



ACN 077 110 304

15 September 2009

Kipoi Project – Development Funding Update

Perth, Western Australia: Tiger Resources Limited (ASX / TSX: TGS) (“the Company”) is pleased to report that significant progress has been made towards securing funding for the development of the proposed US\$30 million Stage 1 copper mining operation at the Kipoi project.

Highlights

- Mandate of leading South African bank to arrange US\$16 million debt facility.
- Receipt of indicative proposals for offtake arrangements in conjunction with subordinated debt facility for up to US\$15 million.
- Continuing to target commencement of production for mid 2010.
- Potential for significantly enhanced project economics as a result of increased copper price (refer Table 1).

Development Funding

The proposed Stage 1 development at the Kipoi project comprises a heavy media separation (HMS) and spirals plant treating 900,000 tpa of high grade oxide and transition ores and producing approximately 116,000 tonnes of contained copper in concentrate over a period of approximately three years. Capital expenditure for this development estimated by Arccon Mining Services in the Revised Definitive Feasibility Study (“RDFS”) is approximately US\$30 million. The Company is planning for this to be primarily funded by a package of principal and subordinated debt given the short payback period (refer Table 1 below).

Principal Debt Component

The Company has mandated Nedbank Capital (the Investment Banking Business of Nedbank Group Limited) (“Nedbank”), to act as exclusive arranger of an Export Credit Insurance Corporation of South Africa Limited (“ECIC”) supported debt facility, for use in the Stage 1 development at the Kipoi project. Nedbank is one of the four largest banking groups in South Africa. The ECIC scheme facilitates and encourages South African export trade by underwriting bank loans and investments outside South Africa.

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Key indicative terms of the proposed debt facility include:

- Facility amount of US\$16 million.
- Floating interest rate of LIBOR plus 2.5%.
- Facility includes comprehensive commercial and political risk insurance policies (terms and fees to be agreed with ECIC).
- Facility will include hedging requirement. Quantity of copper to be hedged dependent on hedge price. At a hedge price of US\$1.80/lb approximately 10% of total production is required to be hedged (quantity reduces as hedge price increases).
- Facility subject to standard conditions including due diligence (technical and legal), documentation, security / first ranking charges and ECIC and South African Exchange Control approval.

The Company anticipates the due diligence and documentation process will take approximately 4 – 5 months and is targeting funding drawdown for the first quarter of 2010.

Subordinated Debt Component

The Company has also received indicative debt and offtake proposals from metal trading groups seeking to secure rights to acquire the copper concentrate to be produced. These include proposals for subordinated debt facilities of up to US\$15 million.

The Company anticipates the due diligence and documentation process to finalise these arrangements will be significantly shorter than the timeframe in respect of the principal debt. The Company plans on selecting and entering into exclusive negotiations and due diligence with a metal trading group in the near future.

Development Timing

The Company remains confident that funding for the Stage 1 development at Kipoi will be secured by early 2010, and that the significant component of this funding will be debt. Based on the short construction and pre-strip period and the relatively simple nature of the proposed development and operation, the Company continues to target commencement of production for mid 2010.

Key Project Economics

The Company has previously issued the key financial findings of the RDFS based on a copper price of US\$2.00/lb. Following the recent improvement in the copper price and some industry analysts forecasting a strong copper price for 2010 to 2013 (the period of proposed Stage 1 production), below are key financial outcomes based on a range of copper prices. The results demonstrate significant increases in project profitability at increased copper prices, whilst also showing the project remains profitable at a copper price of US\$1.50/lb.

Table 1 - Key financial outcomes based on a range of copper prices

Financial Model Findings	Copper Price US\$/Lb Cu			
	US\$3.00	US\$2.50	US\$2.00	US\$1.50
Capital Expenditure	US\$29.8M	US\$29.8M	US\$29.8M	US\$29.8M
Cash Cost per pound	US\$0.34	US\$0.34	US\$0.34	US\$0.34
Project cash flow	US\$209M	US\$146M	US\$97.5M	US\$56.5M
NPV (@10%)	US\$152M	US\$96.5M	US\$54M	US\$17M
IRR (after tax and royalties)	190%	130%	80%	32%
Payback	7 months	10 months	15 months	24 months
Construction and Pre-Strip Period	6 months	6 months	6 months	6 months

Note all the above findings are at the project level, on 100% Project basis and exclude any finance costs. The above economic analysis is based on the Company's previously published mineral resources and is not based on inferred mineral resources.

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

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Additional Notes:

Caution Regarding Forward Looking Statements and Forward Looking Information: This release 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, including but not limited to those with respect to the development of the Kipoi Project and Tiger's plans to secure project finance for the Stage 1 Project, 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, cobalt and silver, the actual results of current exploration, the availability of debt financing for a company that does not have any producing properties, the volatility currently being experienced in global financial markets, the actual results of future mining, processing and development activities, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's Annual Information Form, under the heading "Risk Factors". The Company's Annual Information Form is available under the Company's profile on SEDAR at www.sedar.com.