



TIGER RESOURCE FINANCE PLC

Interim Results for the six months ended 30 June 2011

Chairman's Statement

For the six months ended 30 June 2011

KEY POINTS

- ◆ Net Asset Value per share at 30 June 2011 - 4.00p (2010 – 3.41p)
- ◆ Total assets of £6.9M as at 30 June 2011 (2010 - £5.9M)
- ◆ Tiger Board decision to proceed with Share Buyback through a Tender Offer at 3.75p per qualifying share
- ◆ Tender Offer will be available in respect of a maximum of 50m shares equating to a capital return of £1,875,000

A difficult market in the first half of the year saw the Company reporting a pre tax profit of £106,639 (2010: £622,729), however some unrealised gains from earlier periods reversed following share price falls across the portfolio.

The market for all equities has been erratic in recent times with turmoil in world financial markets due to concerns, initially in some peripheral Euro currency countries, followed by concerns relating to the major Euro economies of Spain and Italy and downgrades in credit rating of the US. There has been a flight from risk and this has introduced the prospect of a double-dip recession, following the difficulties in 2008 post the collapse of Lehman Brothers.

There is a common perception that the share prices of a number of well managed companies, across the natural resource sector, with very strong asset backing and prospects have reached levels that appear to offer unprecedented value but caution needs to be exercised as downward pressure remains due to the unwinding of derivative positions and a reluctance of main stream funds to invest.

The natural resource sector in both oil and gas and minerals has seen significant re-ratings and in particular companies who have little or no production or are pre-development have suffered very substantial share price falls. In this environment management teams who have succeeded in the past and have the experience of dealing with these market setbacks will be a target for Tiger and we will work with these management teams to assist them to rebuild their valuations and share prices.

In the short term, as a result of discussions with shareholders and in an effort to align the net asset value of the Company to the share price, the Directors are proposing to launch a tender offer of up to 50m shares in the Company, representing approximately 28.97 per cent. of the Company's issued share capital (excluding Shares held in Treasury), at a price of 3.75p per share ("Tender Offer"). The Tender Offer will represent a capital return of up to £1,875,000. The formalities of this process are in train and the Directors hope to issue the Circular detailing the Tender Offer and containing a notice of general meeting to consider the necessary shareholder resolutions shortly, on the receipt of regulatory approval.

The Board is conscious that the market price of the Company's shares has long remained at a discount to the gross net asset value ("NAV") per share, despite the success of many of the Company's investments. Consequently, the Board has decided to give qualifying shareholders the opportunity to have some of their investment returned in cash by way of the Tender Offer process. This will result in shareholders receiving an enhanced value for a proportion of their shareholding, should they be prepared to tender their shares.

Once the Tender Offer is completed, the Board of Tiger will look to make strategic and directed investments into companies that have been oversold in the recent sell off and the Board believes that this correction will create opportunities to acquire quality investments at attractive price levels. Tiger is aware of the opportunities and is monitoring these closely, but will adopt a cautious approach and will focus on delivering and executing the Tender Offer, in the short term.

In the period under review the Company has invested in Aurum Mining and New World Oil and Gas, two investments that are seen as having good credentials to offer superior investment returns in the medium to long term.

The Board is conscious of utilising its resources to achieve high level returns and we will continue to explore all avenues to succeed in this regard.

Bruce Rowan
Chairman

Portfolio Holdings

as at 30 June 2011

	Number 30/06/2011	Cost 30/06/2011 £	Valuation 30/06/2011 £
INVESTMENTS:			
African Eagle Resources plc	1,241,174	112,264	124,117
Aurum Mining plc	8,333,333	250,218	291,667
Ascent Resources plc	9,642,857	400,824	318,214
Dominion Petroleum Ltd	2,400,000	158,880	87,120
ETFS Physical Platinum	2,250	245,704	237,037
In-Solve plc	625,000	37,500	31,250
Nautical Petroleum plc	136,502	54,601	427,251
New World Oil and Gas plc	5,000,000	250,218	312,500
Northern Petroleum plc	294,118	250,000	232,353
Sovereign Mines of Africa plc	2,000,000	100,000	210,000
Sunrise Resources plc	665,000	6,650	18,753
Tertiary Minerals plc	1,330,000	119,700	103,075
U308 Holdings plc	4,166,666	125,000	38,750
Vatukoula Gold Mines plc	150,000	112,500	141,375
TOTAL		2,224,059	2,573,462

