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## OFFICERS AND PROFESSIONAL ADVISERS

### DIRECTORS

R B Rowan – Chairman  
C Bird  
M H Nolan

### SECRETARY

R Samtani (CMA)

### REGISTERED OFFICE

7-8 Kendrick Mews  
London  
SW7 3HG

### NOMINATED BROKER

WH Ireland Limited  
Cannon Gate House  
62-64 Cannon Street  
London  
EC4N 6AE

### NOMINATED ADVISER

Davy Corporate Finance Ltd  
Davy House  
49 Dawson Street  
Dublin 2  
Ireland

### REGISTERED NUMBER

2882601

### AUDITORS

RSM Robson Rhodes LLP  
Chartered Accountants  
186 City Road  
London EC1V 2NU

### BANKERS

Allied Irish Banks plc  
10 Berkeley Square  
London W1J 6AA

### SOLICITORS

Trowers & Hamblins  
Sceptre Court  
40 Tower Hill  
London EC3N 4DX

### REGISTRARS

Computershare Investor Services (Ireland) Limited  
Heron House  
Corrig Road  
Sandyford Industrial Estate  
Dublin 18

### WEBSITE

[www.tiger-rf.com](http://www.tiger-rf.com)



## REPORT OF THE CHAIRMAN

The year 2003 was a very positive year for Tiger. The results show total recognised gains of £2,784,774 compared to £945,412 for 2002. The net asset value per share at 31 December 2003 was 3.02p compared to 1.84p as at 31 December 2002 representing a 64 % increase.

Notwithstanding the excellent results, the year was positive in that by the final quarter of 2003 the markets for resource stocks were showing substantial growth with upward potential.

In my Interim Report to 30 June 2003, I forecasted improved base metal prices against better industrial demand and consequent raw material inventory restocking. My thoughts on gold were neutral, based on the premise that with economic conditions improving base metal prices should rebound strongly whilst gold may not enjoy similar gains. However, the prevailing weak US dollar stimulated both the US economy and gold.

Looking to the current year, your Board sees China and South East Asia demand for raw materials being maintained and therefore the good earnings being reported from the base metal producers are expected to continue.

Conversely, we are of the opinion that the US is now less concerned with deflation and increases in US interest rates can be expected during 2004. Interest rate increases will be modest we believe, since major increases would force debt ridden consumers to be even more challenged to service their debt. A weak dollar was essentially the only remaining tool left to the US government to stimulate the economy and the dollar was allowed to depreciate substantially against the Euro and Japanese Yen. The fortunes of gold, we believe, will be directly proportional to the dollar strength, hence we see gold possibly trading down towards mid-year, should interest rates be increased. Against the overall metal price forecast, we do not see gold as a core investment and are more driven to base metal explorers and producers. We remain confident for strong prices for platinum group metals, copper, nickel and zinc with speciality metals exhibiting coincidental strength.

Explorers seeking large surface mineable deposits containing nickel/copper are expected to show spectacular gains on discovery. Similarly, those companies who have already made discoveries will have little difficulty in providing their shareholders with a significant exit. Despite the exploration requirements for large surface mineable deposits, we feel that market recognition will be for those companies who have made a discovery and are close to production. The mining industry lost the mid-tier sector during the late nineties when the major predators acquired good assets at "knock-down" prices. We believe the next wave of investment will restore that mid-tier sector.

Our strategy for 2004 remains the same i.e. take profits where appropriate and invest in situations where the people, the project and the place offer above average returns.

We remain committed to diversity in investment, type, commodity and country, believing that irrespective of market conditions, diversification is the best way to mitigate risk.

I would like to thank my co-directors and staff for their support during the year and express my optimism for a positive and profitable 2004.

