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**Tiger Secures Funding Package with Trafigura for Kipoi Project Stage 1 Development and Completion of Kipoi Project Acquisition**

*Perth, Western Australia:* Tiger Resources Limited (ASX / TSX: TGS) ("the Company" or "Tiger") is pleased to announce it has entered into a conditional agreement with Trafigura Beheer BV ("Trafigura") for a combined equity and debt financing package for a total of approximately US\$33.9 million. The funds will be used to complete Tiger's payment obligations to acquire its 60% interest in the Kipoi Project, to meet additional funding requirements for the Stage 1 development at Kipoi, to fund the follow up drilling programme at Tiger's wholly owned, highly prospective Sase prospect and for working capital and general corporate purposes.

The equity component is by private placement, is not subject to shareholder approval but requires Toronto Stock Exchange ("TSX") approval, and is expected to be finalised by 13 November. The debt component of the financing package will be subject to definitive agreements being entered into and shareholder approval.

**Highlights**

- US\$33.9 million (approximate) financing package from Trafigura, comprising:
  - Placement of 50 million shares at an issue price of A\$0.15 for proceeds of A\$7,500,000 (approximately US\$6.9 million).
  - Loan note debt facility for US\$12 million.
  - Subordinated debt facility for US\$15 million.
- Financing package will secure Tiger's ability to meet payment obligations to acquire its 60% interest in the Kipoi Project and together with the Nedbank proposed senior debt facility will provide funds to bring the US\$30 million Stage 1 copper mining operation at Kipoi into production.
- The financing package keeps Tiger's objective of taking Stage 1 development into production by mid 2010 firmly on track.
- Trafigura is one of the world's largest independent commodities trading companies, employing over 1,900 people in 42 countries, and with annual turnover (as at September 2008) of over US\$70 billion. Trafigura has extensive experience of operating in the DRC.
- Tiger has also reached agreement for the acquisition of the outstanding 15% interest in Tiger Congo sprl from Groupe Orgaman for US\$3 million in cash.

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Reg Gillard, Chairman of Tiger, says the strategic involvement of Trafigura is not just a vote of confidence in Tiger and the quality of the Kipoi Project, but is also a vote of confidence by one of the world's leading commodity traders in both the potential of the DRC and the future of the Copper price. Management view the agreement as one that can bring substantial benefit to shareholders of the Company. Trafigura is also able to provide extensive technical support as well as general in country assistance. All of these aspects are expected to assist in keeping the Company firmly on track to attain its target of getting into production by mid 2010.

## **TRAFIGURA FINANCING PACKAGE**

### **Equity – Share Placement**

The Company will issue 50 million fully paid ordinary Shares (the "Shares") to Trafigura pursuant to a private placement at a price of A\$0.15 per Share for proceeds of A\$7.5 million. The placement is scheduled to be completed by 13 November 2009 and is subject to certain conditions including, but not limited to, the receipt of the approval of the TSX. The Shares will be issued within the Company's 15% placement capacity under the Australian Securities Exchange ("ASX") Listing Rules, and therefore will not be subject to shareholder approval.

The proceeds from the placement will be used to acquire the outstanding 15% interest in Tiger Congo sprl from Groupe Orgaman (US\$3 million – refer below), fund the resource drilling and further step out drilling at Tiger's grassroots copper discovery (Sase Prospect) at the 100% owned Lupoto Project, and for working capital and general corporate purposes.

Upon completion of the placement Trafigura will hold approximately 12.35% of the Company's total issued shares. Subject to receiving a waiver from ASX and Trafigura holding at least 10% of Tiger's issued shares, Trafigura will have anti-dilution rights entitling it to participate in any future equity capital raising to maintain its proportionate shareholding (on fully diluted basis).

### **Loan Note Facility**

The Company will receive US\$12 million from Trafigura in the form of a loan note facility on the following terms:

- Term of three years
- Interest payable at LIBOR plus 6% (plus political risk insurance)
- Facility secured over Tiger's interests in the DRC
- Trafigura to be issued, subject to shareholder and regulatory approval (including, but not limited to, the receipt of the approval of the TSX), 61,112,398 options exercisable at A\$0.215 per share during the first twelve months, and exercisable at A\$0.23 per share thereafter with a three year term.

