

28 August 2014

TIGER RESOURCES TO ACQUIRE REMAINING 40% INTEREST IN KIPOI COPPER PROJECT

KEY HIGHLIGHTS

- Tiger to acquire remaining 40% interest in Kipoi
- US\$111 million purchase price
- Financing via \$19.5 million placement, \$53.9 million fully underwritten entitlement offer and up to US\$100 million debt facility
- Increase in Tiger's attributable copper reserves to 737,000 tonnes
- Elevates Tiger to largest ASX listed copper cathode producer and fourth largest copper producer

Perth, Western Australia: Tiger Resources Limited (ASX: TGS) ("Tiger") is pleased to announce that it has entered into an agreement to acquire the remaining 40% shareholding in Société d'Exploitation de Kipoi SA ("SEK"). SEK is the owner of the Kipoi Copper Project in the Democratic Republic of Congo ("DRC").

The Tiger Group currently holds 60% of the shares in SEK. Upon completion of the agreement, which remains subject to the satisfaction of certain conditions precedent, Tiger will acquire the remaining 40% interest, resulting in SEK becoming a wholly-owned subsidiary of Tiger.

The 40% interest will be acquired together with all associated shareholder and contractual rights, other than a 2.5% gross turnover royalty payable by SEK, which will be retained by the vendor.

The agreed purchase price is US\$111 million, of which a deposit of US\$6.5 million has been paid and a completion payment of US\$104.5 million is due by 10 November 2014.

Post completion of the transaction Tiger intends to cede a 5% interest in SEK to the DRC Government to bring the mining title into alignment with the current mining law and regulations in the DRC.

Tiger manages operations on behalf of SEK at Kipoi where the recently completed 25,000 tonne per annum solvent extraction electro-winning plant ("SXEW") has been constructed and successfully commissioned.

Tiger's Managing Director Brad Marwood commented:

"Kipoi has been the cornerstone of our business over the past seven years and together with our DRC business partner we are proud of our achievements. We see the potential to grow our business by focusing on near-mine exploration and sourcing plant feed from elsewhere in the Kipoi region, thus ensuring the mine should operate well into the next decade."

“We believe the acquisition of the additional 40% interest in SEK to be earnings-accretive and offers the opportunity to grow our business and cement our future in the DRC as a 50,000t per year copper cathode producer once the proposed expansion of the SXEW facility has been completed.

“The purchase price is considered a good outcome for all parties having regard to the current 25,000tpa copper cathode production and the fact that the HMS operations are nearing the end of their life.”

As a result of the proposed loan facilities, the Board is reviewing the optimal SXEW expansion timetable.

The transaction is subject to Tiger obtaining sufficient financing on commercially acceptable terms; no material adverse changes occurring; no breach of vendor’s warranties or pre-completion obligations; and confirmation from the DRC Minister of Portfolio that there are no objections to the transaction.

ACQUISITION FUNDING

The acquisition will be funded by a combination of equity and a finance facility.

The equity component totalling \$73.4 million will be funded via a:

1. placement of 65 million fully paid ordinary shares (“New Shares”) at \$0.30 per share to raise \$19.5 million (“Placement”); and
2. fully underwritten pro rata accelerated non-renounceable entitlement offer to raise \$53.9 million (“Entitlement Offer”). Key terms of the entitlement offer include:
 - Ratio: eligible shareholders will be invited to subscribe for 1 New Share for every 5 existing Tiger shares (“Entitlement”) held at the Record Date
 - Record Date: 7pm (Sydney time) on 2 September 2014
 - Amount: \$53.9 million

The offer price per share of \$0.30 is equal to the closing price of Tiger shares on 22 August 2014 (the last trading day before the announcement of the Entitlement Offer) and, therefore, the theoretical ex rights price (“TERP”) will remain the same. The Offer Price represents a discount of approximately 2.9% to the 30 day volume weighted average price on ASX.

The Entitlement Offer will be fully underwritten, and the Placement managed, by Canaccord Genuity (Australia) Limited. As the Entitlements Offer will be non-renounceable, Entitlements will not be tradeable.

Tiger has executed a finance facility with Taurus Mining Finance Fund (“Taurus”), which will be partially used to fund the acquisition. Key terms include:

- Facility amount: up to US\$100 million
- Term: 6 months with options to extend on a monthly basis for up to a further 6 months
- Interest rate: 11% per annum
- Extension fee: if the term extends beyond 6 months, a monthly extension fee of 0.5% of the facility amount is applicable
- Warrants: 20 million warrants with a four-year term exercisable at A\$0.40

ENTITLEMENT OFFER

Accelerated Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional entitlement offer, which will take place from 28 August to 29 August 2014 (**Institutional Entitlement Offer**). Eligible institutional shareholders can choose to take up all, part or none of their Entitlements. Institutional Entitlements cannot be traded on market.

Institutional Entitlements not taken up by the close of the Institutional Entitlement Offer, and Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild on 29 August 2014.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the retail entitlement offer (**Retail Entitlement Offer**) at the same Offer Price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on 5 September 2014 and close at 5pm (Sydney time) on 19 September 2014, unless extended.

The Retail Entitlement Offer is non-renounceable and therefore shareholders cannot trade their Entitlements on market.