**R B Rowan** - Chairman

4 February 2004



## PORTFOLIO REVIEW

### Portfolio Review – 2003 and 2004 to date

Investments	Number 31/12/03	Cost 31/12/03 £	Valuation 31/12/03 £	Number 04/02/04	Cost 04/02/04 £	Valuation 04/02/04 £
African Eagle Resources plc	1,241,174	112,264	220,308	1,241,174	112,264	273,058
Alamos Gold Inc	106,293	27,610	120,953	106,293	27,610	114,503
Cambrian Mining plc <sup>(1)</sup>	1,350,000	300,000	695,250	1,350,000	300,000	681,750
Cluff Mining plc	100,000	178,477	91,500	100,000	178,477	90,000
Formation Capital Corp	2,025,000	207,043	439,749	2,025,000	207,043	535,061
Franconia Minerals Corp <sup>(2)</sup>	1,666,667	45,432	70,833	1,666,667	45,432	70,833
Gold Fields Ltd	10,500	32,759	84,052	10,500	32,759	70,686
Ivanhoe Mines Ltd	195,000	147,731	872,332	195,000	147,731	602,439
Minmet plc	21,471,488	296,342	1,022,043	21,471,488	296,342	1,180,932
Pacific North West Capital Corp	566,500	107,682	241,121	566,500	107,682	214,165
River Diamonds Ltd <sup>(3)</sup>	3,333,333	50,000	66,668	3,333,333	50,000	100,000
Tertiary Minerals plc	1,330,000	119,700	162,925	1,330,000	119,700	186,200
Fair value of warrants	8,850,000	-	356,000	8,850,000	-	410,000
MIT Ventures Corp Loan Note	-	40,000	40,000	-	40,000	40,000
River Diamonds Ltd Loan Note	-	50,000	50,000	-	50,000	50,000
		1,715,040	4,533,734		1,715,040	4,619,627

Warrants held by the company included in investments are as follows:

<sup>(1)</sup> 1,200,000 warrants in Cambrian Mining plc exercisable at 20p each to 27 March 2007 and a further 150,000 warrants exercisable at 50p each to 15 October 2005.

<sup>(2)</sup> 833,334 warrants in Franconia Minerals Corp exercisable at C\$.09 each to 11 June 2005.

<sup>(3)</sup> 6,666,666 warrants in River Diamonds Ltd exercisable at 1.5p each to 28 October 2008.



## PORTFOLIO REVIEW – CONTINUED

**African Eagle Resources plc:** Alternative Investment Market (AIM) - AER [www.africaneagle.co.uk](http://www.africaneagle.co.uk)

Tiger acquired 1.24 million shares in African Eagle Resources plc (“African Eagle”) in 2002 for a consideration of £112,264. African Eagle explores for and develops gold and other mineral resources in eastern and southern Africa. Tiger believes that African Eagle has good prospects, which will continue to impact favourably on the share price as exploration results emerge.

**Alamos Gold Inc:** Toronto Stock Exchange (TSE) - AGI [www.alamosgold.com](http://www.alamosgold.com)**Alamos Gold Corporation**

Tiger acquired 106,293 shares in Alamos Gold Inc (“Alamos”) during the year at a cost of £27,610. Alamos fully owns the Mulatos deposit, one of the largest undeveloped gold resources located in the state of Sonora, Mexico. This deposit, which is at mineable development stage, was acquired from Placer Dome Inc. and Kennecott Minerals Company. Alamos also owns the Salamandra property which was purchased for C\$8.7 million equivalent to US\$1.64 per gold resource ounce. Alamos has good assets and with a continuing strong gold price could perform better.

**Cambrian Mining plc:** Alternative Investment Market (AIM) - CBM [www.cambrianmining.com](http://www.cambrianmining.com)

Tiger acquired a holding of 1,350,000 shares in Cambrian Mining plc (“Cambrian”) during the year at a cost of £300,000. At year-end, this investment is valued at £695,250 reflecting an unrealised gain of £395,250. Cambrian is a diversified natural resource exploration and development company currently generating cash flow from coal in West Virginia. Cambrian is also exploring for gold in Ghana, developing a world class coking coal mine in Canada, a gold/antimony mine in Australia and a world class coal and power station project in Bangladesh. Cambrian has an interesting and well balanced portfolio which is developing in line with expectations.

