 million of trade receivables, $13.277 million of other receivables (including VAT, GST and current tax receivables), $15.855 million in inventories, and $2.476 million in cash balances. This was partially offset by the reclassification of equity instruments at fair value of $0.898 million and the capitalisation of arranging and legal fees of $5.201 million accrued to the balance date.

Total non-current assets increased by $4.899 million, mainly due to the recognition of $7.116 million of non-current prepayments related to the energy efficiency projects, an increase of $1.928 million of non-current income tax receivables, partly offset by a net reduction of $3.885 million in mine properties and development and plant and equipment due to depreciation and amortisation charges exceeding asset additions during the year.

Total liabilities decreased by $29.839 million to $212.875 million primarily due to a reduction in trade and other payables of $7.620 million, a net reduction in borrowings of $21.524 million and a reduction in deferred tax liabilities of $1.361 million.

Total equity interests attributable to Tiger's shareholders decreased by $3.604 million to $148.583 million. This includes the net proceeds of capital raisings of $12.673 million, loss for the year of $17.507 million, other comprehensive gain of $0.638 million and an increase in the share option reserve of $0.592 million.

Cash Flow

Net cash flows from operations were $38.230 million and were applied to financing of purchases of plant and equipment and servicing of financing costs.

Financing

During the year, the remaining $25.000 million of the Taurus acquisition finance facility was drawn down to the facility limit of $100.000 million. Repayments of $50.000 million were made to Gerald Metals, reducing the advance payment facility balance to $25.000 million.

As at 31 December 2015 SEK had overdraft loan facilities totalling $30.000 million from local DRC banks, drawn to $29.885 million, to fund working capital and project expenditures.

DIVIDENDS

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report (2014: Nil).

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Group will continue operation of the SXEW plant at Kipoi. The Group will also continue exploration and evaluation of activities at the Kipoi, Lupoto and Sofu (La Patience) projects.

In evaluating the likely achievement of these outcomes the following risk factors should be taken into consideration:

Single Operating Asset

Tiger's primary income generating asset is the Kipoi Copper Project, and the Group is therefore at risk that adverse performance of that project resulting from internal or external factors may impact future returns.

Production Guidance

The Group expects production for 2016 to be within a range of 26,000 to 28,000 tonnes of copper cathode. The SXEW production plan for 2016 involves the processing of stockpiles of HMS residue floats and ROM ore accumulated during the course of the HMS operations and the recommencement of mining at Kipoi Central, and as such there is no material mining risk with the majority of ore sourced from stockpiles. Achievement of this production level is subject to various risk factors including the performance of the heap leach. To mitigate risks, the Group has employed an experienced technical team which has significant experience in operating similar SXEW operations both within the DRC and elsewhere in the world.

Operating Costs

Production costs incurred by the Group are subject to a variety of factors including, but not limited to: fluctuations in input costs such as diesel fuel and sulphuric acid, which are determined by global markets, changes in the ratio of grid and diesel power generation, changes in economic conditions which impact on margins required by contracting partners and changes in assumptions such as ore grades. Significant movements in a combination of these elements, could have a material adverse effect on operating costs of the Group.

Estimates of Reserves & Resources

Due to the nature of mineral reserves and resources no assurance can be given that any particular level of recovery of minerals will be realised from the reserves processed through the SXEW, which may impact on the future financial and operational performance of the Group.

Refinancing of Existing Borrowings

Total facilities classified as current liabilities at balance date were $155.397 million.

Subsequent to balance date the Taurus and Gerald Metals facilities were repaid with first drawdown from the long-term finance facility on 29 January 2016, which subsequent to year-end results in classifying $125.000 million of borrowings as non-current borrowings.

ENVIRONMENTAL REGULATION

The consolidated entity's operations are not subject to any significant Australian environmental laws but its exploration and production activities in the DRC are subject to local environmental laws, regulations and permit conditions. There have been no known breaches of environmental laws or permit conditions while conducting operations in the DRC during the 2015 reporting period.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period:

- In February 2015 an Exploitation Permit (PE-2214) was granted for the Lupoto Copper Project. In accordance with the DRC Mining Code, the Company must transfer a 5% interest in Sase Mining SARL, the subsidiary which holds the Mining Licence, to the DRC government.
- In March 2015 and May 2015 the Company issued 7.9 million and 47.1 million options, respectively, to Taurus Mining Finance Fund ("Taurus"), upon extension of the existing acquisition finance facility. The options have an exercise price of A$0.097 each and an expiry date of 31 May 2019.
- On 16 December 2015, Tiger agreed final terms with Taurus and International Finance Corporation ("IFC"), a member of the World Bank Group, for a $162.5 million secured financing facility ("Facility") to refinance the existing debt facilities with Taurus and Gerald Metals SA and provide capital for the debottlenecking initiative to increase capacity of the Kipoi SXEW plant from 25,000tpa to 32,500tpa of copper cathode. Tiger is targeting completion of the expansion by November 2016.
- Key financing terms of the Facility include:
    - Term of approximately 99 months to 31 January 2024;
    - Interest rate of 9.25%, and a fee of $50/tonne of copper sold capped at 700,000 tonnes of copper sales;
    - No principal repayment until 31 January 2017; and
    - Pre-payable at any time without financial penalty.
- Tiger achieved first drawdown of the Facility on 29 January 2016.
- On 17 December 2015, the Company completed a placement to Resource Capital Funds ("RCF") at A$0.0665 per share, a 16.7% premium to the last closing price on 15 December 2015. The placement raised approximately $6.0 million.
- On 18 December 2015, the Company completed the institutional component of an equity raising by way of an accelerated entitlement offer to eligible shareholders announced on 16 December 2015, raising approximately $7.0 million (after expenses) from the issue of 216,627,815 ordinary shares at A$0.047 per share.

There have not been any other significant changes in the state of affairs of the Group during the financial year, other than as noted in this financial report.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

Financing facility

The first drawdown of the $162.500 million Facility with Taurus and IFC was achieved on 29 January 2016 with an initial amount of $133.200 million drawn.

The drawdown repaid the previous secured debt facilities with Taurus (acquisition finance facility) and Gerald Metals. The undrawn balance of the Facility of $29.300 million provides expansion capital for the debottlenecking initiative to increase the capacity of the Kipoi SXEW plant to 32,500tpa. The first scheduled repayment of the debt principal is due on 31 January 2017, so that obligations in relation to the facility will be of interest only and other finance charges until that date.

Equity raisings

Subsequent to 31 December 2015, the Company completed the retail component of the non-renounceable accelerated rights issue announced on 16 December 2015, by the issue of approximately 107 million shares at A$0.047 per share raising approximately $3.500 million.

RCF and IFC subscribed for 48.7 million shortfall shares ($1.57 million) and 154.7 million shortfall shares ($5.000 million) respectively under the terms of their subscription agreements with the Company.

Except for the matter discussed above, no other matter or circumstance has arisen since 31 December 2015 that has significantly affected, or may significantly affect the Group's operations in future financial years, the results of those operations in future financial years, or the Group's state of affairs in future financial years.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors and of each Board Committee held in the 12 months to 31 December 2015, and the numbers of meetings attended by each Director were:

	Board & Committee Meetings					
	Board		Audit and Risk Committee		Remuneration, Nomination and Corp. Gov. Committee	
	Eligible	*Attended*	*Eligible*	*Attended*	*Eligible*	*Attended*
N Fearis	13	13	2	2	1	1
B Marwood	8	8	-	-	-	-
S Hills	13	13	-	-	-	-
D Constable	13	13	2	2	1	1
M Griffiths	13	13	2	2	1	1
M Connelly	3	3	-	-	-	-

A Director is only eligible to attend the Committee meeting if he is a member of the relevant Committee, unless an invitation to attend a meeting is extended to him by the relevant Committee members.

Remuneration report - audited

The report contains the following sections:

(a) Key management personnel (KMP) covered in this report

(b) Remuneration policy and link to performance

(c) Use of remuneration consultants

(d) Service agreements

(e) Details of remuneration

(f) Share-based compensation

(g) Other transactions with KMP

(a) Key management personnel covered in this report

Non-Executive and executive Directors

N Fearis	Non-Executive Chairman (resigned 31 December 2015)
B Marwood	Managing Director (resigned 17 August 2015)
S Hills	Finance Director
D Constable	Non-Executive Director
M Griffiths	Non-Executive Director (until 17 August 2015) Director and Interim CEO (appointed 17 August 2015)
M Connelly	Non-Executive Director (appointed 13 October 2015) Non-Executive Chairman (appointed 31 December 2015)

Other key management personnel

C Brown	Chief Operating Officer of DRC subsidiaries
S Shah	Company Secretary

(b) Remuneration policy and link to performance

The Remuneration, Nomination and Corporate Governance Committee advises the Board on remuneration and incentive policies and practices, and makes specific recommendations on remuneration packages and other terms of employment for Executive Directors, other senior executives, and Non-Executive Directors. The Corporate Governance Statement provides further information on the role of this Committee. When reviewing remuneration the Company obtains external advice to assist with salary setting and determination of other benefits.

Fixed Remuneration

Fixed remuneration consists of total Directors' fees, salaries, consulting fees and employer contributions to superannuation funds, excluding performance pay (cash, shares and options). Fixed remuneration levels are reviewed annually by the Board.

Non-Executive Directors' remuneration

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board, in consultation with independent advisors where considered necessary, determine payments to the Non-Executive Directors and review their remuneration annually, based on market practice, duties and accountability.

Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company. The Board adopted the policy that Non-Executive Directors could not receive options or other performance-based equity issues as part of their remuneration once the Company was in full production.

Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at A$600,000 per annum and was approved by shareholders at the Annual General Meeting on 22 May 2012. The actual remuneration paid to Non-Executive Directors is provided in section (e). Non-Executive Directors remuneration was frozen with effect from 1 January 2015. From 1 October 2015, the Non-Executive Directors took a 10% reduction in their fees.

Executive remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework has three components:

- total fixed remuneration (TFR), fixed fee/salary inclusive of superannuation payments,
- short-term incentives (STIs), reward available for meeting pre-determined performance hurdles within a 12-month time period, and
- long-term incentives (LTIs), reward typically granted annually, but not payable until longer-term (1 year plus) performance hurdles are met.

Performance pay (STIs and LTIs) is 'at risk' such that if performance targets are not met, the payment is not made.

Performance pay may be paid in cash or in the form of share-based compensation through participation in the Employee Option Plan or Performance Rights Plan.

Under the framework, LTIs are capable of being earned as Performance Rights (PRs) determined at the beginning of the relevant incentive period. The vesting of the PRs at the end of the period is linked to the Company's performance through measurement of total shareholder return (TSR) over a rolling 3 year period, by comparing the Company's share price performance over a rolling 3 year period against that of comparator companies represented by the Relative Average TSR for the S&P/ASX 300 Metals and Mining Index.

Tiger's performance during the 12 months to 31 December 2015 and the five previous years is set out in the table below:

Year	Number of shares	Market capitalisation (A$M)	Closing Share Price (A$)	1 year total shareholder return (%)
2015	1,484,618,275	74.2	0.050	-62%
2014	1,143,541,406	148.7	0.130	-62%
2013	802,710,269	276.9	0.345	19%
2012	673,470,269	195.3	0.290	-22%
2011	671,110,549	248.3	0.370	-26%
2010	597,373,151	298.7	0.500	150%

(c) Use of remuneration consultants

The Committee employed the services of Gerard Daniels in early 2015 to review its existing remuneration policies and to provide recommendations in respect of both executive short-term and long-term incentive plan design for remuneration in 2015.

These recommendations also covered the Group's key management personnel (KMP). Under the terms of the engagement, Gerard Daniels provided remuneration recommendations as defined in section 9B of the Corporations Act 2001 and was paid A$14,850 for these services. Gerard Daniels has confirmed that its recommendations were made free from undue influence by members of the Group's key management personnel.

The following arrangements were made to ensure that the remuneration recommendations were free from undue influence:

- Gerard Daniels was engaged by, and reported directly to, the Chairman of the Remuneration, Nomination and Corporate Governance Committee.
- The agreement for the provision of remuneration consulting services was executed by the Chairman of the Remuneration, Nomination and Corporate Governance Committee under delegated authority on behalf of the Board.
- The report containing the remuneration recommendations was provided by Gerard Daniels directly to the Chairman of the Remuneration, Nomination and Corporate Governance Committee; and
- Gerard Daniels was entitled to speak to management throughout the engagement to understand Company processes, practices and other business issues and obtain management perspectives. However, Gerard Daniels was not permitted to provide any member of management with a copy of its draft or final report that contained the remuneration recommendations.

As a consequence, the Board is satisfied that the recommendations were made free from undue influence from any members of the key management personnel.

(d) Service agreements

Key management personnel encompass all Directors (executive and Non-Executive) as well as those executives who have authority and responsibility for planning, directing and controlling the activities of the Group. The key terms of the service agreements in place for the year ended 31 December 2015 were as set out below:

Mr B Marwood - Managing Director (resigned 17 August 2015)

- Fixed fee of A$680,000 per annum (exclusive of GST) for the provision of services.
- Services performed via consulting agreement between Corporate Mining Resources Pty Ltd (CMR) and Tiger.
- Engagement commenced on 1 December 2010 and was terminated upon Mr Marwood's resignation on 17 August 2015.
- Termination fee of A$584,979 and the applicable GST amount were paid to CMR, as agreed under the terms of the Termination and Release Agreement.

Mr S Hills - Finance Director

- Total fixed remuneration of A$430,000 inclusive of superannuation per annum.
- Term of agreement - indefinite, with three months' notice of termination required by either party, other than in the event of redundancy where the termination obligation is six months' salary.

Mr C Brown - Chief Operating Officer of DRC subsidiaries

- Total fixed remuneration of $340,000 per annum, net of local taxes and charges.
- Term of agreement - indefinite, with three months' notice of termination required by either party.

Mr M Griffiths – Director/Interim CEO (appointed 17 August 2015)

- Fixed remuneration is based on an hourly rate of A$225 (exclusive of GST) for the provision of executive services. Director's fees are not payable to Mr Griffiths whilst the service agreement is in place.
- Services performed via consulting agreement between Black Barrel Exploration Pty Ltd (BBE) and Tiger Resources Limited.
- Term of agreement - engagement commenced on 17 August 2015 for an initial period of six months, which is being extended on a month-by-month basis until the appointment of a permanent CEO. The contract can be terminated by either party with 20 business days' notice.

(e) Details of remuneration

Details of the remuneration of the Directors, the key management personnel (as defined in AASB 124 *Related Party Disclosures*) and specified executives of Tiger Resources Limited and the Group are set out in the following tables.

