

Sydney, Australia (ABN Newswire) - [Tiger Resources Ltd.](#) (ASX:TGS) delivered an improved and consistent production performance in Q3 2015 with 7,139 tonnes of copper cathode produced and 6,833 tonnes sold. Cash operating costs were US\$1.40/lb, with a US\$1.63/lb all-in sustaining cash cost.

Kipoi's exemplary safety record was maintained. The lost time injury (LTI) rate at 30 September 2015 remained at zero with no LTIs reported in 4.4 million cumulative man hours. Kipoi continues to entrench safety as the number one value on site through maintaining robust safety management standards and an active safety leadership development program.

Production

Kipoi produced 7,139 tonnes copper cathode for the quarter. Production for the month of July was 2,459 tonnes, representing an annualised rate of 29,500 tonnes and highlighting the ability of the SXEW plant to exceed its nameplate design capacity.

Stacked ore volumes were up quarter on quarter, despite reduced availability of the primary stacker due to maintenance issues. Heap stacking was supplemented by excavator stacking during the months of July and August, with normal operations resumed in September.

As part of Kipoi's wet season management plan stacked volumes are expected to increase in the fourth quarter to maintain budgeted copper output.

The average grade of material stacked was 3.88% total copper, with a reported acid soluble copper grade (AsCu) of 1.94% copper. The lower average AsCu grade reflects the blend of ores stacked, comprising 30% high sulphur oxide material with the balance being HMS floats and medium-low grade ROM stockpiles.

Operating costs

Cash operating costs for the quarter were \$1.40/lb with all-in sustaining costs of \$1.63/lb.

Following connection to the state-owned electricity network operated by Société Nationale d'Electricité in June, access to grid power commenced with 18% of Kipoi's total power requirements for the quarter sourced from the network. A step change in grid power utilisation occurred in September with 40% of the monthly power requirement accessed, and a progressive build-up of grid power has continued in October.

Processing costs were negatively impacted by reduced availability of the primary stacker, as highlighted above and unplanned maintenance costs.

The accelerated dry season development of heap leach pads 5 and 6 was the main contributor to sustaining capital expenditure of \$2.0 million during the quarter.

Sales of copper cathode

Sales for the quarter were 6,833 tonnes of copper cathode at a realised average copper price of \$5,359 per tonne inclusive of quotational period (QP) pricing adjustments, a \$100/t premium to the average LME Grade A copper price of \$5,259/t.

QP pricing was fixed for all copper cathode delivered during the quarter, with no pricing exposure remaining for copper cathode sold up to 30 September 2015.

At 30 September 2015, Tiger had forward sold 1,750 tonnes of October cathode sales at \$5,343/t.

Production and cost outlook

The improved production performance year-to-date has Kipoi on track to meet 2015 production guidance of 25,000 tonnes of copper cathode. The ability to meet production guidance in the first full year of operations reflects positively on Tiger's commitment to targeting best technical practice and continuing efforts to realise the capacity within the SXEW plant.

Lower acid usage and reduced energy consumption per tonne of copper relative to guidance have resulted in Kipoi remaining on target to meet the 2015 full year cost guidance, despite the slower than anticipated ramp-up to grid power.

Tiger reaffirms full year cash operating guidance at US\$1.30-1.40/lb and an all-in sustaining cash cost of US\$1.57-1.67/lb.

Debottlenecking study

During the quarter Tiger commenced an engineering and costing study for the Kipoi debottlenecking being planned to increase the existing SXEW processing train capacity from 25,000tpa to 32,500tpa. (See ASX release, Tiger announces positive results of engineering and costing study for debottlenecking of Kipoi, 31 July 2015).

This study provides the basis for the revised life of mine Kipoi production plan and financial model. Detailed work has been undertaken to support an independent technical expert's evaluation of the debottlenecking expansion which was required in support of the Taurus/IFC finance facility. These workstreams include:

- revised environmental impact assessments;
- delivery of a modified Kipoi mine plan and mining schedule;
- initiation of a mining tender process for the planned re-start of mining activities in July 2016; and

- confirmation of model inputs for operating costs and capital expenditures for a tank leach, 4.5Mtpa crusher and expanded electrowinning circuit.

Exploration

Exploration activities for the quarter focused on geophysical surveys (gravity and Induced Polarisation-IP). The gravity work has been used as an orientation over the Kipoi open pit and surrounding areas to assist in identifying possible "mirror" signatures at depth.

The IP work has been completed to assist in mine planning and sterilisation within the Kipoi Mine footprint and areas to be covered by future heap leach pads.

A total of 2,045 gravity stations surveyed and 10.5 line km of IP were completed. Results are awaited.

Total expenditure on exploration activities at the Kipoi and Lupoto projects during the quarter was \$0.6 million (2Q 2015: \$1.0 million).

Taurus/IFC \$162.5m financing

On 23 October 2015 Tiger announced that it had agreed to a terms sheet with Taurus Mining Finance Fund (Taurus) and the International Finance Corporation (IFC) for a \$162.5 million secured facility for the refinancing and expansion of Kipoi. The facility will refinance the existing debt facilities with Taurus and Gerald Metals SA and provide the required expansion capital for the debottlenecking initiative to increase the capacity of the SXEW plant to 32,500tpa.

Taurus and IFC have obtained their respective credit approvals. IFC has commenced its 30 day public disclosure period, which is required before the investment is presented to its Board of Directors for approval (see ASX release, Taurus and IFC to provide \$162.5 million Kipoi financing, 23 October 2015).

Cash & borrowings

As at 30 September 2015 Tiger held cash on hand and deposit of \$18.2 million (30 June 2015: \$31.5 million). The balance of copper cathode inventory on hand was 1,081 tonnes, with a sales value of \$5.8 million.

After taking into account positive cash flows from the Kipoi operations, additional cash outflows for the quarter included:

- \$19.0 million for servicing of debt obligations, including \$12.5 million of debt principal repaid to Gerald Metals SA;
- \$1.2 million of capital expenditure;
- \$1.5 million of prepayments in respect to the energy efficiency and electricity network reinforcement program; and
- \$4.8 million for exploration and administration costs (including approximately \$1.2 million of one-off costs and \$1.2 million for DRC income tax payments).

Borrowings as at 30 September 2015 comprised \$137.5 million of secured facilities from Taurus (\$100 million) and Gerald Metals SA (\$37.5 million) and \$30.4 million of short-term facilities provided by DRC banks.

Corporate

Mr. Michael Griffiths, a director of Tiger since December 2012, has assumed the role of Interim CEO pending the identification of a successor to Mr Brad Marwood, who retired as CEO and as a director of the Company on 17 August 2015. A recruitment process for a new CEO is in progress with a short list of candidates identified.

Senior mining industry professional Mr. Mark Connelly was appointed as an independent non-executive director of the Company on 14 October 2015. Mark has extensive resource industry experience in CEO and managing director roles at a number of international companies across multiple jurisdictions including Australia, North America, South America, Africa and Europe. In those roles Mark has been instrumental in the development, construction and operation of mining projects for a variety of commodities, including gold, base metals and other minerals.

To view the full report, please visit:
<http://media.abnnewswire.net/media/en/docs/ASX-TGS-739613.pdf>

About Tiger Resources Limited:

[Tiger Resources Ltd.](http://www.tigerresources.com) (ASX:TGS) has established itself as a producing copper/cobalt company with excellent growth potential after making the transition from an explorer. We have a highly-rated portfolio of properties, all strategically located on the world renowned Katanga Copperbelt in the Democratic Republic of the Congo (DRC), central Africa.

Source:

[Tiger Resources Ltd.](#)

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