**Cluff Mining plc:** London Stock Exchange (LSE) - CLU [www.cluff-mining.com](http://www.cluff-mining.com)

Tiger holds 100,000 shares in Cluff Mining plc (“Cluff”) valued at £91,500 at year-end. Cluff has two platinum group metal (PGM) projects in the Bushveld complex of South Africa. It completed the feasibility study on the Blue Ridge project, (announced on December 2003) which envisages a 17-year life underground mining operation producing 136,000 oz /year contained PGM in concentrate. On the Sheba’s Ridge project, drilling has confirmed continuity of mineralisation, indicating an ore body with potential for a large-scale open pit PGM-base metal mine. This investment has not performed well during 2003 but current projects may benefit from anticipated increases in metal prices and a weaker rand. We will monitor this investment closely.

**Formation Capital Corporation:** Toronto Stock Exchange (TSE) - FCO [www.formcap.com](http://www.formcap.com)

Tiger exercised 675,000 warrants in Formation Capital Corporation (“Formation”) during the year, taking its total holding to 2,025,000 shares at 31 December 2003. The shares have appreciated considerably during the year and the valuation at year-end shows a return of 112% against cost. Formation’s fully owned flagship property, Idaho Cobalt, a primary cobalt project in the Idaho Cobalt Belt in the United States, is in the feasibility and permitting stage of development. This recent share price increase largely reflects the interest cobalt is receiving in international markets.



## PORTFOLIO REVIEW – CONTINUED

**Franconia Minerals Corporation:** (OFEX) - FRA [www.franconiaminerals.com](http://www.franconiaminerals.com)

**Franconia Minerals Corporation** Tiger acquired a position of 1,666,667 shares in Franconia Minerals Corporation ( Franconia ) at a cost of £45,432. Franconia is in the business of minerals exploration focusing on copper-nickel with platinum group metals and zinc. Franconia s property portfolio currently consists of the San Francisco property, a drill-ready zinc target in the western US, fourteen platinum-palladium targets (28,000 acres) and an earn-in option to the Birch Lake platinum-palladium-copper-nickel project in the Duluth Complex Minnesota USA. Franconia provides Tiger with exposure to the US mining scene. Franconia has interesting projects and a well regarded management team.

**Gold Fields Limited:** Johannesburg Stock Exchange (JSE) - GFI [www.goldfields.co.za](http://www.goldfields.co.za)

Gold Fields Limited ( Gold Fields ) is one of the world s largest producers of gold, operating in three key gold mining regions of the world, South Africa, West Africa (Ghana) and Australia. In 2003, Gold Fields attributable gold production amounted to 4.3 million ounces and the company has attributable mineral reserves of 81.5 million ounces. The earnings potential for the company is excellent against current gold prices and a depreciating rand/US\$ exchange rate should impact favourably on earnings. At year-end, Tiger held 10,500 shares in Gold Fields at a cost of £32,759. The current market value of this investment is £84,052 representing an unrealised gain of £51,293 against cost.

**Ivanhoe Mines Limited:** Toronto Stock Exchange (TSE) - IVN [www.ivanhoe-mines.com](http://www.ivanhoe-mines.com)

Ivanhoe Mines Ltd ( Ivanhoe ) is an international mining company developing a major new discovery of gold and copper at the Turquoise Hill (Oyu Tolgoi) Project in southern Mongolia, 80 kilometres north of China. Since drilling the discovery hole in July 2001, Turquoise Hill has grown to become one of the world s largest copper/gold porphyry deposits. This project is now in the feasibility stage with major issues to be faced. Ivanhoe also has a large regional exploration program targeting gold and copper in Mongolia and China and produces copper, gold and iron ore products from various mines in the Asia Pacific region. Tiger has an interest in 195,000 shares at 31 December 2003 valued at £872,332 reflecting an unrealised gain of £724,601.