2015	Fixed remuneration				Variable remuneration				Proportion of remuneration	
	Cash salary and fees* $	Post employment benefits** $	Other* $	Non-monetary benefits* $	Cash bonus* $	Performance rights** (non-cash) $	Options** (non-cash) $	Total $	Fixed %	Performance based %
Non-Executive Directors										
N Fearis	148,285	-	-	-	-	-	-	148,285	100	-
D Constable	92,087	-	-	-	-	-	-	92,087	100	-
M Griffiths *(1 Jan 2015 -16 Aug 2015)*	56,598	5,377	-	-	-	-	-	61,975	100	-
M Connelly *(13 Oct 2015 - 31 Dec 2015)*	15,081	1,433	-	-	-	-	-	16,514	100	-
Total Non-Executive Directors	312,051	6,810	-	-	-	-	-	318,861		
Executive Directors										
M Griffiths *(17 Aug-31 Dec 2015)*	140,317	-	-	1,118[4]	-	-	-	141,435	100	-
B Marwood *(1 Jan-17 Aug 2015)*	328,396	-	435,859[1]	1,860[4]	86,385	150,711	-	1,003,211	76	24
S Hills	298,148	26,415	-	2,978[4]	104,928	89,355	-	521,824	63	37
Total executive Directors	766,861	26,415	435,859	5,956	191,313	240,066	-	1,666,470		
Other Group executives										
C Brown	340,000[2]	-	-	-	52,448	117,018	-	509,466	67	33
S Shah	-[3]	-	-	-	-	-	-	-	-	-
Total other Group executives	340,000	-	-	-	52,448	117,018	-	509,466		
Total KMP remuneration	**1,418,912**	**33,225**	**435,859**	**5,956**	**243,761**	**357,084**	**-**	**2,494,797**		

** Short-term benefits* ***Long-term benefits*

Notes:

1. *Other fixed remuneration paid to B Marwood relates to payment of termination fees of $432,165 (A$584,979) and related legal costs of $3,694 (A$5,000).*
2. *Cash salary and fees paid to C Brown is reported net of DRC local tax charges.*
3. *Cash salary and fees of $79,706 paid to S Shah are for Company secretarial fees included in administrative expenses.*
4. *Non-monetary benefits relate to car parking benefits provided to Executives.*

(e) Details of remuneration (con't)

2014	Fixed remuneration		Variable remuneration						Proportion of remuneration	
	Cash salary and fees* $	Post employment benefits** $	Other* $	Non-monetary benefits* $	Cash bonus* $	Performance rights** (non-cash) $	Options** (non-cash) $	Total $	Fixed %	Performance based %
Non-Executive Directors										
N Fearis	181,365	-	-	-	-	-	-	181,365	100	-
D Constable	113,640	-	-	-	-	-	-	113,640	100	-
M Griffiths	99,355	9,312	-	-	-	-	-	108,667	100	-
Total Non-Executive Directors	394,360	9,312	-	-	-	-	-	403,672		
Executive Directors										
B Marwood	617,435	-	-	3,238[3]	66,569	271,747	-	958,989	64	36
S Hills	360,068	27,014	-	3,238[3]	33,325	118,197	-	541,842	72	28
Total executive Directors	977,503	27,014	-	6,476	99,894	389,944	-	1,500,831		
Other Group executives										
C Brown	340,000[1]	-	-	-	50,963	132,003	-	522,966	66	34
S Shah	-[2]	-	-	-	-	-	14,505	14,505	-	100
Total other Group executives	340,000	-	-	-	50,963	132,003	14,505	537,471		
Total KMP remuneration	**1,711,863**	**36,326**	**-**	**6,476**	**150,857**	**521,947**	**14,505**	**2,441,974**		

** Short-term benefits* ***Long-term benefits*

Notes:

1. *Cash salary and fees* paid to C Brown is reported net of DRC local tax charges.
2. *Cash salary and fees* paid to S Shah are for Company secretarial fees of $98,309 included in administrative expenses.
3. *Non-monetary benefits* relate to car parking benefits provided to Executives

(e) Details of remuneration (con't)

Relative proportion of fixed vs variable remuneration expense

The following show the relative proportions of fixed and performance linked remuneration:

	Fixed remuneration		At risk - STI		At risk - LTI	
	2015	2014	2015	2014	2015	2014
Non-Executive Directors						
N Fearis	100	100	-	-	-	-
D Constable	100	100	-	-	-	-
M Griffiths	100	100	-	-	-	-
M Connelly	100	-	-	-	-	-
Executive Directors						
M Griffiths	100	-	-	-	-	-
B Marwood	76	64	9	8	15	28
S Hills	63	72	20	6	17	22
Other Group executives						
C Brown	67	66	10	9	23	25
S Shah	100	-	-	-	-	100

Performance based remuneration granted and forfeited during the year

The table below sets out the values of STI and LTI payments awarded, exercised and forfeited during the financial year for each KMP.

2015	Total STI cash bonus			LTI options and performance rights	
	Total Opportunity $	Awarded $	Forfeited $	Value Granted[1] $	Value Exercised[2] $
D Constable	-	-	-	-	-
N Fearis	-	-	-	-	-
M Connelly	-	-	-	-	-
S Hills	120,593	104,928	-	47,482	-
B Marwood	134,728	86,385	-	125,146	-
M Griffiths	-	-	-	-	-
C Brown	119,000	52,448	-	84,938	-
S Shah	-	-	-	-	-

[1] *Fair value calculated in accordance with AASB 2 Share-based Payment.*

[2] *The intrinsic value of the exercised instruments on the date of exercise.*

(e) Details of remuneration (con't)

The table below sets out the performance targets achieved in relation to STI payments awarded during the financial year for each KMP.

Details of STI cash bonus awarded							
2015	SXEW Completion	Hedging programme net benefit	Improvement in environment, health, safety & CSR	Taxation management	Discretionary bonus	Gécamines acquisition	Total awarded
	$	$	$	$	$	$	$
S Hills	-	16,891	-	5,188	34,588	48,261	104,928
B Marwood	26,946	-	-	-	-	59,439	86,385
C Brown	-	-	25,481	-	-	26,967	52,448

1 *The remuneration Committee awarded a discretionary bonus to Mr Hills in relation to his performance on financing the Gécamines acquisition.*

2 *A number of performance targets were not achieved during the financial year, with no STI awarded with respect to these performance targets. These performance targets included amongst others, copper concentrate and cathode unit operating cost and grid power targets.*

(f) Share-based compensation

Non-Plan based payments

The Company issues unlisted options to Executive Directors, consultants and/or service providers from time to time, not under any specific plan. The options are issued for nil consideration and in accordance with the specific guidelines established by the Directors of Tiger Resources Limited. Any issuance of unlisted options to Directors requires prior approval from shareholders at a General Meeting. The vesting period and maximum term of options granted vary according to Board's discretion.

Employee Share Option Plan (EOP)

Shareholders approved the Tiger Resources Limited EOP at the Annual General Meeting held on 27 May 2015. The EOP is designed to provide incentives, assist in the recruitment, reward, retention of employees and key consultants, so as to provide opportunities for employees (both present and future) to participate directly in the equity of the Company. The contractual life of each option granted is three years. There are no cash settlement alternatives. The EOP does not allow for the issue of options to Directors of the Company.

Performance Rights Plan (PRP)

Shareholders approved the Tiger Resources Limited PRP at the Annual General Meeting held on 20 May 2014. The PRP is designed to more closely align rewards for performance with the achievement of the Company's growth and strategic objectives for 2011 and beyond.

The Board believes that the grant of Performance Rights under the Plan to eligible participants will underpin the employment strategy of attracting and retaining high calibre staff capable of executing the Company's strategic plans, and will maximise the retention of key management and operational staff; enhance the Company's ability to attract quality staff in the future, link the rewards of key staff with the achievement of strategic goals and the long term performance objectives of the Company, and provide incentives to participants of the Plan to deliver superior performance that creates shareholder value.

The Plan provides for the issue of Performance Rights which, upon determination by the Board that the performance conditions attached thereto have been met and subject to the terms of the Plan, convert into fully paid ordinary shares. Where the participant is a Director or related party of the Company, specific shareholder approval is required prior to the grant in accordance with the ASX Listing Rules.

The exercise price, if any, for Performance Rights is determined by the Board in its discretion and set out in the related invitation. Unless so determined, the exercise price is nil.

(f) Share-based compensation (con't)

Terms and conditions of the share-based payment arrangements

The terms and conditions of each grant of performance rights affecting remuneration in the current or future reporting periods are set out below. The rights on issue were granted under the Performance Rights Plan.

Performance rights affecting KMP remuneration in the current or future reporting periods

Grant date	Date vested and exercisable	Expiry date	Exercise price	Number of performance rights	Performance achieved	Value per right at grant dates A$	% Vested
27-Mar-12	various	31-Mar-16	-	685,796	Note 1	0.262	-
22-May-13	various	22-May-16	-	599,481	n/a	0.205	-
27-Mar-13	various	22-May-16	-	628,826	n/a	0.255	-
20-May-14	various	20-May-17	-	1,321,354	n/a	0.257	-
27-May-15	various	27-May-18	-	3,517,500	n/a	0.063	-
11-Jun-15	various	27-May-18	-	1,637,885	n/a	0.068	-

Note 1:

In May 2015, the Board modified the terms of the performance rights by deferring the performance testing date to 31 December 2015 and extending the expiry date to 31 March 2016. Under the original terms, vesting was based on total shareholder return for the period 1 January 2012 to 31 December 2014 and expired on 31 December 2015. The original performance rights grant was fully expensed in the previous financial years and there has been no change to the fair value of these performance rights as a result of the modification. An assessment is yet to be made by the Remuneration, Nomination and Corporate Government Committee as to whether performance rights will vest.

Options granted as compensation

No options were granted as compensation during the year ended 31 December 2015. Further information on the options is set out in Note 23 to the financial statements.

Exercise of options granted as compensation

There were no compensation options exercised by members of KMP during the year ended 31 December 2015 (2014: nil).

There were no options over ordinary shares held by KMP at 31 December 2015 (2014: 2,400,000).

Reconciliation of options held by KMP

Name & grant date	Balance at 1 Jan 2015		Vested		Exercised	Forfeited		Other changes	Balance at 31 Dec 2015	
	Vested & exercisable	Granted as compensation	Number	%		Number	%		Vested & exercisable	Unvested
N Fearis										
22 May 2012	1,000,000	-	-	-	-	(1,000,000)	100	-	-	-
D Constable										
22 May 2012	600,000	-	-	-	-	(600,000)	100	-	-	-
C Brown										
21 Feb 2012	500,000	-	-	-	-	(500,000)	100	-	-	-
S Shah										
21 Feb 2012	150,000	-	-	-	-	(150,000)	100	-	-	-
10 Apr 2014	150,000	-	-	-	-	(150,000)	100	-	-	-

(f) Share-based compensation (con't)

Performance rights granted as compensation

Details of performance rights provided as remuneration to each member of the KMP are set out below. Further information on the options is set out in Note 23 to the financial statements.

Fair value of performance rights granted as compensation during the year

The fair values at grant date of performance rights issued are independently determined using a Black-Scholes option pricing model or Monte Carlo simulation (refer to Note 23 (c)) that takes into account the exercise price, the term of the rights, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk free interest rate for the term of the rights. The model inputs for performance rights granted in year ended 31 December 2015 were as follows:

a) Exercise price: nil (2014: nil)

b) Grant date: 27 May 2015 and 11 June 2015 (2014: 20 May 2014 and 21 May 2014)

c) Expiry date: 27 May 2018 (2014: 20 May 2017)

d) Share price at grant date: A$0.086 and A$0.092 (2014: A$0.360 and A$0.340)

Each right is converted to one ordinary share upon vesting. The performance rights vest when the vesting (performance) conditions are met. No performance rights will vest if the conditions are not satisfied, hence the minimum value of the performance rights yet to vest is nil. The maximum value of the performance rights yet to vest has been determined as the amount of the grant date fair value of the performance rights that is yet to be expensed.

Reconciliation of performance rights held by KMP – granted, vested and forfeited during the year

Name & grant date	Balance at 1 Jan 2015						Balance at 31 Dec 2015	
	Unvested	Granted as compensation	Vested		Forfeited		Unvested	Maximum value yet to vest[1]
		Number	Number	%	Number	%	Number	A$
B Marwood								
22-May-12	804,649	-	-	-	(804,649)	100	-	-
22-May-13	1,336,505	-	-	-	(1,336,505)	100	-	-
20-May-14	1,593,750	-	-	-	(1,593,750)	100	-	-
27-May-15	-	2,550,000	-	-	(2,550,000)	100	-	-
C Brown								
27-Mar-12	316,604	-	-	-	-	-	316,604	-
27-Mar-13	628,826	-	-	-	-	-	628,826	8,907
20-May-14	716,666	-	-	-	-	-	716,666	42,044
11-Jun-15	-	1,637,885	-	-	-	-	1,637,885	73,159
S Hills								
27-Mar-12	369,192	-	-	-	-	-	369,192	-
22-May-13	599,481	-	-	-	-	-	599,481	-
20-May-14	604,688	-	-	-	-	-	604,688	35,475
27-May-15	-	967,500	-	-	-	-	967,500	40,635

[1] *Maximum value yet to vest represents the portion of fair value that has not yet been expensed.*

(f) Share-based compensation (con't)

Shares held by KMP

No shares were granted in relation to KMP remuneration, except for those issued upon exercise of options and conversion of performance rights.

Reconciliation of shares held by KMP

		Received during the year			
Name	Balance at start of the year	On exercise of options	On vesting of rights	Other changes	Balance at the end of the year
Ordinary shares					
N Fearis	200,000	-	-	300,000[1]	500,000
D Constable	150,000	-	-	-	150,000
M Griffiths	-	-	-	138,000[1]	138,000
M Connelly	-	-	-	-	-
B Marwood	3,159,230	-	-	(3,159,230)[2]	-
S Hills	1,613,863	-	-	-	1,613,863
C Brown	1,115,800	-	-	890,000	2,005,800
S Shah	180,000	-	-	-	180,000
	6,418,893	-	-	(1,831,230)	4,587,663

[1] *On-market purchase*

[2] *Balance on the date of resignation*

(g) Other transactions with key management personnel

Loans

There were no loans given to KMP during the year (2014: nil) and there are no balances outstanding in respect to such loans at 31 December 2015 (2014: nil).

Other transactions

The fees charged by Corporate Consultants Pty Ltd, a company related to Mr Susmit Shah, amounted to $79,706 (2014: $98,309), net of GST, relating to the provision of company secretarial and administrative services.