- Trafigura to nominate two directors for election by shareholders to Tiger's board at a general meeting to approve the facility.

The availability of the debt funding under the loan note facility is subject to various conditions precedent including completion of detailed documentation and receipt of shareholder approval.

The proceeds from the loan note facility will be used to meet the US\$12 million payment due by May 2010 to complete the acquisition by Tiger Congo sprl of 100% of Congo Minerals sprl (refer below).

### **Subordinated Debt**

The capital expenditure for the proposed Stage 1 development at the Kipoi project is estimated at approximately US\$30 million. As previously announced, 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 US\$16 million.

Trafigura will arrange and underwrite an additional subordinated debt facility of US\$15 million to complete the funding required for the proposed Stage 1 development at the Kipoi project on the following key terms:

- Term of three years from the first draw down
- Subordinated to Nedbank senior debt facility
- Interest payable at LIBOR plus 5% (plus political risk insurance)
- Trafigura to be issued, subject to shareholder and regulatory approval (including, but not limited to, the receipt of the approval of the TSX), 34,216,577 options exercisable at A\$0.24 per share during the first twelve months, and exercisable at A\$0.25 per share thereafter with a three year term.
- Trafigura have right to refinance the facility with commercial banks at standard commercial terms.

The availability of the subordinated debt facility is subject to various conditions precedent including completion of detailed documentation, the Nedbank facility being in place and available and receipt of shareholder approval.

Upon completion of the placement and exercise of options to be issued under the loan note facility and subordinated debt facility (and assuming no other share issues) Trafigura would hold approximately 29.3% of the Company's total issued shares.

### **Ancillary Agreements with Trafigura**

In conjunction with the above combined equity and debt financing package, Tiger has also reached in principle agreement with Trafigura on the key terms of an offtake agreement and a technical services agreement. The proposed agreements will become effective only upon completion of detailed documentation and receipt of shareholder approval (if required).

### *Offtake Agreement*

In return for arranging the debt facilities for the Stage 1 development Trafigura will secure offtake rights on standard commercial terms for the life of the Stage 1 development.

### *Technical Services Agreement*

Trafigura has extensive experience in operating in Southern Africa including the DRC. At Tiger's option, Trafigura will provide professional staff to assist with the Stage 1 development at Kipoi.

In addition, a technical services committee will be formed comprising an equal number of Tiger and Trafigura representatives. This committee will provide technical support to assist with the successful completion of the Stage 1 development.

### **Exclusivity Arrangements**

Tiger has entered into exclusivity arrangements with Trafigura comprising:

1. A break fee of A\$500,000, payable in the event that Tiger:
  - materially breaches the subscription agreement;
  - a majority of the Tiger board recommends a proposed transaction to provide debt or equity finance to, acquire control of or acquire the main undertaking of, Tiger or a Subsidiary ("Competing Proposal"); or
  - enters into a Competing Proposal.

The break fee will be increased to A\$1 million if between 28 February and 30 April 2010, Tiger enters into a finance facility for US\$12,000,000 or more with a third party on terms generally more favourable to Tiger than those most recently offered by Trafigura.

2. No shop and no talk arrangements in respect of a Competing Proposal, with exceptions for proposals that were not solicited by Tiger or if Tiger directors, after taking legal advice, determine that complying with the restrictions would likely be a breach of their fiduciary duties.

### **COMPLETION OF ACQUISITION OF INTEREST IN KIPOI PROJECT**

In November 2006 Tiger Congo sprl ("Tiger Congo"), an 85% owned subsidiary of the Company, entered into an agreement ("Comin Agreement") with various parties ("Vendors") to acquire 100% of Congo Minerals sprl ("Comin") in stages. Comin owns 60% of SEK sprl, which is the holder of licences covering the Kipoi project in the Democratic Republic of the Congo ("DRC"). The remaining 40% of SEK sprl is owned by Gecamines, a DRC State owned company. The remaining 15% of Tiger Congo is owned by Groupe Orgaman.