**Minmet plc:** Irish Stock Exchange (ISE) - MNT [www.minmet.ie](http://www.minmet.ie)

Tiger sold 10 million shares in Minmet plc ( Minmet ) during the year, realising a profit of £446,999. At year-end, Tiger held a total of 21.5 million shares valued at £1,022,043 reflecting an unrealised gain of £725,701 at 31 December 2003. Minmet is a European gold producer with international mining and exploration interests. Minmet is focused on generating positive cash flows from its Bj rkdal gold mine in Sweden and also from the proposed acquisition of a gold bio-leaching process, currently operating on gold-bearing concentrates in Romania. In addition it holds interests in exploration projects, principally for gold, in Brazil, Dominican Republic, Peru and Sweden. Tiger perceives Minmet to be a well managed and focused production/ exploration company with significant upside potential.



## PORTFOLIO REVIEW – CONTINUED

**Pacific North West Capital Corp:** Toronto Stock Exchange (TSE) - PFN [www.pfncapital.com](http://www.pfncapital.com)



Tiger holds 566,500 shares in Pacific North West Capital Corp ( PFN ) purchased for £107,682 and valued at £241,121 on 31 December 2003. PFN is exploring for platinum group metals close to Sudbury, the nickel/copper mining region of Ontario and near Ketchikan south east Alaska. The company has as partners, Anglo Platinum in Canada and Lonmin plc in Alaska. River Valley is the most advanced bulk tonnage PGM exploration project in the Sudbury district. Initial mineral resource estimates indicate a combined resource of 593,000 ounces (Pd+Pt+Au). Agnew Lake, PFN s second Sudbury project covers the prospective Shakespeare Dunlop Intrusion. Drilling has commenced on the Union Bay Platinum Project in Alaska with favourable results being reported. PFN needs to give the market signs of mine development to acquire more market following.

**River Diamonds Ltd:** (OFEX) - RID [www.riverdiamondslimited.co.uk](http://www.riverdiamondslimited.co.uk)



Tiger acquired 3,333,333 shares in River Diamonds Ltd ( River Diamonds ) at a cost of £50,000. River Diamonds owns diamond and gold exploration licences in the Mato Grosso area of Brazil covering 57,000 hectares. Trial diamond mining began on the Melguera licence in November 2002 and in June 2003 the first parcel of diamonds totalling 42.83 carats was sold at an average price of US\$395.72 per carat. River Diamonds intends to seek an AIM flotation in the near future.

**Tertiary Minerals plc:** Alternative Investment Market (AIM) - TYM [www.tertiaryminerals.com](http://www.tertiaryminerals.com)



Tiger subscribed for 1,330,000 shares in Tertiary Minerals plc ( Tertiary ) during 2003 at a cost of £119,700. Tertiary is involved with tantalum, platinum group metals, base metals and gold. The company has interests in a number of mineral exploration projects in Sweden, Finland, Norway and Saudi Arabia including projects at drill-ready and preliminary economic feasibility stages. Tertiary has not shown the gains that some companies in the portfolio have during 2003 but the company s project base is sound with good mid-term prospects.



## REPORT OF THE DIRECTORS

The directors submit their report, together with the audited financial statements, for the year ended 31 December 2003.

### COMPANY ACTIVITY

The main activity during the year of Tiger Resource Finance plc (the “Company”) was making investments in the natural resource sector.

### RESULTS AND DIVIDEND FOR THE YEAR

	2003 £	2002 £
Profit on ordinary activities before taxation	406,682	423,371
Tax on profit on ordinary activities	(104,028)	(72,943)
Profit on ordinary activities after taxation	<b>302,654</b>	350,428
Unrealised net gains on investments	<b>2,642,391</b>	610,108
Tax on gains on investments	(160,271)	(15,124)
Total recognised gains	<b>2,784,774</b>	945,412

At year-end the company held investments in thirteen companies valued at £4,533,734 and had a cash balance of £2,991,055. The net asset value per share as at 31 December 2003 was 3.02p (2002 - 1.84p per share). The eps is 0.13p per share (2002 - 0.16p per share).

The directors have not declared a dividend in the current or prior year.

### FUTURE DEVELOPMENTS IN THE BUSINESS

The board of directors of the Company (the “Board”) will continue to actively review investment opportunities in the mining and mineral exploration industries and adopt an investment policy that will enable the Company to benefit from the Board’s extensive knowledge and experience in these industries.