Transactions with the related party were made on commercial terms and at market rates.

End of audited remuneration report.

Shares Under Option

Unissued ordinary shares of the Company under option at the date of this report			
Date granted	Exercise price per option (A$ cents)	Expiry date	Number under option
16-Oct-14	39.70	16-Oct-18	20,000,000
09-Mar-15	9.70	31-May-19	7,900,000
29-May-15	9.70	31-May-19	47,100,000
31-Jul-15	7.90	30-Jun-18	1,641,648
			76,641,648

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Shares Under Performance Rights

Unissued ordinary shares of the Company under performance rights at the date of this report			
Date granted	Issue price per right	Expiry date	Number yet to vest or lapse
27-Mar-12	-	31-Mar-16	685,796
22-May-13	-	22-May-16	599,481
27-Mar-13	-	22-May-16	628,826
14-Aug-13	-	13-Aug-16	630,913
20-May-14	-	20-May-17	1,321,354
21-May-14	-	20-May-17	666,946
27-May-15	-	27-May-18	967,500
11-Jun-15	-	27-May-18	1,637,885
19-Jun-15	-	27-May-18	1,278,981
			8,417,682

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Insurance of Directors and Officers

During the financial year ended 31 December 2015, the Company paid a premium to insure the Directors and Officers of the Company and its controlled entities. The Company is prohibited from disclosure of the amount paid under the insurance contract.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Officers in their capacity as Officers of entities in the Group, and any other payments arising from liabilities incurred by the Officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the Officers, or the improper use by the Officers of their position or of information to gain advantage for themselves or someone else, or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Indemnity of auditors

The Company has entered into an agreement to indemnify its auditors, PricewaterhouseCoopers, against any claims or liabilities (including legal costs) asserted by third parties arising out of their services as auditor of the Company, where the liabilities arise as a direct result of the Company's breach of its obligations to the auditors, unless prohibited by the *Corporations Act 2001*.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board of Directors has considered the position and, in accordance with advice received from the audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are satisfied that the provision of non-audit services by the auditor, as per Note 24 in the financial statements, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the audit Committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers) for audit and non-audit services provided during the year are set out in Note 24 of the financial statements.

Directors' Report

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 32.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investment Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Financial statements

The financial statements in this annual report are consolidated financial statements for the Group consisting of Tiger Resources Limited and its subsidiaries. A list of major subsidiaries is included in Note 14.

The financial statements are presented in US Dollars unless stated otherwise.

Tiger Resources Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Tiger Resources Limited

Level 1, 1152 Hay Street

West Perth WA 6005

Australia

The financial statements were authorised for issue by the Directors on 4 March 2016. The Directors have the power to amend and reissue the financial statements.

All press releases, financial reports and other information are available at our Investor Centre on our website: www.tigerresources.com.au

This report is made in accordance with a resolution of Directors.

Michael Griffiths

Director

Perth

4 March 2016

Auditor's Independence Declaration

Auditor's Independence Declaration

As lead auditor for the audit of Tiger Resources Limited for the year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Tiger Resources Limited and the entities it controlled during the period.

Craig Heatley
Partner
PricewaterhouseCoopers

Perth
4 March 2016

PricewaterhouseCoopers, ABN 52 780 433 757
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T: +61 8 9238 3000, F: +61 8 9238 3999, www.pwc.com.au

Financial Statements

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2015

	Notes	Consolidated 2015 $'000	Consolidated 2014 $'000
Revenue	4	146,376	143,386
Cost of sales	6	(131,084)	(102,171)
		15,292	41,215
Other income	5	1,757	4,583
Exploration and evaluation expenses		(2,887)	(2,833)
Administration expenses	7	(6,354)	(11,928)
Foreign exchange (loss)/gain		(1,304)	127
Finance costs	7	(23,087)	(10,298)
(Loss)/profit before income tax		(16,583)	20,866
Income tax expense	8	(1,284)	(13,110)
(Loss)/profit for the year		(17,867)	7,756
Net (loss)/profit attributable to:			
Owners of Tiger Resources Limited		(17,507)	3,160
Non-controlling interests		(360)	4,596
		(17,867)	7,756
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in the fair value of equity investments	12	638	(1,501)
Total comprehensive (loss)/income for the year		(17,229)	6,255
Total comprehensive (loss)/income for the year is attributable to:			
Owners of Tiger Resources Limited		(16,869)	1,659
Non-controlling interests		(360)	4,596
		(17,229)	6,255
Basic (loss)/profit per share (cents per share)	20 (a)	(1.52)	0.34
Diluted (loss)/profit per share (cents per share)	20 (b)	(1.52)	0.34

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying Notes.

Consolidated Balance Sheet

As at 31 December 2015

	Notes	Consolidated	
		2015 $'000	2014 $'000
ASSETS			
Current assets			
Cash and cash equivalents	9 (a)	19,007	21,483
Trade and other receivables	9 (b)	12,458	38,928
Inventories	10 (a)	32,083	47,938
Equity investments at fair value through other comprehensive income	9 (c)	898	-
Other current assets	9 (b)	5,201	-
Total current assets		69,647	108,349
Non-current assets			
Receivables	9 (b)	8,244	6,316
Equity investments at fair value through other comprehensive income	9 (c)	-	260
Mine properties & development	10 (b)	75,224	77,537
Plant & equipment	10 (c)	207,724	209,296
Other non-current assets	10 (d)	7,116	-
Total non-current assets		298,308	293,409
Total assets		367,955	401,758
LIABILITIES			
Current liabilities			
Trade and other payables	9 (d)	30,893	38,513
Current tax payable	8 (f)	1,322	-
Borrowings	9 (f)	155,397	176,921
Deferred revenue		-	1,292
Total current liabilities		187,612	216,726
Non-current liabilities			
Other payables	9 (d)	2,391	-
Derivative financial instruments	9 (e)	856	600
Deferred tax liabilities	8 (e)	18,418	19,779
Provisions	10 (e)	3,598	5,609
Total non-current liabilities		25,263	25,988
Total liabilities		212,875	242,714
NET ASSETS		155,080	159,044
EQUITY			
Contributed equity	11	286,210	273,537
Reserves	12	(50,666)	(51,896)
Accumulated losses	13	(86,961)	(69,454)
Capital and reserves attributable to owners of the Company		148,583	152,187
Non-controlling interest	14 (b)	6,497	6,857
TOTAL EQUITY		155,080	159,044

The above Consolidated Balance Sheet should be read in conjunction with the accompanying Notes.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2015

		Attributable to the owners of Tiger Resources Ltd					
	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total Equity $'000
Balance at 1 January 2014		179,196	14,678	(72,614)	121,260	47,306	168,566
Profit for the year		-	-	3,160	3,160	4,596	7,756
Other comprehensive loss for the year		-	(1,501)	-	(1,501)		(1,501)
Total comprehensive income/(loss) for the year		-	(1,501)	3,160	1,659	4,596	6,255
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs	11	94,341	-	-	94,341	-	94,341
Transactions with non-controlling interests	14 (b)	-	(65,955)	-	(65,955)	(45,045)	(111,000)
Share-based payments		-	882	-	882	-	882
		94,341	(65,073)	-	29,268	(45,045)	(15,777)
Balance at 31 December 2014		273,537	(51,896)	(69,454)	152,187	6,857	159,044
Balance at 1 January 2015		273,537	(51,896)	(69,454)	152,187	6,857	159,044
Loss for the year		-	-	(17,507)	(17,507)	(360)	(17,867)
Other comprehensive income for the year		-	638	-	638	-	638
Total comprehensive income/(loss) for the year		-	638	(17,507)	(16,869)	(360)	(17,229)
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs	11	12,673	-	-	12,673	-	12,673
Transactions with non-controlling interests	14 (b)	-	-	-	-	-	-
Share-based payments	23	-	592	-	592	-	592
		12,673	592	-	13,265	-	13,265
Balance at 31 December 2015		286,210	(50,666)	(86,961)	148,583	6,497	155,080

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

Consolidated Statement of Cash Flows

For the year ended 31 December 2015

	Notes	Consolidated 2015 $'000	Consolidated 2014 $'000
Cash flows from operating activities			
Receipts from product sales		140,423	119,682
Payments to suppliers and employees		(97,035)	(93,753)
Exploration expenditure		(2,648)	(1,896)
Interest received		24	85
Bank guarantees		(48)	-
Income tax paid		(2,486)	(17,494)
Proceeds from settlement of forward contracts		-	3,470
Net cash inflows from operating activities	15 (a)	38,230	10,094
Cash flows from investing activities			
Purchase of plant and equipment	10 (c)	(16,142)	(84,761)
Contingent purchase consideration		-	(7,750)
Deposits paid		-	(275)
Net cash outflows from investing activities		(16,142)	(92,786)
Cash flows from financing activities			
Proceeds from borrowings		34,527	120,908
Repayment of borrowings		(54,184)	(20,388)
Issues of shares		13,368	86,347
Share issue costs		(695)	(4,066)
Interest paid		(13,606)	(4,615)
Financing costs		(3,967)	-
Payment for acquisition of non-controlling interest	14	-	(111,000)
Net cash (outflows)/inflows from financing activities		(24,557)	67,186
Net decrease in cash and cash equivalents held		(2,469)	(15,506)
Cash and cash equivalents at the beginning of the financial period		21,483	37,274
Net foreign exchange differences		(7)	(285)
Cash and cash equivalents at the end of the financial period	9 (a)	19,007	21,483
Non-cash financing and investing activities			
Options issued in lieu of finance costs	15 (b)	2,084	1,724
Shares issued as consideration	15 (b)	-	12,000
		2,084	13,724

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes.

SIGNIFICANT MATTERS

This section provides information about the events and transactions that occurred during the year that the Directors consider material or significant.

1 SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period:

- In February 2015 an Exploitation Permit (PE-2214) was granted for the Lupoto Copper Project. In accordance with the DRC Mining Code, the Company must transfer a 5% interest in Sase Mining SARL, the subsidiary which holds the mining licence, to the DRC government.
- In March 2015 and May 2015 the Company issued 7.9 million and 47.1 million options, respectively, to Taurus Mining Finance Fund ("Taurus"), upon extension of the existing acquisition finance facility. The options have an exercise price of A$0.097 each and an expiry date of 31 May 2019.
- On 16 December 2015, Tiger agreed final terms with Taurus and International Finance Corporation ("IFC"), a member of the World Bank Group, for a $162.5 million secured financing facility ("Facility") to refinance the existing debt facilities with Taurus and Gerald Metals SA and provide capital for the debottlenecking initiative to increase capacity of the Kipoi SXEW plant from 25,000tpa to 32,500tpa of copper cathode. Tiger is targeting completion of the expansion by November 2016.
- Key financing terms of the Facility include:
  - Term of approximately 99 months to 31 January 2024;
  - Interest rate of 9.25%, and a fee of $50/tonne of copper sold capped at 700,000 tonnes of copper sales;
  - No principal repayment until 31 January 2017; and
  - Pre-payable at any time without financial penalty.
- Tiger achieved first drawdown of the Facility on 29 January 2016.
- On 17 December 2015, the Company completed a placement to Resource Capital Funds ("RCF") at A$0.0665 per share, a 16.7% premium to the last closing price on 15 December 2015. The placement raised approximately $6.0 million.
- On 18 December 2015, the Company completed the institutional component of an equity raising by way of an accelerated entitlement offer to eligible shareholders announced on 16 December 2015, raising approximately $7.0 million (after expenses) from the issue of 216,627,815 ordinary shares at A$0.047 per share.

There have not been any significant changes in the state of affairs of the Group during the financial year, other than as noted in this financial report.

2 GOING CONCERN

The annual financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

Working capital deficiency

As at balance date the consolidated entity had a working capital deficiency of $117.965 million. Included in the working capital deficiency are current liabilities of $125.000 million, being the secured financing facilities more fully described in Note 9(f) to the financial statements, namely the Acquisition Finance Facility from Taurus drawn to $100.000 million and due for repayment on or before 31 January 2016; and the Advance Payment Facility from Gerald Metals SA drawn to $25.000 million and repayable by 30 June 2016.

The Directors have maintained the view that the continued viability of the Company is dependent on the successful replacement of the short-term facilities with long-term facilities with a sustainable repayment profile that would enable the Company to generate surplus cashflows from operations, realise its assets and discharge its liabilities in the normal course of business.

Working capital deficiency (con't)

On 16 December 2015, the Company agreed terms for a $162.500 million finance facility with Taurus and International Finance Corporation (IFC) (the Facility), and subsequent to the balance date on 29 January 2016 completed the first draw-down of $133.200 million of the Facility and repaid both the Taurus and Gerald Metals SA borrowings that existed on 31 December 2015 (refer to Note 19 for further details on subsequent events). The new facility has a 99-month term to 31 January 2024, with interest and other finance charges only payable monthly to 31 January 2017, after which principal, interest and other finance fees are payable monthly. In addition, subsequent to the balance date, the Company has completed equity raising activities for proceeds of approximately $10 million, as per Note 19.

The Directors believe that the going concern assumption is appropriate, because the new financing arrangements provide sufficient funds to expand production at Kipoi to 32,500 tonnes per annum, and a repayment profile that can reasonably be expected to be serviced from cashflows generated by the existing operations and planned upgrades at Kipoi.

HOW NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the entity, including:

(a) accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction;

(b) analysis and sub-totals, including segment information; and

(c) information about estimates and judgements made in relation to particular items.

Notes in this section:

Notes to the Consolidated Financial Statements

3 SEGMENT INFORMATION

The Group considers that it has only operated in one reportable segment, being minerals exploration, development and production in the DRC.

4 REVENUE

	Consolidated	
	2015 $'000	2014 $'000
From continuing operations		
Sale of copper cathode	140,311	79,489
Sale of copper concentrate	6,065	63,897
	146,376	143,386

The Group's revenue recognition policy is set out in Note 26(d) to the financial statements.

5 OTHER INCOME

		Consolidated	
		2015 $'000	2014 $'000
Fair value gain on derivative liability	(i)	1,728	1,123
Fair value gain on settlement of forward commodity contracts		-	3,402
Interest income		24	58
Gain on disposal of fixed assets		5	-
		1,757	4,583

(i) Fair value gain on derivative liabilities

Taurus 2014 options	536	1,123
Taurus 2015 options – tranche 1	103	-
Taurus 2015 options – tranche 2	1,089	-
	1,728	1,123

Written call options were issued to Taurus in connection with the provision of the acquisition finance facility and subsequent extension of the acquisition finance facility. The exercise price of the call options (as per Note 9(f)) are denominated in a currency other than the Group's functional currency, which gives rise to a derivative financial liability. Details of the transactions are disclosed in Note 15(b).

