

RIGHTS ISSUE UNDERWRITTEN VIA STRATEGIC ALLIANCE WITH TIGER RESOURCES LTD

28th August 2012

Chrysalis Resources Limited (“Chrysalis”) is pleased to announce the formation of a strategic alliance with copper producer Tiger Resources Limited (Market Cap of \$215m, ASX/TSX: TGS, “Tiger”). The strategic alliance was formed via the signing of a subscription agreement which will underwrite the Chrysalis Non-Renounceable Rights Issue (announced with ASX on 8 August 2012).

As part of the agreement, Tiger has agreed to acquire a 19.9% interest in Chrysalis by subscribing for any shortfall shares arising under the Chrysalis Non-Renounceable Rights Issue and/or taking an additional placement of Chrysalis shares at 5 cents. The issue of the shares pursuant to the additional placement is subject to obtaining any necessary ASX waivers and shareholder approvals as required under the ASX Listing Rules or the Corporations Act 2001 (Cth).

Under the terms of the agreement Tiger will:

- Acquire 19.90% of Chrysalis
- Underwrite the current Non-Renounceable Rights Issue
- Form a technical committee with 2 representatives from each company
- Appoint one board member to Chrysalis
- Subject to obtaining the necessary approvals and satisfaction of certain conditions, Tiger will have the first right of refusal in relation to the sale of Chrysalis’ assets

The strategic alliance secures the Company’s \$3 million Non-Renounceable Rights Issue which will in part fund the first stage Aeromagnetic surveys over all five licenses in Zambia and a 4,000 metre Drilling program on the Shikila and Kabwima prospects in Zambia.

Tiger’s exploration team is based in Lubumbashi, in the Democratic Republic of Congo (DRC), which is located within a 200km radius (4 hours by road) of Chrysalis's Shikila and Kabwima projects in the Zambian Copperbelt.

Chrysalis Executive Chairman, Dr Neale Fong commented: “The strategic alliance with Tiger is a key step in planning future exploration on the recently acquired Zambian Copper prospects. Tiger brings a wealth of experience and resources to the alliance and Chrysalis looks forward to working closely with Tiger on not only the Zambian Copper Project but also Chrysalis’ other WA based projects”.

Chrysalis Resources Limited	Company Snapshot	Company Structure	Board Management
A.B.N 56 125 931 964 Level 1 331 Hay Street SUBIACO WA 6008 PO Box 226, Wembley WA 6913 Phone: 618 9380 4430 Fax: 618 9481 5044 E: info@chrysalisresources.com.au www.chrysalisresources.com.au	Listed on ASX 27 May 2008 ASX Share Code CYS Sector Mining	No of Shares on Issue 67,343,702 No of Options on Issue 35,036,327 Cash (as at 30 th June 12) \$0.29M	Dr Neale Fong Executive Chairman Mr Grant Kidner Executive Director Mr Adrian Paul Non-Executive Director Mel Cotterell Company Secretary

The PCF Capital Group was an exclusive adviser to the transaction including introducing Tiger to the strategic alliance.

Background to Tiger

Tiger's Kipoi Project (Tiger: 60%) covers an area of 55 square km and is located 75km north-north-west of the city of Lubumbashi in the Katanga Province of the DRC. The project contains a 12km sequence of mineralised Roan sediments that host at least five known deposits: Kipoi Central, Kipoi North, Kileba, Judeira and Kaminafitwe.

Tiger has reported JORC-compliant resources at three of the deposits: Kipoi Central, Kipoi North and Kileba. The principal deposit is Kipoi Central, which contains a zone of high grade copper mineralisation within a much larger, lower grade global resource.

Tiger has adopted a staged development approach at the Kipoi Project. The high grade zone of mineralisation at Kipoi Central is being exploited during the Stage 1 development. During the three-year operation of Stage 1, 900,000tpa of 7% Cu is planned to be processed through the HMS plant with a recovery rate of 55%, to produce the equivalent of approximately 35,000tpa of copper.

The northern boundary of the Lupoto Project (Tiger: 100%) is located approximately 10km to the south of the Kipoi Project and the project area can be accessed by a road that leads directly to Kipoi.

The Sase deposit is situated within the Lupoto Project in an area of intersecting splay structures associated with a major project-scale fault system, the Sase fault zone. Fault breccias related to the fault systems represent important exploration targets. Several analogous geological settings have been identified in other parts of the Lupoto Project area. Mineralisation at Sase is hosted in intensely brecciated sedimentary rocks, mainly carbonaceous siltstones, shales and dolomites of the lower Kundelungu group. These stratigraphic units are known to host one of the world's largest Pb-Zn-Cu deposits at Kipushi, 50km west of Lubumbashi.



Dr Neale Fong
Executive Chairman



Mel Cotterell
Company Secretary

Chrysalis Resources Limited	Company Snapshot	Company Structure	Board Management
A.B.N 56 125 931 964 Level 1 331 Hay Street SUBIACO WA 6008 PO Box 226, Wembley WA 6913 Phone: 618 9380 4430 Fax: 618 9481 5044 E: info@chrysalisresources.com.au www.chrysalisresources.com.au	Listed on ASX 27 May 2008 ASX Share Code CYS Sector Mining	No of Shares on Issue 67,343,702 No of Options on Issue 35,036,327 Cash (as at 30 th June 12) \$0.29M	Dr Neale Fong Executive Chairman Mr Grant Kidner Executive Director Mr Adrian Paul Non-Executive Director Mel Cotterell Company Secretary