### DIRECTORS AND SECRETARY

The present directors and secretary are listed on page 2. Throughout the year, except as noted, and up to the date of this report there were no changes in the officers of the Company.



## REPORT OF THE DIRECTORS – CONTINUED

**BOARD OF DIRECTORS****Ronald Bruce Rowan - Chairman**

A businessman who is a shareholder in a number of public companies, particularly on the OFEX and AIM markets in London. He is also chairman of Sunvest Corporation Limited (listed in Australia) and Web Shareshop plc (AIM listed) and holds a number of other United Kingdom company directorships.

**Colin Bird - Director**

A chartered engineer and Fellow of the Institute of Mining and Metallurgy. He is currently managing director of Lion Mining Finance Limited and a director of Lion Capital Corporation Limited (“Lion Capital”), both based in London. Lion Capital, an FSA registered company, advises on corporate matters and mining finance. Mr Bird is also a director of Jubilee Platinum plc (AIM listed) and several Canadian listed companies operating in the mining sector. He has spent over 20 years in operational mine management.

**Michael H Nolan - Non-Executive Director**

A director since 1995. He was appointed chief executive officer of Minmet plc in November 1999, having held the position of finance director for all the companies in the Minmet Group since 1994. A chartered accountant, he worked with Deloitte & Touche in Dublin and was executive director of Equity and Corporate Finance plc, the London based corporate finance and investment house.

**DIRECTORS’ AND SECRETARY’S INTERESTS**

The beneficial interests of the directors and the secretary, their spouses and minor children in the share capital of the Company are as follows:

	Ordinary Shares of 1p each			Options		
	4/2/2004	31/12/2003	31/12/2002	4/2/2004	31/12/2003	31/12/2002
R B Rowan	44,666,239	44,666,239	44,666,239	10,000,000	10,000,000	10,000,000
C Bird	1,635,000	1,635,000	-	5,760,000	5,760,000	5,760,000
M H Nolan	125,000	125,000	125,000	1,190,000	1,190,000	1,940,000
R Samtani	500,000	500,000	-	-	-	-

On 4 February 2004 and 31 December 2003 a total of 16,950,000 ordinary shares were subject to option by the directors at an exercise price of 1.25p per share with an expiry date of 29 May 2012.



REPORT OF THE DIRECTORS – CONTINUED

No options were granted to or exercised by the directors or a member of their immediate family during the year. 750,000 options held by M H Nolan lapsed on 31 December 2003.

The market price of the Company's shares on 31 December 2003 was 1.88p and on 4 February 2004 is 1.94p (31 December 2002 - 1.00p).

**INTERNAL CONTROLS**

The Board has overall responsibility for ensuring that the Company maintains a system of internal financial control to provide it with reasonable assurance regarding the reliability of financial information used within the business and for publication and that assets are safeguarded.

The key features of the internal control system that operated throughout the year covered by this report can be summarised as follows:

- there is central head office control over all expenditures along with budgetary control over all costs and cash flows;
- appropriate segregation of duties is implemented for all cost authorisations;
- regular reporting of financial information to management; and
- all investment and capital expenditure proposals are documented and approved.

**SUBSTANTIAL SHAREHOLDINGS**

The following shareholders hold 3% or more of the issued share capital of the Company at 31 December 2003 and on 4 February 2004.

	4 Feb 2004	31 Dec 2003	31 Dec 2002
	%	%	%
R B Rowan	18.94	18.94	19.04
T D Waterhouse	5.03	5.00	4.82
Sharelink Nominees	-	-	4.18
Barclayshare Nominees	5.06	5.04	-

**ISSUE OF SHARES**

During the year, 1,000,000 ordinary shares were issued at 1.25p and a further 300,000 ordinary shares were issued at 1.5p resulting from the exercise of share options. The total nominal value of shares issued in the year was £13,000 in return for a total consideration of £17,000.