Fair value revaluations are accounted for through profit & loss. For further information refer to Note 9(g) to the financial statements.

6 COST OF SALES

	Consolidated	
	2015 $'000	2014 $'000
Cost of sales - cathode		
Mining	3,077	2,089
Processing	43,875	18,664
Administration	19,645	13,384
Selling costs	14,159	7,140
Royalties	5,945	3,530
Depreciation and amortisation	17,843	8,371
Inventory movements and deferred waste	14,973	3,066
	119,517	56,244
Cost of sales - concentrate		
Mining	70	5,926
Processing	1,573	12,736
Administration	2,458	7,695
Selling costs	4,796	21,586
Royalties	315	2,792
Depreciation and amortisation	-	8,561
Inventory movements and deferred waste	2,355	(13,369)
	11,567	45,927
	131,084	102,171

Total operating expenses include $12.636 million (2014: $12.067 million) of employee benefit expenses, and $27.547 million (2014: $29.886 million) of costs relating to the consumption of inventories.

7 EXPENSES

	Consolidated	
	2015 $'000	2014 $'000
Finance costs		
Interest charged on loans	14,309	8,027
Other borrowing costs	4,405	4,189
Fair value of derivatives at inception	1,984	-
Less: interest expense capitalised	-	(3,580)
	20,698	8,636
Accretion of finance costs	2,389	1,662
	23,087	10,298

The fair value of derivatives at inception is the values of options issued to Taurus being $0.217 million for tranche 1 options and $1.767 million for tranche 2 options (refer to Note 15(b)).

Administration expenses		
Employee-related expenses and Directors' fees		
Wages and salaries	2,721	2,713
Superannuation expense	108	135
Share-based payments expense	292	882
	3,121	3,730
Depreciation expense	50	42
Other administration expenses	3,183	8,156
	6,354	11,928

Total employee share-based payments expense for the period is $0.492 million (refer to Note 12(ii)) of which $0.292 million is included in administration expenses and the balance of $0.200 million in cost of sales and exploration expense.

8 INCOME TAX EXPENSE

(a) Income tax expense

	Consolidated	
	2015 $'000	2014 $'000
Current tax expense	2,645	2,360
Deferred tax (benefit)/expense	(1,361)	10,750
	1,284	13,110
Deferred income tax (benefit)/expense included in income tax expense comprises:		
(Increase) in deferred tax assets	(3,607)	(8,154)
Increase in deferred tax liabilities	2,246	18,904
	(1,361)	10,750

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	2015 $'000	2014 $'000
(Loss)/profit from continuing operations before income tax expense	(16,583)	20,866
Tax at the rate of 30% (2014: 30%)	(4,975)	6,260
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Equity compensation	82	144
Adjustments for subsidiary tax calculation when in tax loss position	1,061	1,317
Income tax benefit not brought to account	2,497	1,389
Share issue costs	(192)	(135)
Non-deductible taxes, interest and finance expenses	1,385	1,180
Non-assessable non-exempt expenses	1,358	2,138
Other non-deductible expenses	68	817
Income tax expense	1,284	13,110

(c) Tax losses

	2015 $'000	2014 $'000
Unused tax losses for which no deferred tax asset has been recognised	66,533	59,920
Potential tax benefit at 30%	19,960	17,976

All unused tax losses were incurred by the parent entity and its subsidiaries that are not part of a tax consolidated Group.

(d) Unrecognised temporary differences

	2015 $'000	2014 $'000
Temporary difference relating to various balance sheet items	(7,205)	(2,929)
Unrecognised deferred tax assets/(liabilities) relating to temporary differences	(2,161)	(879)

8 INCOME TAX EXPENSE (con't)

		Consolidated	
		2015 $'000	2014 $'000
(e)	**Deferred tax balances**		
	Deferred tax assets		
	The balance comprises temporary differences attributable to:		
	Inventories	814	1,413
	Tax losses - overseas subsidiary	23,505	19,299
	Total deferred tax assets	24,319	20,712
	Deferred tax liabilities		
	The balance comprises temporary differences attributable to:		
	Mine properties/development costs	45	959
	Provisions	1,159	436
	Plant and equipment	41,533	39,096
	Total deferred tax liabilities	42,737	40,491
	Deferred tax liabilities	42,737	40,491
	Set-off of deferred tax assets pursuant to set-off provisions	(24,319)	(20,712)
	Net deferred tax liabilities	18,418	19,779
(f)	**Current tax payable**		
	Current tax payable	1,322	-

9 FINANCIAL ASSETS AND LIABILITIES

(a) Cash and cash equivalents

	Consolidated	
	2015 $'000	2014 $'000
Current assets		
Cash on hand	19,007	5,972
Deposits at call	-	15,511
	19,007	21,483

The Group's exposure to interest rate risk is discussed in Note 17. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

(i) Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with a 24 hours' notice with no loss of interest. See Note 26(h) for the Group's other accounting policies on cash and cash equivalents.

9 FINANCIAL ASSETS AND LIABILITIES (con't)

(b) Trade and other receivables, other current assets and non-current receivables

	Consolidated	
	2015 $'000	2014 $'000
Trade and other receivables		
Trade receivables	-	13,193
Other receivable	8,814	23,474
Other tax receivable	2,218	2,094
Prepayments	954	126
Security deposits	472	41
	12,458	38,928
Other current assets		
Prepaid finance costs	5,201	-
	5,201	-
Receivables		
Tax receivable – non-current	8,244	6,316
	8,244	6,316

Trade receivables are for sales of copper concentrate and copper cathode under offtake agreements.

Other current taxes receivable include amounts reimbursable for $7.519 million (2014: $19.014 million) of goods and services tax (GST) and value added tax (VAT) and $0.957 million (2014: $3.230 million) of withholding tax. These amounts are non-interest bearing and are repayable according to applicable government regulations.

The current prepayments include an amount of $0.790 million paid in respect of an energy efficiency and network reinforcement program being undertaken to improve the quality and supply of electricity in the DRC national power network from which Kipoi draws power. The prepayments will ultimately be realised on the basis of units of power drawn from the grid. In addition to this amount, $7.116 million is classified a non-current asset (as disclosed in Note 10(d)).

Prepaid finance costs of $5.201 million are arranging and legal fees accrued to the balance date, and will be amortised over the life of the long-term Facility.

The total income tax receivable is $10.462 million, of which $2.218 million is classified as current and $8.244 million is classified as non-current.

No receivables were impaired or past due as at 31 December 2015, and based on credit history of the receivables it is expected that the amounts will be received when due. No collateral is held in relation to these receivables. The Group's impairment and other accounting policies for trade and other receivables are outlined in Note 26 (i) to the financial statements.

If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are classified as non-current assets.

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. For more information on the risk management policy of the Group, foreign currency risk and the credit quality of the entity's receivables, refer to Note 17.

9 FINANCIAL ASSETS AND LIABILITIES (con't)

(c) Equity interests at fair value through other comprehensive income

Equity interests at fair value through other comprehensive income include the following classes of financial assets:

	Consolidated	
	2015 $'000	2014 $'000
Current assets		
Listed securities - ASX:PIL (former ASX: CYS)	898	-
Non-current assets		
Listed securities - ASX:PIL (former ASX: CYS)	-	260

Reconciliation of movement in equity interests at fair value through other comprehensive income		
Current assets		
Opening balance	-	-
Reclassification from non-current assets	898	-
	898	-
Non-current assets		
Opening balance	260	1,391
Payment to acquire available-for-sale financial assets	-	370
Fair value adjustment as at balance sheet date	638	(1,501)
Reclassification to current assets	(898)	-
	-	260

Equity interests at fair value through other comprehensive income comprise of an investment of 5.1% in Peppermint Innovation Limited (formerly: Chrysalis Resources Limited), an ASX listed company (ASX: PIL (formerly ASX: CYS)). The investment is recorded at cost and is marked to market at the balance date (including movement attributable to foreign exchange) with changes recognised directly in other comprehensive income.

The Group is exposed to security price risk arising from and to the extent of its investment in Peppermint Innovation Limited. Due to the low value of the investment and non-core asset, security price risk is not considered material to the Group.

The financial assets was reclassified from non-current to current during the reporting period, as management intends to dispose of its shareholding in PIL within 12 months from the balance sheet date.

9 FINANCIAL ASSETS AND LIABILITIES (con't)

(d) Trade and other payables

	Consolidated	
	2015 $'000	2014 $'000
Current liabilities		
Trade payables	30,411	38,298
Other payables - annual leave	482	215
	30,893	38,513
Non-current liabilities		
Deferred consideration	2,391	-

Trade payables are unsecured and include $5.201 million of accrued finance costs.

Other payables represent accruals for annual leave. The entire obligation is presented as current as the Group does not have an unconditional right to defer settlement.

The carrying amounts of current trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

Deferred consideration relates to the purchase of two 30MVa substations installed at Kipoi. The total liability recognised is $4.620 million, of which $2.229 million is included in trade payables and the balance of $2.391 million is the present value of instalments due between January 2017 and March 2018.

Information about the Group's exposure to foreign exchange risk is provided in Note 17.

(e) Derivative financial liabilities

	Consolidated	
	2015 $'000	2014 $'000
Non-current liabilities		
Derivative financial liabilities	856	600
	856	600

Written call options were provided to Taurus in connection with the provision of the acquisition finance facility and subsequent extension of the acquisition finance facility. The exercise price of the call options are denominated in a currency other than the Group's functional currency, which gives rise to a derivative financial liability. Details of the transactions are included in Note 15(b).

These liabilities will only be settled via the issue of equity and are recorded at fair value. For further information refer to Note 9(g).

9 FINANCIAL ASSETS AND LIABILITIES (con't)

(f) Borrowings

	Consolidated	
	2015 $'000	2014 $'000
Current borrowings		
Advance payment facility	25,090	75,608
Acquisition finance facility	100,422	74,221
Overdraft facilities	29,885	20,358
Prepayment facility	-	3,067
Short-term amortising facility	-	3,667
	155,397	176,921

The carrying values of borrowings as presented above approximate their fair values.

Financing facilities

Advance Payment Facility

As at the balance date the principal amount of $25.000 million is outstanding on the advance payment facility from Gerald Metals, repayable in monthly instalments of $4.166 million. The facility bears interest at a fixed rate of 4.10% per annum, of which $0.090 million was accrued at the balance date. Early repayment of the facility is permitted.

In connection with the facility, SEK and Gerald Metals have entered into an off-take agreement for the purchase of 175,000 tonnes of copper cathode from the Kipoi SXEW plant, with 100% of cathode production committed until that tonnage has been delivered.

The facility is secured by a first-ranking charge over business assets of SEK including plant and equipment and ore stockpiles available as SXEW feed located at the Kipoi mine, but excluding the Stage 1 HMS plant, power station, accommodation units, low-grade run-of-mine ore stockpiles and run-of-mine cobalt stockpiles. Security is also held over certain SEK bank accounts and by way of multiple share pledges with the effect that the final secured share pledge is a 60% equity interest in SEK. The carrying value of assets pledged as security is $192.157 million.

The financial covenants applicable to the facility include a minimum Group tangible net worth of 80% of $69.000 million, and a ratio of financial indebtedness to SEK's trailing three-month annualised EBITDA (excluding ore stockpile adjustments) of not greater than 1.25 times, subsequently amended for the December 2015 quarter to 2.00 times.

The Group has complied with the covenants during the twelve months ended 31 December 2015.

Subsequent to balance date, the facility was repaid with first drawdown from the long-term Facility on 29 January 2016. Details of events subsequent to the balance date are disclosed in Note 19.

Acquisition finance facility

As at balance date, $100.000 million was outstanding on the acquisition finance facility provided from Taurus. Terms of facility included interest at a fixed rate of 11.00% per annum, and an extension fee of 0.5% of the principal outstanding upon each monthly extension of the facility term from 17 April 2015 to 17 October 2015. The facility is secured by multiple share pledges with the effect that the final secured property is a 35% equity interest in SEK. The carrying value of assets pledged as security is nil.

On 11 February 2015 the facility terms were amended to permit its use for working capital purposes, and provide the right to extend the facility from 17 October 2015 to 31 January 2016, during which extended term a fixed interest rate of 11.00% per annum applied. The amendment was subject to the issue of 55 million options to Taurus with a four-year term exercisable at A$0.10 each (subsequently adjusted to A$0.097 each).

As at 31 December 2015, the facility was fully drawn to $100.000 million, with $0.422 million of interest accrued.

Subsequent to balance date, this facility was repaid with first drawdown from the long-term facility on 29 January 2016. Details of events subsequent to the balance date are disclosed in Note 19.

9 FINANCIAL ASSETS AND LIABILITIES (con't)

Overdraft facilities
SEK has two overdraft facilities in place with local DRC banks, Rawbank and Banque Commerciale du Congo (BCDC). The Rawbank facility limit is $15.000 million and was drawn to $14.983 million at balance date. The BCDC facility limit is $15.000 million and was drawn to $14.902 million at 31 December 2015. The facilities are unsecured and accrue interest at prevailing commercial rates.

Prepayment facility
The interest-free advance payment facility of $4.600 million was fully repaid during the reporting period (2014: $3.067 million).

Short-term amortising facility
The $5.000 million short-term interest-bearing facility was fully repaid during the reporting period (2014: $3.667 million).

(g) Fair value measurements

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Derivative financial instruments
- Equity investments at fair value through other comprehensive income

a) *Fair value hierarchy*
AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Recognised fair value measurements
The following table presents the Group's assets and liabilities measured and recognised at fair value at 31 December 2015.

Consolidated entity	Level 1 $'000s	Level 2 $'000s	Level 3 $'000s	Level 4 $'000s
As at 31 December 2015				
Recurring fair value measurements				
Financial assets				
Equity investments at fair value through other comprehensive income				
Equity securities	898	-	-	898
Total financial assets	898	-	-	898
Financial liabilities				
Derivatives	-	856	-	856
Total financial liabilities	-	856	-	856

9 FINANCIAL ASSETS AND LIABILITIES (con't)

Consolidated entity	Level 1 $'000s	Level 2 $'000s	Level 3 $'000s	Level 4 $'000s
As at 31 December 2014				
Recurring fair value measurements				
Financial assets				
Equity investments at fair value through other comprehensive income				
Equity securities	260	-	-	260
Total financial assets	260	-	-	260
Financial liabilities				
Derivatives	-	600	-	600
Total financial liabilities	-	600	-	600

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period.
The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

b) Valuation techniques used to derive level 2 fair values

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The fair value of the derivative financial instruments is determined using a Black-Scholes valuation model incorporating the following observable market data:

- The Company's share price as quoted on the ASX
- Volatility in the Company's share price
- Foreign exchange rates
- Risk-free market interest rates

10 NON-FINANCIAL ASSETS AND LIABILITIES

(a) Inventories

	Consolidated	
	2015 $'000	2014 $'000
Current assets		
Consumables - at cost	7,619	5,967
Ore stockpiles - at cost	11,086	26,383
Copper in circuit - at cost	8,714	7,810
Finished goods - cathode - at cost	4,664	5,423
Finished goods - concentrate - at cost	-	2,355
	32,083	47,938

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. The Group's accounting policy is set out in Note 26 (j).

