

9 April 2013

## KIPOI STAGE 2 SXEW CONSTRUCTION UPDATE

**Perth, Western Australia:** Tiger Resources Limited (ASX/TSX: TGS, "Tiger") is pleased to provide an update on construction of the Stage 2 Solvent Extraction Electro-Winning (SXEW) plant at the Kipoi Copper Project in the Democratic Republic of Congo (DRC).

Project construction of the SXEW commenced on 16 January 2013 and is on schedule for first production of copper cathode in mid-2014.

### Site Works and Construction

Progress with site works and civils is progressing well, with more than 60% of the bulk earthworks completed. A 70-man construction camp has been erected, and permanent site accommodation units are close to completion. Civil works for the laydown area are completed and are awaiting fencing. The pad area for a 5 MVA electrical substation is completed.

Lump sum turnkey (LSTK) contracts have been executed with the principal contractor Senet Pty Ltd (SENET) for the supply of the SXEW plant, agglomerator and stacking conveyer system. Additional fixed-price contracts have been executed for the accommodation facilities, power supply and reticulation and earthworks, and for the supply and installation of the heap leach pads.

LSTK and fixed priced contracts have now been executed for works totalling \$110 million of the \$161 million project budget. The balance of the project budget cost is allocated to owner's and project management costs (\$21 million including taxes, duties and fees), with the remainder of \$30 million provided as an unallocated contingency.

SENET is currently ahead of schedule with the design and fabrication of the plant, with all design layout work complete and more than 190 tonnes of steel fabricated.

### Financing

The necessary documentation and approvals process for the \$80 million ECIC standby term loan facility are progressing well. Site visits have been undertaken by the mandated arranging banks, Nedbank Capital and Rand Merchant Bank, and by the nominated Independent Technical Expert. Execution of the \$30 million facility which is to be made available by Nedbank Capital and Rand Merchant Bank in advance of the ECIC standby term facility is progressing with legal negotiations on the facility agreements currently in progress. The facility remains subject to the lender's credit committee approvals, with first drawdown immediately available after the satisfaction of customary conditions precedent.

## Stage 1 HMS Operations

The Stage 1 heavy media separation (HMS) plant at Kipoi continues to generate the cash flow required to meet the SXEW capital expenditure, with March 2013 delivering a new monthly production record of 4,007t of copper, 37% above nameplate capacity. Production for the March 2013 quarter of 9,488 tonnes of copper in concentrate exceeded guidance by 3%.



**Completed site work for the electrical sub-station at Kipoi**

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Site clearing for the SXEW plant



**Fabrication of steel work for the EW tankhouse**



**Fabricated and inspected - completed steel work for the EW tankhouse**



The 35t crane for the erection of the SXEW plant at the Kipoi bonded customs clearing facility

## Background

The Kipoi Project covers an area of 55 square kms 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.

Tiger is undertaking a phased development at Kipoi, where the Stage 1 heavy media separation (HMS) plant is in production and is expected to process 2.7Mt of ore grading approximately 7% Cu to produce a total of 113,000 tonnes of copper in concentrate over its 39 month<sup>1</sup> life.

The Stage 2 solvent-extraction electro-winning (SXEW) plant under development is targeted to come on-stream in 2014. Ore reserves from the Kipoi Central, Kipoi North and Kileba deposits within the Kipoi Project area will be processed during the Stage 2 operations.

It is envisaged that ore from Judeira and other deposits within the Kipoi Project area, and within the nearby Lupoto Project, will also be processed during the Stage 2 operations, providing additional returns and increasing the mineral resources available as feedstock to the Stage 2 SXEW plant. Increased resources will potentially increase the nine-year mine life demonstrated in the DFS and/or annual plant throughput.

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*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.*

<sup>1</sup>Stage 1 Kipoi Central HMS ore processed average recovery is estimated at 60%, as per the Kipoi HMS Feasibility Study