

27 September 2012

TIGER UPDATE OF KIPOI TESTWORK AND SXEW DFS

Perth, Western Australia: Tiger Resources Limited (ASX/TSX:TGS, "Tiger") is pleased to provide an update on the positive results from recent metallurgical testwork and cost optimisation studies in support of the Definitive Feasibility Study (DFS) being conducted for the development of 50,000 tpa copper cathode producing Stage 2 SXEW (solvent-extraction and electro-winning) facility at the Kipoi Copper Project (Tiger: 60%), in the Katanga province of the Democratic Republic of Congo (DRC).

Highlights

- Total copper recovery increased from **82.5% to 88%**
- Life-of-Mine (LOM) acid consumption of **12.9kg/t**, versus scoping study estimate of 12.5kg/t
- **SXEW Phase 1 capital expenditure is \$154 million**, for 25ktpa Cu HL (heap leach)
- **LOM capital expenditure of \$383 million**, versus scoping study estimate of \$422 million
- Operating costs confirmed **below \$1.00/lb for LOM**, (below **\$0.70/lb** for the first 3 years of operation)

Metallurgical Testwork

Metallurgical test work has been completed for the Kipoi Central and Kileba oxide deposits which will provide the majority of the ROM (run-of-mine) ore mined as feed for the proposed SXEW facility.

Total expected copper recovery has increased from 82.5% to 88%. This has had positive implications for the DFS being undertaken.

During the first two years of operations the SXEW will process float residues and medium grade Kipoi Central ore accumulated during the Stage 1 HMS (heavy media separation) production of copper concentrate currently being undertaken at Kipoi. Total copper recovery of 90% is expected from this Kipoi Central ore through a heap leach operation at an anticipated acid consumption rate of 11kg/t of ore stacked.

The testwork has confirmed that the LOM total copper recovery for Kipoi Central and Kileba ores has increased to 88%, in comparison with the total copper recovery of 82.5% assumed previously in the scoping study for the SXEW announced in September 2011.

The LOM acid consumption for Kipoi Central and Kileba has been confirmed at 12.9kg/t of ore, as compared with the scoping study assumption of 12.5kg/t of ore.

The testwork results exclude ore from the Kipoi North deposit, pending the completion of an updated resource which Tiger expects to release in Q4 2012. On completion of the resource update, it is expected that the Kipoi North ore will be incorporated into the feasibility study calculations.

Operating Cost Estimates

With the benefit of the higher copper recoveries evident from the metallurgical testwork, current estimates are that operating costs will be below \$0.70/lb during the initial three years of the Stage 2 SXEW operations, during which the stockpiles from the Stage 1 HMS operation will be treated. Thereafter, Run-of-Mine (ROM) material will be processed and result in a LOM operating cost below \$1.00/lb.

These estimates confirm that there has been insignificant change to date in the operating costs as estimated for the purposes of the scoping study.

The operating cost estimates assume that grid power will be used for the SXEW operations and are based on indicative pit-shell designs that remain to be confirmed for purposes of the final DFS. Costs are unescalated, exclusive of duties, taxes and cathode transport and are expressed in US dollars.

Capital Cost Estimates

Optimisation studies have been undertaken of the plant configuration taking into account the positive metallurgical testwork results and detailed study of the requirements for the proposed SXEW facility, as well as having consideration for Tiger's phased development approach for the SXEW.

The initial SXEW Phase1 HL-SXEW (heap leach/SXEW) facility, to produce 25,000 tpa of copper cathode, will be developed for an estimated cost of \$154 million.

Construction of the SXEW Phase2 HL-SXEW (incorporating an additional SX train to increase the copper cathode production capacity to 50,000 tpa) will commence immediately after commissioning of Phase1 and be commissioned a year later, for an estimated additional capital cost of \$70 million.

The SXEW Phase3 Tank Leach facility, to be constructed for an estimated cost of \$93 million, will treat slimes residues from the Stage 1 HMS and fines material which are not amenable to recovery by heap leach.

Table 1: Proposed development schedule

Stage	Capex	Status
SXEW Phase 1 – 25ktpa HL	\$154m	Commence Q4 2012 In production Q2 2014
SXEW Phase 2 – 50ktpa HL	\$70m	Commence Q3 2014 In production Q2 2015
SXEW Phase 3 – Tank leach	\$93m	Commence Q4 2014 In production Q1 2016
SXEW Sustaining capex	\$49m	LOM

The above capital cost estimates are subject to finalisation for DFS purposes of the costs included for power infrastructure, permanent camp and construction camp. The capital costs estimates include contingency, are unescalated, include customs/import duties and are expressed in US dollars.

Background

The Kipoi Project 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.

The Company 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.

The Company 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 payable copper.

The Company is currently undertaking a feasibility study to evaluate the economic viability of constructing a SXEW plant (Stage 2), targeted to come on-stream in 2014. It is envisaged that ore from Kipoi Central, Kipoi North and Kileba South and the other deposits within the Kipoi Project and within the nearby Lupoto Project would be processed during the Stage 2 phase.

The northern boundary of the Lupoto Project is located approximately 10kms to the south of the Kipoi Project and the project area can be accessed by a road that leads directly to Kipoi. The Company holds a 100% interest in the Lupoto Permit (PR2214) and Aurum Sprl has the right to a 1% NSR from any production on the permit.

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 represents 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.

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Brad Marwood, who is a Fellow of The Australasian Institute of Mining and Metallurgy ("AusIMM"). Mr Marwood is a Director and full-time employee of the Company.

Mr Marwood has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Mr Marwood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Scientific or technical information in this report that relates to the Kipoi Copper Project Scoping Study and the Definitive Feasibility Study currently in progress have been prepared by or under the supervision of Mr Brad Marwood, a Director and full-time employee of the company and a fellow of the AusIMM. Mr Marwood has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is currently undertaking to qualify as a Competent Person as defined in the JORC Code and to qualify as a "Qualified Person" under NI 43-101. Mr Marwood consents to the inclusion in this report 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 report 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 Stage 1 mining, HMS and spiral system operations and the development of a Stage 2 SXEW plant at Kipoi Central, 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, the volatility in global financial markets, the actual results of future mining, processing and development activities and changes in project parameters as plans continue to be evaluated. There can be no assurance that the Stage 1 HMS plant will operate in accordance with forecast performance, that anticipated metallurgical recoveries will be achieved, that future evaluation work will confirm the viability of deposits identified within the project, that future required regulatory approvals will be obtained, that the Stage 2 expansion of the Kipoi Project will proceed as planned and within expected time limits and budgets or that, when completed, the expanded Kipoi Stage 2 project will operate as anticipated.