



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

	Q3 2016	Q2 2016	Q1 2016	YTD 2016
Copper produced (tonnes)	6,491	5,541	6,162	18,194
Cash operating costs (\$/lb)	\$1.54	\$1.40	\$1.44	\$1.47

### Operational Summary

- Copper cathode production increased 17% to 6,491 tonnes
- Cash operating costs<sup>1</sup> of \$1.54/lb (\$1.40/lb Q3 2015) and AISC<sup>2</sup> of \$1.73/lb (\$1.63/lb Q3 2015)
- Power from national electricity grid supplied 79% of Kipoi's requirements (68% year to date)
- Record volume of 414,339 tonnes stacked on heap leach pads
- Positive results of Cobalt Study, development options being assessed

### Events Subsequent to Quarter End

- Prompt action taken to avert potential impacts of leakage of solution at ILS pond
- Additional senior financing facilities secured to accommodate short term funding needs as a result of the ILS pond remedial work and lower than planned production
- Revised 2016 annual production and costs guidance announced as a result of lower than planned production
- Please refer to ASX market release dated 25 October 2016 for detailed update on the operations and financing arrangements

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

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

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

### Overview

Copper cathode production of 6,491 tonnes was 17% higher than Q2 2016, and above plant name plate production. This resulted from increased pregnant liquor solution (“PLS”) being available for processing by the solvent-extraction and electro-winning (“SXEW”) plant at Kipoi. The PLS flow improvement is attributable to the commencement of leaching from Pad 6-1 and the scarifying and increased acid treatment of Pad 5-1.

Cash operating costs were \$1.54/lb of copper produced, with an AISC of \$1.73/lb. A total of 6,656 tonnes of copper cathode was sold at a realised price of \$4,776/t.

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

KIPOI SXEW PLANT PRODUCTION, SALES AND COSTS SUMMARY FOR THE QUARTER ENDED 30 SEPTEMBER 2016					
		Q3 2016	Q2 2016	Q1 2016	YTD 2016
<b>PRODUCTION</b>					
Ore stacked	Tonnes	414,339	314,349	219,328	948,016
Head grade	TCu %	1.78	2.20	4.39	2.52
Head grade <sup>1</sup>	AsCu %	1.46	1.28	2.24	1.58
Copper stacked	AsCu t	6,061	4,031	4,920	15,012
Copper-in-circuit	AsCu t	7,061	6,762	7,596	7,061
Copper produced	Tonnes	6,491	5,541	6,162	18,194
<b>CATHODE SALES</b>					
Copper cathode sold	Tonnes	6,656	6,052	6,363	19,071
Sales	\$'000	31,787	29,003	29,568	90,358
Realised copper price	\$/t	4,776	4,792	4,647	4,738
LME Grade A copper price	\$/t	4,772	4,728	4,671	4,725
<b>CATHODE STOCKPILE</b>					
Copper cathode	Tonnes	789	954	1,465	789
<b>OPERATING COSTS</b>					
Mining	\$/lb	0.22	0.18	0.12	0.18
Processing	\$/lb	0.78	0.56	0.63	0.66
Site administration & support	\$/lb	0.28	0.40	0.41	0.36
Selling & export clearing	\$/lb	0.26	0.26	0.28	0.27
<b>Cash operating cost</b>	<b>\$/lb</b>	<b>1.54</b>	<b>1.40</b>	<b>1.44</b>	<b>1.47</b>
ROM inventory adjustment	\$/lb	0.00	0.11	0.13	0.08
<b>C1 costs</b>	<b>\$/lb</b>	<b>1.54</b>	<b>1.51</b>	<b>1.57</b>	<b>1.55</b>
Royalties	\$/lb	0.09	0.10	0.09	0.10
Sustaining capital	\$/lb	0.10	0.07	0.03	0.07
Non-cash ROM inventory adj.	\$/lb	0.00	(0.11)	(0.13)	(0.08)
<b>AISC</b>	<b>\$/lb</b>	<b>1.73</b>	<b>1.57</b>	<b>1.56</b>	<b>1.64</b>

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

## **Production**

Kipoi produced 6,491 tonnes of copper cathode for the quarter, an increase of 17% compared to Q2 2016.

