Tamerlane Receives Positive NI 43-101 Summary Technical Report for a New Operating Scenario at the Company's Pine Point Project

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BLAINE, Sept. 4, 2013 - Tamerlane Ventures Inc. ("Tamerlane" or the "Company") (TSX VENTURE:TAM) is pleased to announce that it has received and will file on SEDAR later this week a National Instrument ("NI") 43-101 Summary Technical Report for development of its Pine Point Project in the Northwest Territories, Canada. This positive Technical Report was prepared by Albert Siega, P.Eng., MBA, an independent engineering and project consultant.

Tamerlane has taken the positive feasibility reports for the Pine Point Project prepared in 2012 for the R-190 and N-204 deposits, and combined these results with the upgraded Measured and Indicated Resources of seven Main Trend deposits and two North Trend deposits referred to as the Cluster Pits. This Technical Report encompasses an operating scenario that begins operations with mining of the high grade, fully permitted R-190 underground deposit after a two-year construction window. The Cluster Pits are mined in series in years 2 through 7, followed by five years of mining from the reserves at N-204. In total the Technical Report covers a 12-year mine plan. The plan for the Cluster Pits calls for a centralized dense media separation plant to produce a pre-concentrate that will be trucked for final processing at the R-190 facility.

HIGHLIGHTS FROM THE SUMMARY TECHNICAL REPORT

The Summary Technical Report Reserves and Resources are presented below in Table 1. Table 2 provides the Highlights from the Summary Technical Report. Table 3 provides a summary of cash costs for the Base Case ($.95 zinc and $1.00 lead).

Table 1: Reserves and Resources

Deposit	Classification (Diluted and Recovered)	Tonnes	%Zn	%Pb	
R-190	Reserve	1,050,000	10.08	4.85	
J-68	Resource	268,296	5.76	2.66	
HZ	Resource	1,685,396	3.67	2.69	
W-85	Resource	3,452,112	4.11	2.38	
X-65	Resource	2,510,470	3.65	1.45	
M-67	Resource	683,884	4.76	1.21	
K-68	Resource	1,031,926	2.78	0.84	
M-62/63	Resource	974,040	2.29	0.93	
O-53	Resource	274,812	2.71	0.83	
N-204	Reserve	12,800,000	2.60	0.70	

Table 2: Summary of Cash Flow Showing Sensitivities to Discount Rate

	Base Case	
	After Tax (US$'000)	Pre Tax (US$'000)
Cumulative Net Cash Flow (Undiscounted)	221,559	374,249
Discounted at 5%	144,653	220,185
Discounted at 8%	111,681	175,919
Discounted at 10%	93,837	151,808
Internal Rate of Return	35%	48%
Payback Period (years)	2.2	1.7
Total Start-up Capital	118,000	118,000
Total Life of Mine Capital	167,000	167,000
Projected Life of Mine	12	12

Please see Assumptions below Table 3.

Table 3: Summary of Cash Costs - Base Case

	LOM Total (US'000)	Cost per Tonne Mined (US$/t Mined)	Cost per Pound Zinc & Lead Payable (US$/lb)
Payable Metal Cash Cost			
Mining	373,390	15.31	0.19
Processing	270,674	11.47	0.15
G&A	68,160	2.79	0.03
Treatment Charges and Transportation	558,870	22.92	0.28
Royalties (NWT + Karst)	88,870	3.64	0.05
Total	1,368,864	56.13	0.70

Please see Assumptions below.

Assumptions

- Zinc price of US$0.95/lb and lead price of US$1.00/lb Base Case over life of mine.

- Metal prices are based on a three-year trailing average price. Many studies show zinc prices peaking to over $1.25 from 2017 to 2022. Delays in financing and in production may increase the risk of not realizing the benefits of forecasted high metal prices.

- NPV is as of 2014. A 20% contingency has been applied to the capital expenditure direct estimates for the Cluster Pits and N-204; and a 10% contingency has been applied to the capital expenditure direct estimates for R-190. Corporate income tax rate of 26.5% (combined federal and territorial).

- No contaminant penalties were charged for the lead and zinc concentrates.

- Cash cost/pound of zinc and zinc equivalent represents a finished metal basis covering all operating costs, taxes, royalties, transportation, smelting and selling costs.

- A 10% contingency has been applied to all direct mining and processing costs of the project.

- R-190 will be mined by an independent mining contractor.

- All mining equipment for the open pit deposits will be leased.