Statement of Comprehensive Income

for the six months ended 30 June 2011

	(Unaudited) Six months ended 30 June 11 £	(Unaudited) Six months ended 30 June 10 £	(Audited) Year ended 31 Dec 10 £
Profit/(loss) on sale of available for sale assets	304,696	790,974	1,528,858
Income:			
Investment income	447	2,697	3,168
Interest receivable	8,639	7,457	15,818
Administrative expenses	(207,143)	(178,409)	(364,484)
Impairment	-	-	(8,736)
PROFIT/(LOSS) BEFORE TAXATION	106,639	622,719	1,174,624
Taxation	(30,000)	(186,816)	(158,489)
PROFIT/(LOSS) FOR THE PERIOD	76,639	435,903	1,016,135
OTHER COMPREHENSIVE INCOME			
Available-for-sale financial assets			
Unrealised (losses)/gains	(882,829)	386,191	1,662,826
Reclassification to profit or loss	(298,189)	(866,160)	(880,696)
Tax relating to components of other comprehensive income	330,685	134,392	(218,995)
OTHER COMPREHENSIVE INCOME AND EXPENSE FOR THE PERIOD, NET OF TAX	(850,333)	(345,577)	563,135
TOTAL COMPREHENSIVE INCOME AND EXPENSE FOR THE PERIOD	(773,694)	90,326	1,579,270
Basic earnings per share	0.04p	0.25p	(0.59)p
Diluted earnings per share	0.04p	0.24p	(0.57)p

All profits are derived from continuing operations.

Statement of Financial Position

as at 30 June 2011

	(Unaudited) 30 June 11 £	(Unaudited) 30 June 10 £	(Audited) 31 Dec 10 £
NON CURRENT ASSETS			
Financial assets			
Available-for-sale investments	2,573,661	2,325,462	3,453,633
CURRENT ASSETS			
Trade and other receivables	12,879	17,403	16,639
Other debtors	-	938	-
Cash and cash equivalents	4,336,972	3,835,432	4,535,506
	4,349,851	3,853,773	4,552,145
TOTAL ASSETS	6,923,512	6,179,235	8,005,778
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO SHAREHOLDERS			
Share capital	1,770,719	2,020,719	2,020,719
Share premium	1,557,831	1,557,831	1,557,831
Other components of equity	979,848	541,350	1,580,181
Retained earnings	2,292,428	1,765,674	2,215,789
TOTAL EQUITY	6,600,826	5,885,574	7,374,520
NON CURRENT LIABILITIES			
Deferred tax liabilities	97,115	74,413	427,800
CURRENT LIABILITIES			
Trade and other payables	38,694	32,432	46,581
Corporate tax payable	186,877	186,816	156,877
	225,571	219,248	203,458
TOTAL LIABILITIES	322,686	293,661	631,258
TOTAL EQUITY AND LIABILITIES	6,923,512	6,179,235	8,005,778