A record total of 414,339 tonnes of ore was stacked on the heap leach pads with an improved calculated AsCu grade of 1.46%.

The improvement in cathode production compared to Q2 2016, is attributable to the commencement of leaching from Pad 6-1 and the scarifying and increased acid treatment of Pad 5-1. In addition, a two stage leach process was introduced late in the quarter. This provides an increased solution flow to the heaps, thereby increasing copper content in the PLS and improving the feedstock of copper available to process through the SXEW.

## **Operating costs**

Cash operating costs were \$1.54/lb and all-in sustaining costs \$1.73/lb.

Mining and civil costs were \$0.22/lb, marginally higher than Q2 2016. Cost increases resulted from the higher stacking volumes, the increased haul distance from the reclaim stockpiles to the crusher, additional dust suppression and the construction of temporary haul roads. The cost of geotechnical drilling is also included (refer Mine Development below). Recommencement of mining of ore remains deferred, as further investigations continue for long term planning options.

Processing costs of \$0.78/lb were higher compared to Q2 2016 because of increased crushing and screening required to stack record volumes onto the heap leach pads for the quarter. The unit costs also reflect higher acid usage in agglomeration to accelerate heap leach production and the higher than expected maintenance costs incurred for unplanned repairs to the crushing and agglomeration circuit. The increased usage of grid electricity and the associated savings in diesel generation costs partly offset the higher processing costs.

Site administration and support unit costs of \$0.28/lb were 30% lower than Q2 2016 unit costs and reflects both the ongoing focus on cost control and the positive effect on unit costs of increased copper production.

## **Sales of copper cathode**

Sales for the quarter were 6,656 tonnes of copper cathode at a realised average copper price of \$4,776/t inclusive of quotational period (QP) pricing adjustments. This compares to the average LME Grade A copper price of \$4,772/t. The pricing of all copper cathode delivered during the quarter has been fixed, so there is no QP pricing exposure at quarter end.

Copper cathode selling and export clearing costs were \$0.26/lb.

## **Safety**

Two lost time injuries (LTI) were reported during the quarter, which is also the total reported for the year to date. The LTI were incurred when an employee sustained a sprain to his foot whilst undertaking repairs to a gearbox and a contractor sustained a laceration to his leg whilst operating a grinder requiring sutures. Immediate corrective actions were undertaken to increase supervision of employees and contractors when undertaking non-routine tasks and retraining on risk assessments.

## **Kipoi Debottlenecking**

Construction of the debottlenecking works to expand the SXEW nameplate production capacity by 30% from 25,000 to 32,500 tonnes per annum of copper cathode is nearing completion.

Progress of the debottlenecking elements are as follows:

- The electrowinning (EW) expansion was well advanced at quarter end, and the new facility was successfully completed and handed over to the Kipoi operations team on 23 October 2016;
- The tank leach (TL) facility is expected to be completed to commence commissioning during December 2016;
- The slimes reclaim area is scheduled for completion during December with earthworks and civil works 75% and 96% complete respectively;
- The start of construction of the Tailings Storage Facility (TSF3) was delayed by pending regulatory approvals and is expected to be completed by Q2 2017 taking into account potential impacts of the wet season. However, the coffer dam (a smaller dam contained within TSF3), is nearing completion and will be available to allow commencement of production from the TL until TSF3 is completed.