(b) Mine properties and development

	Consolidated	
	2015 $'000	2014 $'000
Opening balance	77,537	71,440
Additions	19	6,650
Rehabilitation asset (reduction)/addition	(1,982)	1,973
Deferred stripping	-	2,326
Amortisation	(350)	(4,852)
Closing balance	75,224	77,537

During the year, the rehabilitation provision was re-estimated based on updated economic assumptions. The decrease in the provision was predominantly due to the revision of the discount rate applied to rehabilitation liability, resulting in a corresponding reduction in the cost of the rehabilitation asset.

Mine properties and development expenditure is amortised over the life of mine.

Notes to the Consolidated Financial Statements

10 NON-FINANCIAL ASSETS AND LIABILITIES (con't)

(c) Property, plant and equipment

	Consolidated				
	Motor Vehicles $'000	Plant and Equipment $'000	Land and Buildings $'000	Construction in Progress $'000	Total $'000
At 1 January 2014					
Cost	3,369	21,145	4,219	130,264	158,997
Accumulated depreciation	(1,935)	(15,745)	(379)	-	(18,059)
Net book value	1,434	5,400	3,840	130,264	140,938
Year ended 31 December 2014					
Opening net book amount	1,434	5,400	3,840	130,264	140,938
Additions	-	34	-	80,817	80,851
Write off - cost	-	(189)	-	(106)	(295)
Transfers (to)/from other classes	126	206,195	306	(206,627)	-
Depreciation charge	(665)	(11,492)	(230)	-	(12,387)
Write off - accumulated depreciation	-	189	-	-	189
Closing net book amount	895	200,137	3,916	4,348	209,296
At 31 December 2014					
Cost	3,494	227,187	4,525	4,348	239,554
Accumulated depreciation	(2,599)	(27,050)	(609)	-	(30,258)
Net book value	895	200,137	3,916	4,348	209,296
Year ended 31 December 2015					
Opening net book amount	895	200,137	3,916	4,348	209,296
Additions	-	1,020	74	15,055	16,149
Write off - cost	(22)	-	-	-	(22)
Transfers (to)/from other classes	-	13,991	92	(14,083)	-
Depreciation charge	(503)	(16,980)	(238)	-	(17,721)
Write off - accumulated depreciation	22	-	-	-	22
Closing net book amount	392	198,168	3,844	5,320	207,724
At 31 December 2015					
Cost	3,472	242,196	4,691	5,320	255,679
Accumulated depreciation	(3,080)	(44,028)	(847)	-	(47,955)
Net book value	392	198,168	3,844	5,320	207,724

Depreciation on assets is calculated using the straight line method or units or production method to allocate their cost, net of their residual values, over their estimated useful lives.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Assets within operations where production is not expected to fluctuate significantly from one year to another or which have a physical life that differs from the related mine are depreciated on a straight line basis over the estimated useful life of the asset as follows:

- Buildings	25 - 40 years
- Machinery	10 - 15 years
- Vehicles	3 - 5 years
- Furniture, fittings and equipment	3 - 8 years
- Leased plant and equipment	10 - 15 years

10 NON-FINANCIAL ASSETS AND LIABILITIES (con't)

Where the useful life of an asset is directly linked to the extraction of ore from the mine, the asset is depreciated using the units of production method. In applying the units of production method, depreciation is normally calculated using the quantity of material extracted from the mine in the period as a percentage of the total quantity of material to be extracted in current and future periods based on reserves.

See Note 26 (m) for the other accounting policies relevant to property, plant and equipment.

(d) Prepayments

	Consolidated	
	2015 $'000	2014 $'000
Prepayments – non-current	7,116	-

The non-current prepayments are comprised of the non-current portion of $7.906 million paid in respect of an energy efficiency and network reinforcement program being undertaken to improve the quality and supply of electricity in the DRC national power network from which Kipoi draws power. The prepayments will ultimately be realised on the basis of units of power drawn from the grid. The risks to achieving grid power include, but are not limited to, the availability of power from the DRC national grid, climatic factors and the performance of the DRC national grid. In addition to this amount, $0.790 million is classified as a current asset (as disclosed in Note 9(b)).

(e) Provisions

		Consolidated	
		2015 $'000	2014 $'000
Non-current			
Employee benefits - long service leave		93	128
Provision for rehabilitation	(i)	3,408	5,164
Other provisions		97	317
		3,598	5,609

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. For more information on the Group's accounting policy for provisions refer to Note 26(q).

(i) Reconciliation of movement in provision for rehabilitation

	Consolidated	
	2015 $'000	2014 $'000
Provision for rehabilitation		
Opening balance	5,164	3,058
Additional provision recognised	-	1,934
Revision of estimate in provision	(2,037)	-
Unwinding of discount	281	172
Closing balance	3,408	5,164

Provision for rehabilitation relates to the Kipoi Copper Project area. The Group makes provision for the future cost of rehabilitating mine sites and related production facilities based on the future value of discounted cash flows. The rehabilitation provision represents the present value of rehabilitation costs based on disturbance incurred to balance date.

During the year, the rehabilitation provision was re-estimated based on updated economic assumptions. The decrease in the provision was predominantly due to the revision of the discount rate applied to rehabilitation liability, resulting in a corresponding reduction in the cost of the rehabilitation asset.

11 CONTRIBUTED EQUITY

(a) Share capital

	2015 Number	2015 $'000	2014 Number	2014 $'000
Ordinary shares fully paid net of costs	1,484,618,275	286,210	1,143,541,406	273,537

(b) Movement in ordinary share capital

Date		Number of shares	Issue price A($)	$'000
	2014			
01-Jan-14	Opening balance	802,710,269	-	179,196
07-Feb-14	Vesting of performance rights	601,426	-	-
10-Apr-14	Shares issued as consideration	35,585,922	0.3400	12,000
19-Jun-14	Capital raising	59,886,610	0.3200	19,052
08-Sep-14	Capital raising	152,114,492	0.2800	42,785
26-Sep-14	Capital raising	92,642,687	0.2600	24,511
	Capital raising costs	-		(4,007)
31-Dec-14	Closing balance	1,143,541,406		273,537
	2015			
01-Jan-15	Opening balance	1,143,541,406	-	273,537
17-Dec-15	Share placement	124,449,054	0.0665	6,000
23-Dec-15	Issue under rights entitlement	216,627,815	0.0470	7,368
	Capital raising costs	-	-	(695)
31-Dec-15	Closing balance	1,484,618,275		286,210

Shares are issued at a price denominated in Australian dollars. The issue prices in the above table are translated to US dollars at the exchange rate prevailing at the date that funds were received and shares issued.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon poll each share is entitled to one vote.

All shares are a single class with equal rights to dividends, capital distributions and voting. The Company does not have authorised capital nor par value in respect of its issued shares.

11 CONTRIBUTED EQUITY (con't)

(c) Unlisted options

Movement in unlisted options

Expiry date	Exercise price	Balance at start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Expired during the year	Balance at end of the year	Vested and exercisable at end of the year
	A$	Number	Number	Number	Number	Number	Number	Number
For the year ended 31 December 2015								
20-Feb-15	0.480	2,150,000	-	-	-	(2,150,000)	-	-
26-Mar-15	0.480	150,000	-	-	-	(150,000)	-	-
21-May-15	0.460	1,600,000	-	-	-	(1,600,000)	-	-
31-Dec-15	0.400	1,850,000	-	-	-	(1,850,000)	-	-
16-Oct-18	0.397[1]	20,000,000	-	-	-	-	20,000,000	20,000,000
31-May-19	0.097[1]	-	55,000,000	-	-	-	55,000,000	55,000,000
30-Jun-18	0.079[1]	-	1,641,648	-	-	-	1,641,648	1,641,648
		25,750,000	56,641,648	-	-	(5,750,000)	76,641,648	76,641,648
Weighted average exercise price (A$)		0.41	0.10	-	-	0.45	0.17	0.17

[1] *These options were originally issued with exercise prices of A$0.40, A$0.10 and A$0.08 respectively, but the exercise prices were revised in December 2015 in accordance with their terms of issue as a consequence of the rights issue announced on 16 December 2015.*

Expiry date	Exercise price	Balance at start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Expired during the year	Balance at end of the year	Vested and exercisable at end of the year
For the year ended 31 December 2014								
13-Feb-14	0.51	400,000	-	-	-	(400,000)	-	-
24-Jul-14	0.54	225,000	-	-	-	(225,000)	-	-
17-Mar-14	0.48	900,000	-	-	-	(900,000)	-	-
14-Jun-14	0.46	100,000	-	-	-	(100,000)	-	-
31-Dec-14	0.35	2,050,000	-	-	-	(2,050,000)	-	-
20-Feb-15	0.48	2,350,000	-	-	(200,000)	-	2,150,000	2,150,000
26-Mar-15	0.48	150,000	-	-	-	-	150,000	150,000
21-May-15	0.46	1,600,000	-	-	-	-	1,600,000	1,600,000
31-Dec-15	0.40	-	1,850,000	-	-	-	1,850,000	1,850,000
16-Oct-18	0.40	-	20,000,000	-	-	-	20,000,000	20,000,000
		7,775,000	21,850,000	-	(200,000)	(3,675,000)	25,750,000	25,750,000
Weighted average exercise price (A$)		0.44	0.40	-	0.48	0.41	0.41	0.41

Notes to the Consolidated Financial Statements

11 CONTRIBUTED EQUITY (con't)

(d) Performance Rights

Movement in performance rights

Expiry date	Exercise price A$	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
For the year ended 31 December 2015							
31-Mar-16[1]	-	685,796	-	-	-	685,796	-
31-Mar-16[1]	-	804,649	-	-	(804,649)	-	-
22-May-16	-	2,564,812	-	-	(1,336,505)	1,228,307	-
13-Aug-16	-	933,225	17,924	-	(320,236)	630,913	-
20-May-17	-	4,373,157	-	-	(2,384,857)	1,988,300	-
27-May-18	-	-	7,803,847	-	(3,324,481)	4,479,366	-
		9,361,639	7,821,771	-	(8,170,728)	9,012,682	-
For the year ended 31 December 2014							
01-Aug-14	-	624,236	-	(601,426)	(22,810)	-	-
31-Dec-14	-	685,796	-	-	-	685,796	-
21-May-15	-	804,649	-	-	-	804,649	-
22-May-16	-	2,564,812	-	-	-	2,564,812	-
13-Aug-16	-	933,225	-	-	-	933,225	-
20-May-17	-	-	4,373,157	-	-	4,373,157	-
		5,612,718	4,373,157	(601,426)	(22,810)	9,361,639	-

[1] *Vesting and expiry date of performance rights were modified during the year. The original measure of performance - total shareholder return for the two years ending 31 December 2014, was changed to 31 December 2015, and the expiry date was extended from 31 December 2015 to 31 March 2016. 804,649 of those performance rights were forfeited during the year and an assessment by the Remuneration, Nomination and Corporate Governance Committee as to whether the remaining 685,796 performance rights will vest is yet to be made.*

Remaining weighted average life of the performance rights on issue at 31 December 2015 is 1.62 years.

(i) Capital risk management

The capital structure of the Group comprises of issued capital and reserves attributable to shareholders. The Group is committed to manage its capital and monitor the gearing ratio to safeguard the Group's ability to continue as a going concern and maximise returns to stakeholders.

The Group operates through subsidiary companies in the DRC. None of the Group's subsidiaries are subject to externally imposed capital requirements. The Group's cash flows are used for exploration, development, mineral production and to fund corporate costs of the Company.

12 RESERVES

		Consolidated	
		2015 $'000	2014 $'000
Equity investments reserve	(i)	(1,557)	(2,195)
Share option reserve	(ii)	22,879	22,287
Foreign currency translation reserve	(iii)	(6,033)	(6,033)
Non-controlling interest reserve	(iv)	(65,955)	(65,955)
		(50,666)	(51,896)

Nature and reconciliation of movement in reserves

(i) Equity investments reserve

Changes in the fair value and exchange differences arising on translation of investments that are classified as equity investments at fair value through other comprehensive income assets, are recognised in other comprehensive income and accumulated in a separate reserve within equity. For further information about the Group's accounting policy regarding equity investments at fair value through other comprehensive income assets refer to Note 26 (k).

	Consolidated	
	2015 $'000	2014 $'000
Balance at the beginning of the period	(2,195)	(694)
Fair value revaluation	638	(1,501)
Balance at the end of the period	(1,557)	(2,195)

(ii) Share option reserve

The share option reserve is used to record the value of share-based payments provided through the issue of options over ordinary shares.

	Consolidated	
	2015 $'000	2014 $'000
Balance at the beginning of the period	22,287	21,405
Employee share-based payment expense for the period	492	882
Finance costs equity settled	100	-
Balance at the end of the period	22,879	22,287

(iii) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations with a functional currency different to the Group's. There was no movement in the reserve during the current and comparative period.

(iv) Non-controlling interest reserve

The non-controlling interest reserve is used to record transactions between equity holders. There was no movement in the reserve during the current period (2014: increase of $65,955 million as a result of acquisition of non-controlling interest).

13 ACCUMULATED LOSSES

	Consolidated	
	2015 $'000	**2014 $'000**
Opening balance	(69,454)	(72,614)
Net (loss)/profit for the year	(17,507)	3,160
Closing balance	(86,961)	(69,454)

14 INTERESTS IN OTHER ENTITIES

(a) Material subsidiaries

The Group's principal subsidiaries at 31 December 2015 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal activities	Country of incorporation	Ownership interest held by the Group 2015 %	Ownership interest held by the Group 2014 %
Tiger Congo SARL	Mineral exploration	DRC	100	100
Congo Minerals SARL	Holding entity	DRC	100	100
Société d'Exploitation de Kipoi SA (SEK)	Mining entity	DRC	95	95
Sase Mining SARL	Mineral exploration	DRC	95	100
Tiger Resources Finance Ltd	Holding entity	British Virgin Islands	100	100
Balcon Holdings Ltd	Holding entity	British Virgin Islands	100	100
Havelock Finance Ltd	Holding entity	British Virgin Islands	100	100
Balcon Investments and Logistics (Pty) Ltd	Holding entity	South Africa	100	100

14 INTERESTS IN OTHER ENTITIES (con't)

(b) Non-controlling interests

Set out below is summarised information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before intercompany eliminations.