Tiger has reached agreement to acquire the 15% interest in Tiger Congo owned by Groupe Orgaman for US\$3 million in cash. On completion Tiger will own 100% of Tiger Congo. As noted above the funds required for this payment will be sourced from the \$7.5 million private placement to be made to Trafigura.

In addition, pursuant to the Comin Agreement, Tiger is required to pay the Vendors US\$12 million by May 2010 to complete the acquisition of 100% of Comin. As noted above this payment will be funded by the US\$12 million debt instrument with Trafigura.

Upon completion of these payments Tiger will have completed all payments required and secured 100% of Comin, which owns 60% of SEK sprl, which is the holder of the licences covering the Kipoi project.

## **Background**

### *Trafigura Beheer BV*

Trafigura is one of the world's largest independent commodities trading companies with annual turnover (as at September 2008) of over US\$70 billion. Its activities include sourcing and trading of crude oil, petroleum products, renewable energies, metals, metal ores and concentrates for industrial consumers. Trafigura employs 1,900 people in 42 countries. Trafigura has significant experience in trading copper concentrate in the DRC, and is currently acquiring a significant shareholding in Anvil Mining Limited ("Anvil") through a US\$200 million debt and equity financing arrangement (which includes life of mine offtake). Anvil's operations include the Kinsevere Copper Mine, which located approximately 50 kms east of Kipoi.

### *Kipoi Project*

There are five known copper deposits hosted in a 12km long fragmented sequence of mineralised Roan sediments that have been mapped within boundaries of the Kipoi Project.

The Company proposes a staged development at the Kipoi Project. The Company has completed a revised definitive feasibility study in respect of a Stage 1 mining, HMS and spiral system operation to produce approximately 116,000 tonnes of copper over a three year period. The Company has recently commenced a feasibility study to evaluate the economic viability of constructing an SXEW plant targeted to come on stream within three years of the start of the HMS operation. It is envisaged that ore from Kipoi Central, Kipoi North and Kileba South and the other deposits within the Kipoi Project and within the Lupoto Project would be processed at the Stage 2 development phase.

### *Sase Prospect*

Diamond drilling results from Tiger's wholly owned Sase Prospect, located 10km south of Kipoi, have delineated high grade oxide Cu mineralisation over a strike of at least 600m to a depth of 120m. Results included: 38.85m @ 5.23% Cu, 73.25m @ 3.33% Cu and 60.50m @ 3.49% Cu.

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

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*Additional Notes:*

*Scientific or technical information in this release has been prepared by or under the supervision of Mr David Young, Managing Director and a full-time employee of the Company and a member of the AusIMM. Mr Young has sufficient experience which is relevant to the style of mineralization under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the "JORC Code") and to qualify as a "Qualified Person" under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr Young consents to the inclusion in this news release of the matters based on his information in the form and context in which it appears.*

*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 Tiger's intention to undertake a combined equity, loan note and subordinated debt financing package and the uses for the funds raised, the development and bringing into production of the Kipoi Project, the acquisition of the outstanding interest in Tiger Congo sprl from Groupe Orgaman, drilling at the Sase Prospect, the acquisition by Tiger Congo sprl of Congo Minerals sprl and its interest in the Kipoi Project, the obtaining of the Nedbank facility, the targeted annual production and mine life of the Kipoi Project, and the planned development, commissioning and processing of ore at the Stage 2 development, 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. Assumptions upon which such forward-looking statements are based include that Tiger and Trafigura will be able to satisfy the conditions in the Subscription Agreement and loan note facility and the subordinated debt facility, that Tiger and Trafigura will be able to agree on the terms of a loan note facility, a subordinated debt facility and ancillary agreements, that all third party regulatory and governmental approvals to the transaction will be obtained and all other conditions to completion of the transaction will be satisfied or waived, 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](http://www.sedar.com).*