ENTITLEMENT OFFER AND PLACEMENT TIMETABLE

The timetable below is indicative only and may be subject to change. Tiger reserves the right to amend any or all of these dates and times without notice subject to the *Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws. In particular, Tiger reserves the right to extend the closing date of the Retail Entitlement Offer and to accept late applications under the Retail Entitlement Offer (either generally or in particular cases). Any extension of the closing date will have a consequential effect on the issue date of New Shares.

Timetable

| Event | Date |
|---|---------------------------|
| Institutional Entitlement Offer and Placement opens | 28 August 2014 |
| Institutional Entitlement Offer and Placement closes | 29 August 2014 |
| Institutional shortfall bookbuild | 29 August 2014 |
| Announce results of Institutional Entitlement Offer and Placement, existing shares recommence trading | 1 September 2014 |
| Record Date for Entitlement Offer (Sydney time) | 7.00pm, 2 September 2014 |
| Retail Entitlement Offer booklet despatched | 5 September 2014 |
| Retail Entitlement Offer opens | 5 September 2014 |
| Settlement of Institutional Entitlement Offer and Placement | 8 September 2014 |
| Allotment of New Shares issued under the Institutional Entitlement Offer and Placement | 8 September 2014 |
| Quotation of New Shares under Institutional Entitlement Offer and Placement | 9 September 2014 |
| Retail Entitlement Offer closes, unless extended | 5.00pm, 19 September 2014 |
| Allotment of New Shares issued under the Retail Entitlement Offer | 26 September 2014 |

| Event | Date |
|--|-------------------|
| New Shares under Retail Entitlement Offer commence trading | 29 September 2014 |
| Despatch of holding statements | 30 September 2014 |

BACKGROUND

The Kipoi Copper Project is located approximately 75km NNW of Lubumbashi in the Katanga Province of the DRC. Tiger has a 60% interest in La Société d'Exploitation de Kipoi SA ("SEK"), a DRC-registered company which holds the project assets and is the operator at Kipoi.

Tiger undertook a phased development at Kipoi. Its Stage 2 solvent extraction electro-winning ("SXEW") plant commenced production of copper cathode in May 2014. This first phase of the SXEW plant is expected to produce copper cathode at the nameplate level of 25,000 tonnes per annum. The Stage 1 heavy media separation ("HMS") plant has been in production at Kipoi since 2011.

Stage 1 HMS operations have produced stockpiles with 159,600 tonnes of contained copper as at 30 June 2014 (Reference - June 2014 Quarterly Activities Report). These stockpiles are providing feed for the SXEW plant for the first three years of its operation.

The forecasted SXEW life of mine ("LOM") site cash operating cost is US\$1.04/lb, and forecast LOM C3 cost (all-in cost, including capital expenditure) is US\$1.75/lb.

It is envisaged that ore from Judeira and other deposits within the Kipoi Project area, and within the nearby 100%-owned Lupoto Project, will also be processed during the SXEW operations, providing additional returns and increasing the ore reserves available as feedstock to the SXEW plant.

Increased resources from these deposits will potentially increase the mine life and/or the annual plant throughput. Further exploration, evaluation and other testing will be required to determine the proportion, if any, of ore from these deposits that may ultimately be available as feed for the SXEW plant.

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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, including but not limited to those with respect to the Stage 1 HMS and spiral system operations and the development and commissioning of the Stage 2 SXEW plant at Kipoi, 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 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 and Stage 2 SXEW plants 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 Phases 2 and 3 expansions of the Kipoi Project will proceed as planned and within expected time limits and budgets or that, when completed, the expanded Kipoi Stage 2 SXEW plant will operate as anticipated.

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 market release dated 21 January 2014.

Competent Person Statement: 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 Ore Reserves (Stage 1 HMS) – 3 April 2014;

Kipoi Central Ore Reserves (Stage 2 SXEW) – 15 January 2014;

Kipoi North and Kileba Ore Reserves (Stage 2 SXEW) – 3 April 2014;

Kipoi Central Mineral Resource – 3 April 2014;

Kipoi North Mineral Resource – 3 April 2014;

Kileba Mineral Resource – 3 April 2014;

Judeira Mineral Resource – 26 November 2013; and

Sase Central Mineral Resource (Lupoto concession) - 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 underpinning the production targets and 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.

For recipients in the UK, the content of this announcement has not been approved by an authorised person within the meaning of the Prospectus Directive (Directive 2003/71/EC) or as a financial promotion for the purposes of section 21 of the Financial Services and Markets Act 2000 (FSMA). If you are considering engaging in any investment activity, you should seek appropriate independent financial advice and make your own assessment. It is emphasised that this announcement is being provided to you in reliance upon your acknowledgement and acceptance that this announcement is being made to and directed solely at persons in the UK who are reasonably believed to be of a kind described in Article 19(5) (Persons having professional experience in matters relating to investment) or Article 49(2)(a)-(d) (High net worth companies, unincorporated associations, etc) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended), and persons who are otherwise permitted by law to receive it (all such persons together being referred to as Relevant Persons). This announcement must not be acted upon or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document relates is available only to Relevant Persons and will only be engaged in with such persons. Any recipient of this document who is not a Relevant Person should return it to Tiger Resources Limited immediately and take no other action. This announcement is not a Prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) and/or Part 6 of FSMA.