	SEK		Sase Mining SARL	
	2015 $'000s	2014 $'000s	2015 $'000s	2014 $'000s
Summarised balance sheet				
Current assets	49,005	111,204	287	-
Current liabilities	(84,842)	(211,109)	(132)	-
Current net (liabilities)/assets	(35,837)	(99,905)	155	-
Non-current assets	231,724	216,685	418	-
Non-current liabilities	(110,116)	(25,159)	(20,022)	-
Non-current net assets/(liabilities)	121,608	191,526	(19,604)	-
Net assets/(liabilities)	85,771	91,621	(19,449)	-
Accumulated NCI	6,559	6,857	(62)	
Summarised statement of comprehensive income				
Revenue	146,376	143,406	-	-
(Loss)/profit for the period	(5,957)	17,861	(1,451)	-
Total comprehensive (loss)/income	(5,957)	17,861	(1,451)	-
(Loss)/profit allocated to NCI	(298)	4,596	(62)	-
Summarised cash flows				
Cash flows from operating activities	51,006	1,999	(1,371)	-
Cash flows from investing activities	(16,140)	(62,933)	-	-
Cash flows from financing activities	(39,121)	66,949	1,429	-
Net (decrease)/increase in cash and cash equivalents	(4,255)	6,015	58	-

Total loss attributable to non-controlling interests for the year is $0.360 million (2014: $4.596 million). The aggregate amount of non-controlling interest in equity at 31 December 2015 is $6.497 million (2014: $6.857 million).

Transactions with non-controlling interests - SEK
On 17 October 2014 the Group acquired an additional 35% of the issued capital of SEK, taking its total equity holding to 95%. Total cash consideration paid was $111.000 million. Immediately prior to the purchase, the carrying amount of the existing 40% non-controlling interest in SEK was $51.480 million. The Group recognised a decrease in non-controlling interests of $45.045 million and a decrease in equity attributable to owners of the parent of $65.955 million.

During the current year the Group maintained its holding interest in SEK of 95%, the same percentage it held at the end of the previous year.

Transactions with non-controlling interests – Sase Mining SARL
In February 2015 the Lupoto Copper Project exploration licence, held by company's subsidiary Sase Mining SARL (SASE), was converted to a mining licence. In accordance with the DRC Mining Code, which imposes a minimum state holding requirement in all mining interests in DRC of 5%, the portion of SASE loss for the period from the time of licence conversion to the end of the year corresponding to the state-held percentage has been attributed to non-controlling interest.

15 CASH FLOW INFORMATION

(a) Reconciliation of (loss)/profit after income tax to net cash inflow from operating activities

	Consolidated	
	2015 $'000	2014 $'000
(Loss)/profit for the year	(17,867)	7,756
Gain from fair value of other financial assets	(1,728)	(1,124)
Depreciation and amortisation	17,893	9,149
Share-based payments	492	882
Non-cash finance costs	2,422	1,471
Net exchange differences	1,304	(87)
	2,516	18,047
Change in operating assets and liabilities:		
Decrease/(Increase) in trade and other receivable	24,542	(13,157)
Decrease/(Increase) in inventories	15,855	(22,080)
(Decrease)/increase in trade payables	(3,322)	16,534
(Decrease)/increase in deferred tax liabilities	(1,361)	10,750
Net cash inflow from operating activities	38,230	10,094

(b) Non-cash investing and financing activities

In 2014 the Company issued 20 million options to Taurus Mining Finance Fund L.P. (Taurus) pursuant to terms of the acquisition finance facility entered into on 27 August 2014. The options were issued for no consideration with an exercise price of at A$0.40 each, expiring on 16 October 2018. The value of these options, being $1.724 million, was derived using an appropriate valuation methodology based on the aforementioned terms. During the year, the fair value of the options issued in 2014 decreased by $0.536 million (2014: $1.124 million).

During 2015 the Company issued 55 million options to Taurus, upon extension of the acquisition finance facility (per Note 9(f)). The first tranche of 7.9 million options was issued on 9 March 2015 and second tranche of 47.1 million options on 29 May 2015. Both tranches of options were issued for no consideration with an exercise price of A$0.10 each, expiring on 31 May 2019. Based on these terms, the options were valued using an appropriate valuation methodology; the values derived being $0.217 million for tranche 1 options and $1.767 million for tranche 2 options. During the year, the fair value of the options issued in 2015 decreased by $1.192 million.

The value at inception is included in finance costs within other borrowing costs, while the impact of subsequent marked-to-market valuations is included in the fair value of derivative liabilities.

During the year, the Company settled finance costs of $0.100 million through the issue of 1,641,648 options to Standard Bank and Rand Merchant Bank, a division of First Rand Bank. The options were issued on 31 July 2015 vesting immediately, with an exercise price of A$0.0816 each and an expiry date of 30 June 2018.

No shares were issued by the Company as consideration to suppliers during the year (2014: $12.000 million).

RISK

This section of the Notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

Notes in this section:

16 CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS

In applying the Group's accounting policies, management continually evaluates judgments, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgments, estimates and assumptions. Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below.

(a) Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and financiers by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes and Monte Carlo simulation valuation model, with the assumptions detailed in Note 23. The accounting estimates and assumptions relating to equity-settled share-based payments impact the carrying amounts of assets and liabilities, expenses and equity in the current and future reporting periods.

(b) Income Taxes

The Group is subject to income tax in Australia and jurisdictions where it has foreign operations. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(c) Rehabilitation provision

Provision is made for the anticipated costs of future environmental restoration and rehabilitation of mining areas from which natural resources have been extracted in accordance with the accounting policy in Note 26(r). These provisions include future cost estimates associated with site restoration, reclamation, decontamination, water purification and permanent storage of historical residues. These future cost estimates are discounted to their present value. The calculation of these provision estimates requires assumptions such as application of environmental legislation, plant closure dates, available technologies, and discount rates. A change in any of the assumptions used may have a material impact on the carrying value of mine rehabilitation provision. The provision is recognised (together with a corresponding amount as part of the related property, plant and equipment) once an obligation crystallises in the period when a reasonable estimate can be made.

(d) Ore reserve and resource estimates

Ore reserves are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves based on information compiled by appropriately qualified persons relating to the geological judgments to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of commodity prices, future capital requirements, and production costs along with geological assumptions and judgments made in estimating the size and grade of the ore body. Changes in the reserve or resource estimates may impact upon the carrying value of mine properties, provision for rehabilitation, and depreciation and amortisation charges.

16 CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS (con't)

(e) Impairment of non-current assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. The Company considers the relationship between its market capitalisation and its assets' book values, among other factors, when reviewing for indicators of impairment. As at 31 December 2015, the market capitalisation of the Company was below the book value of its assets indicating a potential trigger for impairment of assets.

(i) Methodology

An impairment loss is recognised for a cash generating unit (CGU) when the recoverable amount is less than its carrying amount. The recoverable amount of each CGU has been estimated using a fair value less costs of disposal basis. The costs of disposal have been estimated by management based on prevailing market conditions.

Fair value is based on the net present value of estimated future cash flows for CGU. Future cash flows are based on a number of assumptions, including commodity price expectations, mineral reserves and expectations regarding future operating performance and capital requirements which are subject to risk and uncertainty. An adverse change in one or more of the assumptions used to estimate fair value could result in a reduction of the CGU's fair value.

(ii) Key assumptions

At the end of the reporting period, the key assumptions used by the Directors in determining the recoverable amount for the Group's Kipoi CGU were in the following ranges:

	31 December 2015	
Assumptions	2016 to 2020	Long Term 2021+
Copper price	\$2.16/lb to \$2.86/lb	\$3.16/lb
Post-tax nominal discount rate	15.50%	

Commodity prices are estimated with reference to Consensus Economics December 2015 copper price forecasts.

Life of mine production, operating cost and capital cost assumptions are based on the Group's most recent life of mine plan and budget. The assumptions includes the development of the debottleneck expansion to increase copper cathode production by 30% to 32,500tpa as per the Engineering and Costing Study announced in the ASX release on 31 July 2015. Mineral reserves not in the most recent life of mine plan are not included in the determination of recoverable amount.

To determine the recoverable amount, the estimated future cash flows have been discounted to their present value using a post-tax nominal-discount rate that reflects a current market assessment of the time value of money and risks specific to the asset.

(iii) Impacts

As at the reporting date, the Group has conducted a carrying value analysis and assessed the fair value as being greater than its carrying amount at 31 December 2015.

(iv) Sensitivity analysis

Variation in the key assumptions used to determine fair value will result in a change to the estimated fair value. The Group has performed a sensitivity analysis on the key assumptions inherent in the fair value estimation and concludes that even with reasonably possible variances in these key assumptions, the fair value of the CGU is still greater than its carrying amount.

17 FINANCIAL RISK MANAGEMENT

(a) Financial risk management objectives

The Group is exposed to financial risks through the normal course of its business operations. The key risks impacting the Group's financial instruments are considered to be foreign currency risk, interest rate risk, liquidity risk, commodity price risk and credit risk. The Group's financial instruments exposed to these risks are cash and cash equivalents, trade receivables, trade payables and borrowings.

The executive Directors monitor the Group's risks on an ongoing basis and report to the Board. The Group currently does not use derivative financial instruments as part of its risk management process.

(b) Market risk

(i) Foreign currency risk management
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The Group's functional currency is US dollars. Revenue from copper sales is denominated in US dollars, as are the majority of the Group's operating costs.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Management's policy is to manage foreign exchange risk against the functional currency. Management manage foreign exchange risk by continuously monitoring forecasts and spot prices of foreign currency.

The carrying amounts of the Group's financial assets and liabilities are denominated in US dollars except as set out below:

	Consolidated	
	2015 $'000	2014 $'000
Cash and cash equivalents	1,387	457
Trade and other payables	3,143	1,648

Total cash and cash equivalents of $1.387 million held in currencies other than US dollars, include $0.406 million held in Australian dollars, $0.016 million held in South African Rand and $0.965 million held in Congolese Francs.

Total trade and other payables of $3.143 million denominated in currencies other than US dollars, $0.572 million is payable in AUD and $2.571 is payable in CDF.

Group sensitivity
Based on the financial instruments held at 31 December 2015, had the above currencies strengthened/weakened by 10% against the US dollar with all other variables held constant, the Group's post tax profit for the year would have been $147,519 higher/$203,342 lower (2014: $75,828 higher/$92,679 lower), mainly as a result of foreign exchange gains/losses on translation of financial instruments denominated in Australian Dollars and Congolese Francs. There would have been no impact on other equity had the same currencies weakened/strengthened by 10% against the US dollar.

17 FINANCIAL RISK MANAGEMENT (con't)

(ii) Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group's deposit funds at both short-term fixed and floating rates of interest.

The Group's main interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. During 2015, the Group's borrowings at variable rate were denominated in US Dollars.

Instruments used by the Group

As at the end of the reporting period, the Group had no variable rate borrowings (2014: nil) outstanding.

Group sensitivity

The Group had no exposure to variable rates of interest as at 31 December 2015 (2014: nil).

(iii) Price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Group's commodity inputs and outputs. The Group's primary exposure is to commodity price risk arising from revenue derived from copper sales. Commodity price risk associated with financial instruments relates primarily to changes in fair value caused by settlement adjustments to receivables. The Group has a policy of fixing the price for the quotational period for sales and for final sale adjustments in order to limit its exposure to future commodity price movements on volumes of cathode and concentrate sold.

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who oversee a liquidity risk management framework for the management of the Group's funding and liquidity management requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring there are appropriate plans in place to finance these future cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity Groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities	Less than 6 months $'000	6 – 12 months $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount of liabilities $'000
At 31 December 2015							
Non-derivatives							
Non-interest bearing	(32,329)	(924)	(1,077)	-	-	(34,330)	(33,796)
Interest bearing	(154,885)	-	-	-	-	(154,885)	(154,885)
Total non-derivatives	(187,214)	(924)	(1,077)	-	-	(189,215)	(188,681)
As at 31 December 2014							
Non-derivatives							
Non-interest bearing	(38,912)	-	-	-	-	(38,912)	(38,912)
Interest bearing	(67,953)	(111,095)	-	-	-	(179,048)	(176,921)
Total non-derivatives	(106,865)	(111,095)	-	-	-	(217,960)	(215,833)

Further information regarding the borrowings of the Group can be found in Note 9(f) to the financial statements.

17 FINANCIAL RISK MANAGEMENT (con't)

(d) Credit risk

The Group's maximum exposures to credit risk in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet. Credit risk arises from the non-performance by counterparties of contractual financial obligations. Credit risk arises from cash and cash equivalents, deposits with banks, credit exposures to customers, any outstanding receivables and committed transactions.

Management assesses the credit quality of the customer by taking into account its financial position, past experience and other factors. For banks and financial institutions, management considers independent ratings. If there is no independent rating, risk control assesses the credit quality of the parties, taking into account its financial position, past experience and other factors.

Credit risk further arises in relation to financial guarantees given to certain parties (see Note 25(b) for details). Such guarantees are only provided in exceptional circumstances and are subject to specific Board approval.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Consolidated	
	2015 $'000	2014 $'000
Trade and other receivables		
External receivables - unrated counterparties	1,452	13,667
Indirect taxes receivable in foreign jurisdictions	7,378	-
Security deposits	472	41
Term deposits	-	50
	9,302	13,758
Cash at bank and short-term deposits		
AA rated banks	17,795	491
A rated banks	-	15,511
BBB rated banks	154	5,376
CCC rated banks	12	-
Unrated external banks	1,046	105
	19,007	21,483

(e) Fair value estimations

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements represent or approximate their respective fair values.

17 FINANCIAL RISK MANAGEMENT (con't)

UNRECOGNISED ITEMS

This section of the Notes provides information about items that are not recognised in the financial statements as they do not satisfy the relevant recognition criteria.