Refer “Debottlenecking Progress in Pictures” on our website:

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

## **Mine Development**

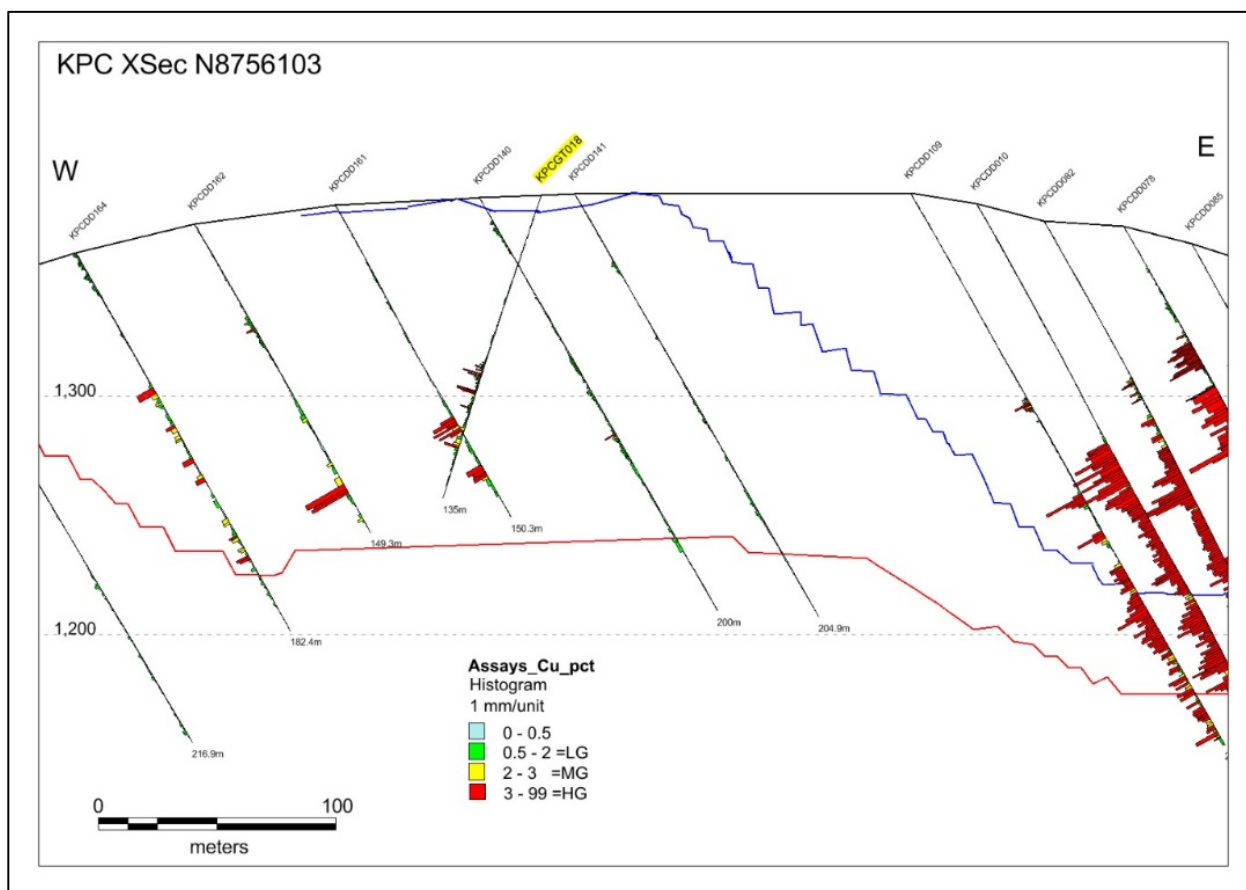
Previously planned mine development has been deferred pending the completion of a revised Life of Mine (“LOM”) Plan. The revised LOM plan will accommodate a change in processing from a whole ore leach to a partial whole ore leach and is due for completion during the next quarter.

Three geotechnical holes were drilled at the Kipoi Central deposit in support of the revised LOM plan and completed for a total of 400.6m. The geotechnical interpretation and final report are pending.

An additional geotechnical hole (KPCGT018) was drilled within the current Kipoi pit shell to a depth of 135.15m to test a fault contact that may impact future mine planning. This hole intersected copper mineralisation from 72.0m to 123.2m (51.2m) grading 1.41% Cu including 14.0m @ 2.22% Cu (75.0m – 89.0m) and 8.3m @ 2.29% Cu (108.0m – 116.3m). The significance of this intercept is being assessed.