Statement of Changes in Equity

as at 30 June 2011

	Other components of equity							Total
	Share capital	Share premium	Capital redemption reserve	Other reserves	Available for sale financial assets	Share based reserves	Retained earnings	
	£	£	£	£	£	£	£	£
As at 1 January 2010	2,020,719	1,557,831	350,000	(208,805)	745,733	130,118	1,199,654	5,795,250
Changes in equity								
Available-for-sale financial assets								
Current period gains (losses)	-	-	-	-	386,191	-	-	386,191
Reclassification to profit or loss	-	-	-	-	(866,160)	-	-	(866,160)
Tax relating to components of other comprehensive income	-	-	-	134,392	-	-	-	134,392
Profit/(loss) for the period	-	-	-	-	-	-	435,901	435,901
Total comprehensive income and expense for the period	-	-	-	134,392	(479,969)	-	435,901	90,324
As at 30 June 2010	2,020,719	1,557,831	350,000	(74,413)	265,764	130,118	1,635,555	5,885,574
Changes in equity								
Available-for-sale financial assets								
Current period gains (losses)	-	-	-	-	1,276,635	-	-	1,276,635
Reclassification to profit or loss	-	-	-	-	(14,536)	-	-	(14,536)
Tax relating to components of other comprehensive income	-	-	-	(353,387)	-	-	-	(353,387)
Profit/(loss) for the period	-	-	-	-	-	-	580,234	580,234
Total comprehensive income and expense for the period	-	-	-	(353,387)	1,262,099	-	580,234	1,488,946
As at 31 Dec 2010	2,020,719	1,557,831	350,000	(427,800)	1,527,863	130,118	2,215,789	7,374,520
Changes in equity								
Available-for-sale financial assets								
Current period gains (losses)	-	-	-	-	(882,829)	-	-	(882,829)
Reclassification to profit or loss	-	-	-	-	(298,189)	-	-	(298,189)
Tax relating to components of other comprehensive income	-	-	-	330,685	-	-	-	330,685
Profit/(loss) for the period	-	-	-	-	-	-	76,639	76,639
Cancellation of shares held in treasury	(250,000)	-	250,000	-	-	-	-	-
Total comprehensive income and expense for the period	(250,000)	-	250,000	330,685	(1,181,018)	-	76,639	(773,694)
As at 30 June 2011	1,770,719	1,557,831	600,000	(97,115)	346,845	130,118	2,292,428	6,600,826

Cash Flow Statement

for the six months ended 30 June 2011

	(Unaudited) 30 June 11	(Unaudited) 30 June 10	(Audited) 31 Dec 10
	£	£	£
CASH FLOW FROM OPERATIONS			
Profit/(loss) before taxation	106,639	622,719	1,174,624
(Increase)/Decrease in receivables	3,560	(4,479)	(1,735)
Increase/(Decrease) in payables	(7,887)	(15,470)	(2,846)
Adjustment for (profits)/loss on sale of available for sale assets	(304,696)	(790,754)	(1,520,122)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(202,384)	(187,984)	(350,079)
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TAXATION PAID	-	-	-
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CASH FLOW FROM INVESTING ACTIVITIES			
Sale of assets available for sale	664,455	1,445,781	2,310,129
Purchase of assets available for sale	(660,605)	(891,833)	(894,012)
Adjustment for additional investment income	-	-	-
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	3,850	553,948	1,416,117
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CASH FLOW FROM FINANCING ACTIVITIES	-	-	-
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	-	-	-
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Net increase/(decrease) in cash and cash equivalents in the period	(198,534)	365,964	1,066,038
Cash and cash equivalents at the beginning of the period	4,535,506	3,469,468	3,469,468
Cash and cash equivalents at the end of the period	4,336,972	3,835,432	4,535,506

Notes

- 1 The financial information for the six months ended 30 June 2011 and 30 June 2010 is unaudited. The interim accounts have been prepared using the same accounting policies that were used in the Group's statutory accounts to 31 December 2010. In the opinion of the Directors the financial information for these periods represents fairly the financial position, operations and cash flows for the period in conformity with International Financial Reporting Standard (IFRS). The interim statement for the six months ended 30 June 2011 was approved by the Directors on 12 August 2011.
- 2 The financial information for the year ended 31 December 2010 does not constitute full accounts, it is an extraction from the Company's accounts for the year in which they have been delivered to the Registrar of Companies and on which the auditors gave an unqualified report.
- 3 Earnings per ordinary share included in the Income Statement and the NAV calculation is based on weighted average number of shares of 172,571,939.
- 4 Copies of this interim report are available to the public, free of charge, from:
4th Floor, 2 Cromwell Place, London SW7 2JE, during normal office hours.
A copy will also be posted on Tiger Resource Finance plc's website www.tiger-rf.com.