In addition to the items and transactions disclosed below, there are also:

a) Unrecognised tax amounts – refer to Note 8

b) Non-cash investing and financing transactions – refer to Note 15(b)

Notes in this section:

18 COMMITMENTS AND CONTINGENCIES

(a) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	Consolidated	
	2015 $'000	2014 $'000
Property, plant and equipment	-	5,976

The Group has contracted other commitments detailed below:

Energy efficiency and network reinforcement programs
SEK has entered into an agreement in respect of an energy efficiency and network reinforcement program being undertaken to improve the quality and supply of electricity in the DRC national power network from which Kipoi draws power. At balance date, under the terms of this agreement, SEK had payment commitments of $23.704 million over a further four year period (2014: $29.704 million). These future contribution payments will ultimately be recouped by way of power tariff rebates based on the units of power drawn from the grid.

Mining Services
SEK has entered into a 5 year mining contract in respect to the provision of contract mining services to Kipoi. The value of the mining contract is $130.736 million over the 5 year period (2014: nil). The mining contract can be terminated with 90 days' notice.

Debottlenecking expansion
SEK has executed non-binding letters of intent with its principal contractor for a $4.974 million contract for the expansion of the electro-winning facility and a $14.379 million contract for the design, construction and installation of a tank leach facility (2014: nil), as part of the overall $25 million estimated cost of the SXEW debottlenecking.

(b) Contingent liabilities

Tax liabilities
SEK's income tax return for the year ended 31 December 2014 is under review in accordance with standard annual tax audit procedures in the DRC. Progress is not yet at a stage where it can be reliably determined if a further income tax expense will be incurred.

It should be noted that there is an inherent and inevitable uncertainty in the outcome of the tax assessment which depend, among other things, on differing interpretations of tax legislation and its application in individual cases. Therefore, while SEK is confident of a favourable outcome to any potential re-assessment of the income tax under review, there can be no absolute assurance that the final outcome will not result in a material liability to SEK.

19 EVENTS SUBSEQUENT TO BALANCE DATE

Financing facility

The first drawdown of the $162.500 million Facility with Taurus and IFC was achieved on 29 January 2016 with an initial amount of $133.200 million drawn.

The drawdown repaid the previous secured debt facilities with Taurus (acquisition finance facility) and Gerald Metals. The undrawn balance of the Facility of $29.300 million provides expansion capital for the debottlenecking initiative to increase the capacity of the Kipoi SXEW plant to 32,500tpa. The first scheduled repayment of the debt principal is due on 31 January 2017, so that obligations in relation to the Facility will be of interest only and other finance charges until that date.

Equity raisings

Subsequent to 31 December 2015, the Company completed the retail component of the non-renounceable accelerated rights issue announced on 16 December 2015, by the issue of approximately 107 million shares at A$0.047 per share raising approximately $3.500 million.

RCF and IFC subscribed for 48.7 million shortfall shares ($1.57 million) and 154.7 million shortfall shares ($5.000 million) respectively under the terms of their subscription agreements with Tiger.

Except for the matter discussed above, no other matter or circumstance has arisen since 31 December 2015 that has significantly affected, or may significantly affect the Group's operations in future financial years, the results of those operations in future financial years, or the Group's state of affairs in future financial years.

OTHER INFORMATION

This section of the Notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Notes in this section:

20 EARNINGS PER SHARE

(a) Basic earnings per share

	Consolidated	
	2015 Cents	2014 Cents
From continuing operations attributable to the ordinary shareholders of the Company	(1.52)	0.34
Total basic earnings per share attributable to the ordinary equity holders of the Company	(1.52)	0.34

(b) Diluted earnings per share

	Consolidated	
	2015 Cents	2014 Cents
From continuing operations attributable to the ordinary shareholders of the Company	(1.52)	0.34
Total diluted earnings per share attributable to the ordinary equity holders of the Company	(1.52)	0.34

(c) Net (loss)/profit used in calculation of basic/diluted earnings per share

	2015 $'000	2014 $'000
Net (loss)/profit used in calculation of basic/diluted earnings per share	(17,507)	3,160

(d) Weighted average number of shares used as the denominator

	2015 $'000	2014 $'000
Weighted average number of shares on issue during the financial year used in the calculation of basic earnings per share	1,153,997,259	933,889,463
Adjustments to calculation of diluted earnings per share - options/performance rights	-	2,203,934
Weighted average number of shares on issue and potential ordinary shares used as the denominator in calculating diluted earnings per share	1,153,997,259	936,093,397

21 KEY MANAGEMENT PERSONNEL (KMP) COMPENSATION

(a) Key management personnel compensation

	Consolidated	
	2015 $'000	2014 $'000
Short-term	2,185	1,860
Post-employment	33	36
Share-based remuneration	357	537
	2,575	2,433

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on exercise of such options, together with terms and conditions of the options, are disclosed in Note 23 (e).

Details of KMP share-based compensation are disclosed in the Remuneration Report.

The number of options over ordinary shares in the Company held during the financial year by each Director of Tiger Resources Limited and other key management personnel of the Group, including their personally related parties are set out in the tables below.

	Balance at 1 January	Granted as compensation	Lapsed	Exercised	Balance at 31 December	Vested and Exercisable
2015						
Non-Executive Directors						
N Fearis	1,000,000	-	(1,000,000)	-	-	-
D Constable	600,000	-	(600,000)	-	-	-
M Griffiths	-	-	-	-	-	-
M Connelly	-	-	-	-	-	-
Executive Directors						
B Marwood	-	-	-	-	-	-
S Hills	-	-	-	-	-	-
Other Executives						
C Brown	500,000	-	(500,000)	-	-	-
S Shah	300,000	-	(300,000)	-	-	-
	2,400,000	-	(2,400,000)	-	-	-
2014						
Non-Executive Directors						
N Fearis	1,000,000	-	-	-	1,000,000	1,000,000
D Constable	600,000	-	-	-	600,000	600,000
M Griffiths	-	-	-	-	-	-
Executive Directors						
B Marwood	-	-	-	-	-	-
S Hills	500,000	-	(500,000)	-	-	-
Other Executives						
C Brown	500,000	-	-	-	500,000	500,000
S Shah	300,000	150,000	(150,000)	-	300,000	300,000
	2,900,000	150,000	(650,000)	-	2,400,000	2,400,000

All vested options were exercisable at the end of the period. No amounts were unpaid on any shares issued on the exercise of options.

21 KEY MANAGEMENT PERSONNEL (KMP) COMPENSATION (con't)

(ii) Share holdings

The number of shares in the Company held during the financial year by each Director and other KMP of the Group, including their personally related parties, are set out in the tables below.

	Balance at 1 January	(Disposal)/ Purchase	Exercise of options/ Performance Rights vested	Balance at 31 December
2015				
Non-Executive Directors				
N Fearis	200,000	300,000[1]	-	500,000
D Constable	150,000	-	-	150,000
M Griffiths	-	138,000[1]	-	138,000
M Connelly	-	-	-	-
Executive Directors				
B Marwood	3,159,230	(3,159,230)[2]	-	-
S Hills	1,613,863	-	-	1,613,863
Other Executives				
C Brown	1,115,800	890,000[1]	-	2,005,800
S Shah	180,000	-	-	180,000
	6,418,893	(1,831,230)	-	4,587,663

[1] On-market purchase

[2] Balance held on the date of resigning as a Director

	Balance at 1 January	(Disposal)/ Purchase	Exercise of options/ Performance Rights vested	Balance at 31 December
2014				
Non-Executive Directors				
N Fearis	-	200,000	-	200,000
D Constable	50,000	100,000	-	150,000
M Griffiths	-	-	-	-
Executive Directors				
B Marwood	2,083,728	704,314	371,188	3,159,230
S Hills	383,625	1,000,000	230,238	1,613,863
Other Executives				
C Brown	-	1,115,800	-	1,115,800
S Shah	150,000	30,000	-	180,000
	2,667,353	3,150,114	601,426	6,418,893

21 KEY MANAGEMENT PERSONNEL (KMP) COMPENSATION (con't)

(iii) Performance rights

The number of performance rights in the Company held during the financial year by each Director of Tiger Resources Limited and other key management personnel of the Group, including their personally related parties, are set out in the tables below.

	Balance at 1 January	Granted as compensation	Lapsed/ other movement	Vested/ converted to shares	Balance at 31 December	Vested balance at 31 December
2015						
Non-Executive Directors						
N Fearis	-	-	-	-	-	-
D Constable	-	-	-	-	-	-
M Griffiths	-	-	-	-	-	-
M Connelly	-	-	-	-	-	-
Executive Directors						
B Marwood	3,734,904	2,550,000	(6,284,904)[1]	-	-	-
S Hills	1,573,361	967,500	-	-	2,540,861	-
Other Executives						
C Brown	1,662,096	1,637,885	-	-	3,299,981	-
S Shah	-	-	-	-	-	-
	6,970,361	5,155,385	(6,284,904)	-	5,840,842	-

[1] *Holdings on the date of resigning as a Director*

	Balance at 1 January	Granted as compensation	Lapsed/ other movement	Vested/ converted to shares	Balance at 31 December	Vested balance at 31 December
2014						
Non-Executive Directors						
N Fearis	-	-	-	-	-	-
D Constable	-	-	-	-	-	-
M Griffiths	-	-	-	-	-	-
Executive Directors						
B Marwood	2,526,420	1,593,750	(14,078)	(371,188)	3,734,904	-
S Hills	1,207,643	604,688	(8,732)	(230,238)	1,573,361	-
Other Executives						
C Brown	945,430	716,666	-	-	1,662,096	-
S Shah	-	-	-	-	-	-
	4,679,493	2,915,104	(22,810)	(601,426)	6,970,361	-

(c) Loans to key management personnel

There were no loans to key management personnel during the current financial year (2014: nil).

(d) Other transactions with key management personnel and their related parties

Corporate Consultants Pty Limited, a company related to Mr Susmit Shah, received aggregate fees of $79,706 (2014: $98,309) relating to the provision of company secretarial and administrative services.

All transactions with related parties were made on normal commercial terms and conditions and at market rates.

22 RELATED-PARTY TRANSACTIONS

(a) Parent entities

The parent entity within the Group is Tiger Resources Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 14(a).

(c) Related parties

Disclosures relating to key management personnel are set out in Note 21.

23 SHARE-BASED PAYMENTS

(a) Non-plan-based payments

The Company makes share based payments to executive Directors, consultants and/or service providers from time to time, not under any specific plan. The shares and options are issued for nil consideration and in accordance with the specific guidelines established by the Directors of Tiger Resources Limited. Any share based payment to executive Directors requires the approval of shareholders at a General Meeting.

The vesting period and maximum term of shares or options granted vary according to Board's discretion.

(b) Employee Share Option Plan (EOP)

Shareholders approved the Tiger Resources Limited EOP at the Annual General Meeting held on 27 May 2015. The EOP is designed to provide incentives, assist in the recruitment, reward, retention of employees and key consultants, so as to provide opportunities for employees (both present and future) to participate directly in the equity of the Company. The contractual life of each option granted is between two to three years. There are no cash settlement alternatives.

The EOP does not allow for the issue of options to Directors of the Company.

Each option issued under share-based payments converts into one ordinary share in the Company on exercise. The options carry neither rights to dividends nor voting rights.

(c) Performance Rights Plan (PRP)

Shareholders approved the Tiger Resources Limited PRP at the Annual General Meeting held on 20 May 2014. The PRP is designed to more closely align rewards for performance with the achievement of the Company's growth and strategic objectives.

The Board believes that the grant of performance rights under the PRP to eligible participants will underpin the employment strategy of attracting and retaining high calibre staff capable of executing the Company's strategic plans, and will maximise the retention of key management and operational staff; enhance the Company's ability to attract quality staff in the future, link the rewards of key staff with the achievement of strategic goals and the long term performance objectives of the Company, and provide incentives to participants of the Plan to deliver superior performance that creates shareholder value.

The PRP provides for the issue of performance rights which, upon determination by the Board that the performance conditions attached thereto have been met and subject to the terms of the PRP, convert into fully paid ordinary shares. Where the participant is a Director or other related party of the Company, specific shareholder approval will have to be sought under the ASX Listing Rules prior to the grant of performance rights to such an individual.

The exercise price, if any, for performance rights will be determined by the Board in its discretion and set out in the related invitation. The exercise price may be any amount and may be as low as zero, in which case a statement to that effect will be set out in the related invitation.

The aggregate share based payment expense recognised in the profit and loss in relation to share-based payments is disclosed in Note 7.

Please refer to Note 11(c) and 11(d) for the summaries of options and performance rights granted under share-based payments.

23 SHARE-BASED PAYMENTS (con't)

(d) Remaining contractual life

The weighted average remaining contractual life of share options outstanding at the end of the year was 3.23 years (2014: 3.06 years).

The weighted average remaining contractual life of performance rights outstanding at the end of the year was 1.62 years (2014: 1.69 years).

(e) Fair values

(i) Fair value of options granted
The fair values at grant date are independently determined using a Black-Scholes option pricing model (refer to Note 26(u)(iii)) that takes into account the exercise price, the term of the options or rights, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the options or rights.

During the year, the Company settled $0.100 million of finance fees through issue of 1,641,648 non-plan options. The value of these options equals the value of fees settled via the issue.

The Company issued a further 55 million of non-plan options to its financiers upon extension of its debt facility, which gave rise to recognition of a derivative liability. The liability is fair valued each reporting date and the resulting movement recognised in the income statement.