Pine Point Project

The Pine Point Project is designed to start with the fully permitted and high grade underground R-190 deposit. R-190 will be accessed by ramp to the bottom of the deposit at the 170 meter level. The orebody will be extracted using an open stope long hole cut and fill mining method. Ore will be trucked to surface, crushed and run through a dense media separation plant. The pre-concentrate will be processed through a conventional lead-zinc concentrator to produce a 62% zinc concentrate and a 72% lead concentrate. Mine tonnage will be 2,800 tonnes per day, producing a mill feed of 1,800 tonnes per day. Due to water conditions in the R-190 area, the mine will be developed inside a freeze ring. Tamerlane anticipates mining the R-190 deposit using a contract mining service.

Upon commencement of underground production, the first Cluster Pit open pit deposit is scheduled to be permitted and pre-stripped, providing a second feed source for the R-190 concentrator. The Cluster Pit deposits will be pre-concentrated through a centrally placed dense media separation plant to be located 37 km from the R-190 concentrator. Upon completion of R-190 underground mine, the Cluster Pits will provide six years of mill feed through the 6,000 ton per day crushing and dense media separation facility.

In year 8 Tamerlane will move the dense media separation facility from the Cluster Pit location to N-204. The dense media separation facility will be upgraded to process 7,000 tonnes per day. The N-204 reserves will support five years of additional operations, bringing the total mine life to 12 years. Additional underground reserves and historic open pit resources are available for supplementing production or extending the mine life.

Zinc and lead concentrates produced at the R-190 concentrator will be trucked to the Hay River, NWT rail

loadout facility. Concentrates can be moved from Hay River to the West Coast of Canada or East Coast of Canada for ocean transport to any smelting location in Asia or Europe. The railroad also provides access to other smelting locations in North America.

Pine Point is also a premier exploration location. The zinc and lead mineralized trends run for over 65 km through the Pine Point Project. Many areas of the mineralized trends are under-explored due to their excessive haulage distance from the previous Pine Point concentrator which was located at the former town of Pine Point. In 2006 Tamerlane conducted geophysical studies that identified an additional 34 geophysical anomalies that will be explored once the operation is producing. In the main trend and to the northwest of the underground reserve deposit at G-03, there is a 15 km stretch of ground that is virtually unexplored. As Pine Point hosts a deposit on average every 1.5 km throughout the Main Trend, additional deposits are anticipated through this stretch of land which is within reasonable haulage distance to R-190.

The Pine Point Project is a brownfield project. After operating for more than 20 years, Pine Point Mines Ltd. (Cominco) closed its operation in 1987 due to low metal prices, long haul distances and the cost of supporting the town of Pine Point. Tamerlane has no plans for a new town due to the close proximity of Hay River to the R-190 mine and concentrator. Long haul distances are no longer an issue because of pre-concentration at the mine site using the dense media separation plant, resulting in the haulage of a significantly higher grade material to the centralized milling facility.

Sensitivity and Treatment Charges

The author has included the Base Case NPV Sensitivity to Metal Prices, calculated using an 8% Discount Rate, in Table 4. Base Case prices were obtained using three year trailing prices for both zinc and lead. Treatment charges in the Base Case are the benchmark treatment charges for 2013 as established in the first quarter of 2013 at $204 per tonne for zinc concentrate and $160 per tonne for lead concentrate. Hence, when zinc and lead prices drop, mines will shut down, making the availability of concentrate tight. Due to lack of concentrate, smelters will lower their treatment charges in an attempt to secure smelter feed. Additionally, as metal prices go down the price participation by the smelter is reduced and smelting refining costs to the miner are reduced.

Table 4: NPV Sensitivity, Base Case

NPV Sensitivity to Metal Prices - 8% Discount
Base Case: Treatment Charges of $204 for Zinc and $160 for Lead

Zinc Price (US$/ lb)
$0.75 $0.85 $0.95 $1.05 $1.15 $1.25
Lead Price
(US$/lb) $0.75 ($41,528,076) $13,782,626 $61,526,918 $108,090,765 $154,341,305 $200,198,829
$0.85 ($18,341,192) $34,739,413 $81,581,021 $128,147,005 $174,198,010 $220,058,220
$0.95 $4,354,825 $55,076,552 $101,651,822 $148,203,042 $194,070,726 $239,931,643
$1.00 $15,524,508 $65,105,332 $111,680,545 $158,135,060 $204,002,436 $249,861,159
$1.15 $47,935,507 $95,203,619 $141,779,593 $187,939,077 $233,804,004 $279,665,734
At $0.95 Zinc and $1.00 Lead:
IRR 35%
Breakeven Cash Cost (Zn Equiv) $0.70
NPV @ 8% (millions) $112

Table 5 shows the effects of reduced metal prices on NPV8 when the zinc and lead markets are taken into consideration and the effect they will have on treatment charges. Less available metal from the mines, in the form of concentrates, will come under a true "supply and demand" scenario resulting in the smelters' need to compete for their feedstock resulting in falling treatment charges. Table 2 uses realistic numbers for a shortage situation with treatment charges at $120 for zinc and $90 for lead. The pricing at $.75 zinc and $.85 lead yields a NPV8 of $31M and an IRR of 17%.