Expenditure during the quarter of \$0.4 million (Q2 2016: \$0.4 million) was expensed to mining costs.

**Figure 1: Section view of Kipoi Central pit showing KPCGT018.**



### Refundable VAT Outstanding

As at 30 September 2016, SEK had a VAT receivable balance of \$13.7 million. No VAT refunds were received during the quarter and no further clarity with respect to the timing of VAT refunds has been provided by the DRC government.

### Cobalt Study

During the quarter, the company confirmed that a study by an independent engineering company, Mintrex Pty Ltd (“Mintrex”) had confirmed a positive outcome to potential cobalt production from Kipoi ore.

The Mintrex study has identified two potential cobalt process routes for Kipoi:

- Cobalt intermediate recovery (cobalt hydroxide); or
- Cobalt refining (cobalt cathode metal)

Tiger will now scope a metallurgical test work program to confirm commercial process flow sheets and firm up the capital cost and estimate likely operating costs. This test work is expected to be completed by Q1 2017.

### Cash & borrowings

As at 30 September 2016, Tiger held cash on hand and deposit of \$5.6 million (30 June 2016: \$6.9 million). The balance of copper cathode inventory on hand was 789 tonnes with a sales value of approximately \$3.8 million.

Borrowings as at 30 September 2016 comprised of \$143.0 million of secured facilities and \$23.9 million of short-term facilities provided by DRC banks.

After taking into account positive cash flows from the Kipoi operations, cash flows for the quarter were impacted by the following:

- \$11.7 million of capital expenditure made up of \$10.6 million for the Kipoi debottlenecking project and \$1.1 million for sustaining capital expenditure including the cost of Heap Leach Pad 7;
- \$4.6 million of debt service costs;
- \$1.1 million decrease in trade receivables;
- \$3.7 million increase in trade creditors and accruals (increase a result of debottlenecking capital expenditure accruals at the end of the quarter);
- \$0.5 million of DRC provisional income tax payments; and
- \$2.5 million increase in VAT due for refund.

### Events subsequent to the quarter end

Please refer to ASX market release dated 25 October 2016 for detailed update on the operations and financing arrangements.

For further information in respect of Tiger's activities, please contact:

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**Caution Regarding Forward Looking Statements and Forward Looking Information:** This announcement contains forward looking statements and forward looking information, which are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements and forward looking information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of copper, the actual results of current exploration, the availability of debt and equity financing, the volatility in global financial markets, the actual results of future mining, processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated. Except as required by law or regulation (including the ASX Listing Rules), Tiger Resources undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

**Production Targets:** All Production targets referred to in this Report are underpinned by estimated Ore Reserves which have been prepared by competent persons in accordance with the requirements of the JORC Code.

**SXEW forecast financial information:** Reference ASX market release titled "Kipoi Operations and Funding Update" dated 25 October 2016).

#### Competent Person Statement:

The information in this report that relates to Exploration Results is based on, and fairly represents information and supporting documentation prepared by Mr. Michael Griffiths, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Griffiths is a Director of the Company. Mr. Griffiths has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Griffiths consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resources and Ore Reserves were first reported by the Company in compliance with JORC 2012 in market releases dated as follows:

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

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

Judeira Mineral Resource – 26 November 2013; and

Sase Central Mineral Resource - 12 July 2013.

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

**KIPOI COPPER PROJECT, KATANGA PROVINCE, SOUTH-EAST DEMOCRATIC REPUBLIC OF CONGO  
(TIGER 95% at 30 September 2016)**

**Table B: Kipoi Mineral Resource**

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

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

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



**LUPOTO COPPER PROJECT, KATANGA PROVINCE, SOUTH-EAST DEMOCRATIC REPUBLIC OF CONGO (TIGER 95% at 30 September 2016)**

**Table D: SASE Central Mineral Resources**

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