The model inputs for options granted during the year ended 31 December 2015:

	31 December 2015	31 December 2014
Exercise price	A$0.10	A$0.40
Grant date	9-Mar-15 and 29-May-15	10-Apr-14
Expiry date	31-May-19	31-Dec-15
Share price at grant date	A$0.071 – A$0.086	A$0.39
Expected volatility	73.59% - 79.63%	64%
Risk-free rate	2.02%	2.76%

(ii) Fair value of performance rights granted
The Monte Carlo simulation model inputs for performance rights granted during the year ended 31 December 2015:

	31 December 2015	31 December 2014
Exercise price	nil	nil
Grant date	27-May-15 to 19-Jun-15	20-May-14 to 21-May-14
Expiry date	27-May-18	20-May-17
Share price at grant date	A$0.086 - A$0.092	$A0.34 - $A0.36
Expected volatility	93% - 94%	53%
Risk-free rate	2.61%	3.06%

23 SHARE-BASED PAYMENTS (con't)

(f) Share-based payments expense

Total share-based payment transactions recognised during the period were as follows:

	Consolidated	
	2015 $'000	2014 $'000
Non-Plan-based payments		
Options issued as consideration	100	-
Plan-based payments		
Performance rights issued under PRP	492	699
Options issued under EOP	-	183
	592	882

24 REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the Parent entity and its related practices:

(a) PricewaterhouseCoopers Australia

	Consolidated	
	2015 $'000	2014 $'000
(i) Audit and other assurance services		
Audit and review of financial reports	119,515	138,417
Other assurance services	80,995	345,483
Total remuneration for audit and other assurance services	200,510	483,900
(ii) Taxation services		
Tax consulting	-	7,748
Total remuneration for taxation services	-	7,748
(b) Network firms of PricewaterhouseCoopers		
(i) Audit and other assurance services		
Audit and review of financial reports	122,317	126,488
Other assurance services	13,000	-
Total remuneration for audit and other assurance services	135,317	126,488
Total auditors' remuneration	335,827	618,136

25 PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

The individual Financial Statements for the Parent entity show the following aggregate amounts:

	Consolidated	
	2015 $'000	2014 $'000
Balance sheet		
Current assets	19,239	16,657
Non-current assets	187,387	176,646
Total assets	206,626	193,303
Current liabilities	(2,116)	(3,592)
Non-current liabilities	(950)	(729)
Total liabilities	(3,066)	(4,321)
Net assets	203,560	188,982
Shareholders' equity		
Issued capital	286,210	273,537
Equity investment reserve	(1,557)	(2,194)
Share-based payments reserve	22,879	22,287
Accumulated losses	(103,971)	(104,648)
	203,561	188,982
Profit/(Loss) for the year	677	(7,451)
Total comprehensive income/(loss)	1,315	(8,952)

(b) Guarantees entered into by Parent entity

No guarantees had been entered into by Parent entity at 31 December 2015 or 31 December 2014.

(c) Summary financial information

The parent entity did not have any contingent liabilities as at 31 December 2015 or 31 December 2014.

(d) Contractual commitments for the acquisition of property, plant or equipment

The parent entity did not have any contractual commitments as at 31 December 2015 or 31 December 2014.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This Note provides a list of all significant accounting policies adopted in the preparation of these consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Tiger Resources Limited and its subsidiaries.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Tiger Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS
The consolidated Financial Statements of the Tiger Resources Limited Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

(ii) Historical cost convention
These Financial Statements have been prepared under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through profit and loss.

(iii) New and amended standards adopted by the Group
The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2015:

- AASB 2014-1 Amendments to Australian Accounting Standards (including Part A: Annual Improvements 2010-2012 and 2011-2013 Cycles and Part B: Defined Benefit Plans: Employee Contributions – Amendments to AASB 119). The adoption of the improvements made in the 2012 Cycle did not have any impact on the current period or any prior period and is not likely to affect future periods.

  New standards and interpretations early adopted by the Group:

- AASB 9 *Financial Instruments (as amended to September 2012)* - The consolidated entity early adopted AASB 9 *Financial Instruments* (as amended to September 2012) with effect from 1 January 2014. AASB 9 provides an option to designate and measure an investment in equity instruments at fair value with changes recognised in other comprehensive income, with only dividends being recognised in profit or loss. Had the Group not adopted this standard, accumulated losses for the current financial year would have been lower by $0.639 million (2014: higher by $2.195 million). There is no change in the valuation methodology applied to the investment in equity instruments as a result of the early adoption of AASB 9 *Financial Instruments* (as amended to September 2012).

(iv) New standards and interpretations not yet adopted
Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2015 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

- AASB 15 *Revenue from contracts with customers* - AASB 15 establishes principles for reporting the nature, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer, therefore the notion of control replaces the existing notion of risks and rewards.

  The new standard is effective 1 January 2018. The Group has not yet assessed impact of this new standard.

- AASB 9 *Financial Instruments (as amended to December 2014)* – the 2014 amendments include:
  - o requirements for impairment of financial assets based on a three-stage 'expected loss' approach;
  - o limited amendments to classification and measurement of financial assets to add a third measurement category for debt instruments. The new category of fair value through other comprehensive income is added to the existing categories for debt instruments, i.e. amortised cost and fair value through profit or loss; and

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

- o amendments to AASB 7 *Financial Instruments: Disclosures* that significantly expand the disclosures required in relation to credit risk.

The amendments are effective 1 January 2018. The Group has not yet assessed impact of this new standard.

- AASB 16 provides a new lessee accounting model which requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. AASB 16 contains disclosure requirements for lessees.

  The new standard is effective 1 January 2019. Earlier application is permitted provided AASB 15 *Revenue from Contracts with Customers* is also applied. The Group has not yet assessed impact of this new standard.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Financial Statements. Amounts in the Financial Statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to Note 26(f)).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Tiger Resources Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated Financial Statements are presented in US dollars, which is Tiger Resources Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement, within finance costs. All other foreign exchange gains and losses are presented in the consolidated income statement on a net basis within other income or other expenses.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each consolidated income statement and consolidated statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The sales price is determined provisionally at the date of sale, with the final price determined at a mutually agreed date, generally at a quoted market price at that time. This contractual feature has the character of a commodity derivative. As a result, the invoice price on these sales is marked-to-market at balance sheet date based on the forward metal prices for the relevant quotation period. This ensures that revenue is recorded at the fair value of consideration to be received. All mark-to-market adjustments are recorded in sales revenue.

During the pre-production phase, Australian Accounting Standards allow for pre-production related costs to be capitalised up to the point where commercial production is attained. All costs directly incurred to achieve commercial production (operating as intended by management) from the processing plant are capitalised accordingly. Revenues from the sale of production during the pre-production phase are applied against capitalised pre-production related costs.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

(i) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(ii) Commodity sales

Revenue associated with the sale of commodities is recognised when all significant risks and rewards of ownership of the asset sold are transferred to the customer, usually when insurance risk has passed to the customer and the commodity has crossed the DRC border. At this point the Group retains neither continuing management involvement to the degree associated with ownership nor effective control over the commodities and the costs incurred, or to be incurred, in respect of the sale can be reliably measured.

(iii) Dividends

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence, refer Note 26(k).

(e) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

(f) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises:

- fair values of the assets transferred;
- liabilities incurred;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity.

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(g) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. See Note 9(b) for further information about the Group's accounting for trade receivables and Note 17(d) for a description of the Group's impairment policies.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(j) Inventories

(i) Raw materials and stores, work in progress and finished goods
Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Inventories of broken ore and concentrate are initially physically measured by estimating the number of tonnes added and removed from the stockpile. At month end, survey equipment is used to obtain the exact stockpile numbers and adjustments are made to ensure stockpile agrees to measurement from the survey equipment.

Cost represents weighted average cost and includes direct costs and an appropriate portion of fixed and variable overhead expenditure, including depreciation and amortisation.

(k) Investments and other financial assets

(i) Classification
The Group classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss;
- loans and receivables;
- held-to-maturity investments; and
- equity investments at fair value through other comprehensive income.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period. See Note 9 for details about each type of financial asset.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current.

Derivatives that do not qualify for hedge accounting
Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables and receivables in the balance sheet.

Equity investments at fair value through other comprehensive income
Equity investments at fair value through other comprehensive income, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as equity investments at fair value through other comprehensive income if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long-term.

(ii) Recognition and derecognition
Regular way purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Equity investments at fair value through other comprehensive income and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the Group's right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

Details on how the fair value of financial instruments is determined are disclosed in Note 9(b).

(iv) Impairment
The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a Group of financial assets is impaired. A financial asset or a Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortised cost
For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Impairment testing of trade receivables is described in Note 9(b).

Equity investments at fair value through other comprehensive income
If there is objective evidence of impairment for equity investments at fair value through other comprehensive income, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as equity investments at fair value through other comprehensive income increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

(l) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

(m) Property, plant and equipment

The Group's accounting policy for land and buildings is explained in Note 10(c). All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

The depreciation methods and periods used by the Group are disclosed in Note 10(c).

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 26(g)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

(n) Mine properties and development

Mine development expenditure incurred is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises net direct costs and appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific connection with a particular area of interest, which is expensed in the year it is incurred.

Once a development decision has been taken, the carrying amount of the exploration and evaluation acquisition costs in respect of the area of interest is aggregated with the development expenditure and classified under non-current assets as "mine development".

Development expenditure is reclassified as a "mine properties" at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

No depreciation is recognised in respect of development expenditure until reclassified as "mine properties". Development expenditure is tested for impairment in accordance with the policy in Note 26(g).

When further development expenditure is incurred in respect of a mine properties after the commencement of production, such expenditure is carried forward as part of the mining property when it is probable that additional future economic benefits associated with the expenditure will flow to the consolidated entity. Otherwise such expenditure is classified as a cost of production. Depreciation is charged using the units-of-production method, with separate calculations being made for each area of interest. The units-of-production basis results in a depreciation charge proportional to the depletion of proved reserves. Mine properties are tested for impairment in accordance with the policy Note 26(g).

Costs associated with the commissioning period are capitalised where the asset is available for use, but incapable of operating at normal levels without a commissioning period.

Deferred purchase consideration amounts are disclosed as contingent liabilities until they are able to be reliably measured. At the point these amounts are reliably measurable they are recognised as mine properties expenditure.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Goods and Services Tax (GST) & Value Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(q) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(r) Rehabilitation provision

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations may include the costs of abandoning sites, removing facilities and restoring the affected areas.

A provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

(s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(t) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(u) Employee benefits

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

(ii) Other long-term employee benefit obligations
The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Consolidated Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Share-based payments
The Group provides benefits to Directors, employees and consultants in the form of share, performance rights and option-based payments. The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate valuation technique that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, and the risk free interest rate for the term of the option.

The fair value of options granted under the Tiger Resources Limited Employee Option Plan and performance rights granted under the Performance Rights Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options or performance rights granted, which includes any market performance conditions but excludes the impact of any service and non-market performance vesting conditions and the impact of any non-vesting conditions.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(v) Contributed equity

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Group's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of Tiger Resources Limited as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of Tiger Resources Limited.

(w) Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

26 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (con't)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker who is the Managing Director is responsible for allocating resources and assessing performance of the operating segments.

27 CHANGES IN ACCOUNTING POLICIES

The Group has adopted revisions to accounting standards this year. However, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Directors' Declaration

In the Directors' opinion:

(a) The financial statements and Notes set out on pages 33 to 87 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the year ended on that date.

(b) there are reasonable grounds to believe that Tiger Resources Limited will be able to pay its debts as and when they become due and payable.

Note 26(a)(i) confirms that the Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declaration by the interim Chief Executive Officer and Finance Director required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Michael Griffiths

Director and Interim Chief Executive Officer

Perth,

4 March 2016

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Independent auditor's report to the members of Tiger Resources Limited

Report on the financial report

We have audited the accompanying financial report of Tiger Resources Limited (the company), which comprises the consolidated balance sheet as at 31 December 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for Tiger Resources Limited (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 26, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the consolidated entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

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Independent Auditor's Report

Independent auditor's report to the members of Tiger Resources Limited (continued)

Auditor's opinion

In our opinion:

(a) the financial report of Tiger Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

(b) the financial report and notes also comply with International Financial Reporting Standards as disclosed in Note 26.

Report on the Remuneration Report

We have audited the remuneration report included in pages 19 to 28 of the directors' report for the year ended 31 December 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of Tiger Resources Limited for the year ended 31 December 2015 complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

Craig Heatley
Partner

Perth
4 March 2016

Additional Shareholder Information

Additional Shareholder Information set out below was applicable as at 22 March 2016.

A. Distribution of Holders of Equity Securities

The numbers of security holders, by size of holding are:

Size of Holding	Total holders
1 - 1,000	233
1,001 - 5,000	730
5,001 - 10,000	661
10,001 - 100,000	2,087
100,001 and over	877
	4,588

The number of shareholdings comprising less than a marketable parcel was 1,312.

B. Performance Rights

Exercise price A$	Expiry date	Number of performance rights	Number of holders
Nil	31 March 2016	685,796	3
Nil	22 May 2016	1,228,307	2
Nil	13 Aug 2016	630,913	2
Nil	20 May 2017	1,988,300	4
Nil	27 May 2018	3,884,366	4

All of the above performance rights have been issued under the Company's Performance Rights Plan.

C. Voting rights

There are no restrictions to voting rights attached to the ordinary shares. On a show of hands every member present in person will have one vote and upon a poll, every member present or by proxy will have one vote for each share held.

D. Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with *Section 671B of the Corporations Act 2001* are:

Name	Shares held
Resource Capital Funds VI L.P.	280,187,856
International Finance Corporation	154,738,878
Todd Hannigan and associated entities	153,208,629
Tom Todd and Bean Investments Pty Ltd	153,208,629
National Australia Bank Limited and its associated entities	100,979,747

E. On-market buy-backs

There is no current on-market buy-back.

Additional Shareholder Information

F. Equity security holders

The names of the twenty largest holders of ordinary shares are listed below.

#	Registered Holder	Shares Held	% of issued capital
1.	J P MORGAN NOMINEES AUSTRALIA LIMITED	439,178,001	24.46
2.	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	280,567,640	15.63
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	225,578,837	12.57
4.	CITICORP NOMINEES PTY LIMITED	201,812,863	11.24
5.	UBS NOMINEES PTY LTD	64,223,382	3.58
6.	NATIONAL NOMINEES LIMITED	39,288,653	2.19
7.	UBS NOMINEES PTY LTD	24,096,200	1.34
8.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	14,124,147	0.79
9.	BNP PARIBAS NOMS PTY LTD	10,456,879	0.58
10.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,278,249	0.46
11.	NATIONAL NOMINEES LIMITED	7,529,798	0.42
12.	MR GEORGE CAREDES	6,235,778	0.35
13.	MR MARK ANDREW WILLETT	6,162,523	0.34
14.	JTR INVESTMENTS LTD	5,721,719	0.32
15.	MR ROBERTO VERSACE	5,088,880	0.28
16.	AURALANDIA PTY LTD	4,350,000	0.24
17.	WASHINGISHU PTY LTD	3,800,000	0.21
18.	NEFCO NOMINEES PTY LTD	3,198,800	0.18
19.	MR WILLIAM ANTHONY MURRAY	3,112,455	0.17
20.	MS MARGERITA BLAZIC	3,055,556	0.17
		1,355,860,360	**75.53**

G. Corporate Governance Statement

The ASX Corporate Governance Council (CGC) has developed corporate governance principles and recommendations for listed entities with the aim of promoting investor confidence and meeting stakeholder expectations. ASX listing rule 4.10.3 requires that listed entities disclose the extent to which they have followed the CGC's recommendations and, where a recommendation has not been followed, the reasons why. Tiger's corporate governance statement can be found on the Company's website at the following link: http://www.tigerresources.com.au/corporate_governance.33.html

TIGER RESOURCES LIMITED

ABN 52 077 110 304

www.tigerresources.com.au