Table 5: NPV Sensitivity, Low Metal Price

NPV Sensitivity to Metal Prices - 8% Discount
Low Metal Price Case: Treatment Charges of $120 for Zinc and $90 for Lead

Zinc Price (US$/ lb)
$0.75 $0.85 $0.95 $1.05 $1.15 $1.25
Lead Price(US$/ lb) $0.75 $9,460,035 $58,019,663 $104,592,597 $150,934,048 $196,803,850

$242,660,664
$0.85 $30,856,351 $78,074,432 $124,648,867 $170,793,629 $216,661,953 $262,518,956
$0.95 $51,590,676 $98,141,921 $144,718,389 $190,663,135 $236,531,151 $282,392,610
$1.00 $61,621,740 $108,170,712 $154,738,977 $200,593,889 $246,464,673 $292,320,526
$1.15 $91,719,129 $138,271,779 $184,540,645 $230,396,858 $276,267,332 $322,124,856
At $0.75 Zinc and $0.85 Lead:
IRR 17%
Breakeven Cash Cost (Zn Equiv) $0.61
NPV @ 8% (millions) $31

Table 6 shows the reverse scenario where metal prices are elevated and additional mine production comes back into the market. With additional concentrate production entering the market because of higher prices, the smelters once again will have greater control over the market and will increase treatment charges and become more selective in attempting to acquire concentrates that maximize smelter revenues, such as poorer grade concentrates with higher levels of precious metals. Penalties will elevate as the smelters have additional control in negotiations. Pine Point has no issues with impurity penalties or precious metals content. Based on past production, Pine Point concentrates were among the cleanest concentrates in the world and were required by smelters to blend with poorer grade materials to optimize smelter throughput. As the cleanest concentrates in the world, penalties have not been charged to Pine Point concentrates in more than 20 years of past operation.

Table 6 illustrates a high metal price scenario where treatment charges are elevated to reflect the market and are set at $250 for zinc and $180 for lead. The pricing at $1.25 zinc and $1.15 lead yields a NPV8 of $259M.

Table 6: NPV Sensitivity, High Metal Price

NPV Sensitivity to Metal Prices - 8% Discount
High Metal Price Case: Treatment Charges of $250 for Zinc and $180 for Lead

Zinc Price (US$/ lb)
$0.75 $0.85 $0.95 $1.05 $1.15 $1.25 $1.50
Lead Price
(US$/lb) $0.75 ($70,181,191) ($10,437,851) $40,387,415 $86,953,109 $133,509,874 $179,368,799 $294,023,584
$0.85 ($44,909,655) $11,806,787 $60,444,532 $107,008,811 $153,369,847 $199,226,775 $313,883,118
$0.95 ($20,846,267) $33,242,296 $80,513,288 $127,079,227 $173,241,493 $219,098,200 $333,754,922
$1.00 ($9,293,548) $43,661,618 $90,544,311 $137,108,481 $183,173,156 $229,029,237 $343,685,231
$1.15 $24,441,186 $74,068,646 $120,642,019 $167,108,023 $212,973,588 $258,834,011 $373,490,183
$1.25 $46,358,510 $94,135,745 $140,712,003 $186,979,149 $232,847,110 $278,706,068 $393,359,551
At $1.25 Zinc and $1.15 Lead:
IRR 59%
Breakeven Cash Cost (Zn Equiv) $0.76
NPV @ 8% (millions) $259

All three pricing scenarios ignore the reality that a portion of the concentrates will be sold at spot treatment charges which are currently in the $120 - $130 range for zinc and in the $90 - $100 range for lead.

ADDITIONAL RESERVES NOT INCLUDED FOR MINING IN THIS STUDY

Six underground deposits were classified as Reserves in a Technical Report in 2008 (PAH, 2008). Of the six deposits only R-190 has been included in this Summary Technical Report. The remaining underground Reserves are included in Table 7.

Table 7: Underground Reserves not included for mining in this study

DEPOSIT	TONNES	%Zn	%Pb
X-25	2,108,000	6.73	2.32
P-499	892,000	5.87	2.68
O-556	1,030,000	3.67	2.68
Z-155	775,000	5.02	2.73
G-03	1,980,000	4.97	3.03
TOTAL	6,785,000	5.44	2.68

ADDITIONAL HISTORIC RESOURCES* NOT INCLUDED FOR MINING IN THIS STUDY

Table 8: Historical Resources* not included for mining in this study

HISTORICAL RESOURCES NOT IN TAMERLANE RESERVES AND RESOURCES

RESOURCE TYPE	TONNES	Zn%	Pb%
INDICATED* -- Prismatic Open Pit	1,446,010	6.25	2.39
INDICATED* -- Tabular Open Pit	7,686,980	4.13	1.29
INDICATED* -- Underground	2,050,660	8.02	3.71
INFERRED* -- Prismatic, Open Pit	5,379,700	3.20	1.1
INFERRED* -- Tabular Open, Pit	5,310,000	4.01	1.30
INFERRED* -- Underground	6,883,900	2.82	0.88
* This is historical nomenclature and is not 43-101 qualified			
TOTAL	28,757,250	4.00	1.39

* The historical estimates presented above are not in accordance with the mineral resources or mineral reserves classifications contained in the CIM Definition Standards on Mineral Resources and Mineral Reserves, as required by National Instrument 43-101 ("NI 43-101"). Accordingly, the Company is not treating these historical estimates as current mineral resources or mineral reserves as defined in NI 43-101 and such historical estimates should not be relied upon. A Qualified Person has not done sufficient work to date to classify the historical estimates as current mineral resources or mineral reserves.

The NI 43-101 Summary Technical Report will be filed on SEDAR by Friday, September 6, 2013. The NI 43-101 Summary Technical Report was authored by Albert Siega, P.Eng., MBA. Mr. Siega has verified the data in the news release that pertains to the Summary Technical Report.

Readers are cautioned that the conclusions, projections and estimates set out in this press release are subject to important qualifications, assumptions and exclusions, all of which are detailed in the Summary Technical Report. To fully understand the summary information set out above, the Summary Technical Report that is filed on SEDAR at www.sedar.com should be read in its entirety.

Ross Burns, P.Geo., Director of Tamerlane has reviewed the information contained in this news release and is a Qualified Person as defined under National Instrument 43-101.

John Key, President and CEO of Tamerlane, commented, "I am pleased with the results of the NI 43-101 study and technical report. The restart of the Pine Point mining operation is extremely low risk. The capital costs for the project are well defined and with 23 years of past production to rely upon, there is very little operational risk. Many studies by reputable research firms are showing future zinc prices at $1.25 per pound and lead over $1.00 per pound. Lead is already trading at this target price. We are hopeful that with PricewaterhouseCoopers, our financial advisor in our restructuring process, a partner/investor and/or purchaser will be identified that will assist the Company in executing on the opportunities reflected in the NI 43-101 report."

About Tamerlane Ventures Inc.

Tamerlane Ventures Inc. is an exploration and development mining company with advanced base metal development projects in Canada and Peru. The Company's immediate focus is currently working to restructure its financial affairs while under CCAA protection. PricewaterhouseCoopers Corporate Finance Inc. ("PwC") has been engaged as the Company's financial advisor for the CCAA sale and investment solicitation process. Contact information for Stephen Mullowney of PwC is provided below. The CCAA restructuring process is subject to timelines, and interested parties are encouraged to contact PwC to obtain more information.

John L. Key, Chief Executive Officer
Tamerlane Ventures Inc.

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Caution Concerning Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable securities laws. We use words such as "may", "will", "should", "anticipate", "plan", "expect", "believe", "estimate" and similar terminology to identify forward-looking information. It is based on assumptions, estimates, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments as well as other factors which it believes to be reasonable and relevant. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause our actual results to differ materially from those expressed or implied in the forward-looking statements and, accordingly, readers should not place undue reliance on those statements. A number of risks and uncertainties could cause the Company's actual results to differ materially from those expressed or implied by the forward-looking statements in this press release, including: (i) that Tamerlane will be able to restructure its financial affairs; (ii) that Tamerlane and the Court-appointed Monitor will formulate a plan of compromise or arrangement under the CCAA Proceeding acceptable to the Company's creditors; (iii) that the Court will approve of any proposed restructuring plan, (iv) that the Company and the Monitor will be able to implement any restructuring plan that has been approved; (v) that a transaction that restructures the affairs of the Company in such a way that maximizes value to all stakeholders will be completed; and (vi) the timing and duration of CCAA protection. No assurance can be given that any of the events anticipated by the forward-looking statements will occur as planned or at all, or, if they do occur, what benefits the Company will obtain from them. Additional risks and uncertainties that may cause actual results to vary include but are not limited to the speculative nature of mineral exploration and development, including the uncertainty of reserve and resource estimates; operational and technical difficulties; the availability to the Company of suitable financing alternatives; fluctuations in zinc, lead and other resource prices; changes to and compliance with applicable laws and regulations, including environmental laws and obtaining requisite permits; political, economic and other risks arising from our activities; fluctuations in foreign exchange rates; as well as other risks and uncertainties which are more fully described in our annual and quarterly Management's Discussion and Analysis and in other filings made by us with Canadian securities regulatory authorities and available at www.sedar.com.

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