REPORT OF THE DIRECTORS – CONTINUED

**GOING CONCERN**

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue its operations for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**PAYMENT OF SUPPLIERS**

The company agrees terms of contracts when orders are placed. It is company policy that payments to suppliers are made in accordance with those terms, provided that suppliers also comply with all relevant terms and conditions. Trade creditors outstanding at year end represented 16 days trade purchase (2002 - 34 days).

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

There were no political or charitable contributions during the year or the previous year.

**AUDITORS**

During the year, Deloitte & Touche resigned as auditors and the directors appointed RSM Robson Rhodes LLP in their place. RSM Robson Rhodes LLP, have offered themselves for re-appointment in accordance with Section 385 of the Companies Act 1985.

Signed on behalf of the Board:

**R B Rowan** - Chairman

**C Bird** - Director

4 February 2004



## STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have responsibility for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in the United Kingdom and comply with the Companies Act 1985. The directors have responsibility for the system of internal control, for taking reasonable steps to safeguard the Company's assets and to prevent and detect fraud and other irregularities.

The Annual Report is available on the company's website. The maintenance and integrity of Tiger Resource Finance plc's website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.



## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TIGER RESOURCE FINANCE PLC

We have audited the financial statements of Tiger Resource Finance plc for the year ended 31 December 2003, which comprise the profit and loss account, the balance sheet, the cash flow statement, the statement of total recognised gains and losses and the related accounting policies and notes on pages 15 to 27.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards. We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises the Report of the Chairman, the Portfolio Review and the Report of the Directors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS – CONTINUED

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**RSM Robson Rhodes LLP**

Chartered Accountants and Registered Auditors

London, England  
18 February 2004



## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Administrative expenses		(287,645)	(212,751)
<b>OPERATING LOSS</b>	2	<b>(287,645)</b>	<b>(212,751)</b>
Profit on sale of fixed asset investments		547,747	552,723
Investment income		57,734	10,805
Interest receivable		88,846	72,594
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>406,682</b>	<b>423,371</b>
Tax on profit on ordinary activities	3	(104,028)	(72,943)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR</b>	9	<b>302,654</b>	<b>350,428</b>
Basic earnings per share	4	<b>0.13p</b>	0.16p

All profits are derived from continuing operations

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Profit for the year	9	302,654	350,428
Unrealised gains on fixed asset investments		2,727,465	730,591
Unrealised losses on fixed asset investments		(85,074)	(120,483)
Tax on gains/losses on fixed asset investments	3	(160,271)	(15,124)
<b>Total recognised gains</b>		<b>2,784,774</b>	<b>945,412</b>



**BALANCE SHEET** AS AT 31 DECEMBER 2003

	Notes	2003 £	2002 £
<b>FIXED ASSETS</b>			
Investments	5	4,533,734	2,042,213
<b>CURRENT ASSETS</b>			
Debtors	6	11,962	29,739
Cash at bank		2,991,055	2,378,708
		<b>3,003,017</b>	<b>2,408,447</b>
<b>CREDITORS: amounts falling due within one year</b>	7	<b>(421,707)</b>	<b>(137,390)</b>
<b>NET CURRENT ASSETS</b>		<b>2,581,310</b>	<b>2,271,057</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>7,115,044</b>	<b>4,313,270</b>
<b>Represented by:</b>			
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	8	2,358,819	2,345,819
Share premium account	9	1,554,856	1,550,856
Revaluation reserve	9	2,818,695	734,770
Profit and loss account	9	382,674	(318,175)
<b>EQUITY SHAREHOLDERS' FUNDS</b>	10	<b>7,115,044</b>	<b>4,313,270</b>

The financial statements were approved by the Board on 4 February 2004 and signed on its behalf by:

**R B Rowan** - Chairman

**C Bird** - Director

**CASH FLOW STATEMENT** YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
<b>Net cash inflow/ (outflow) from operating activities</b>	13	<b>(264,983)</b>	<b>(224,038)</b>
<b>Returns on investment and servicing of finance</b>			
Interest received		110,585	51,294
Other investment income received		57,734	10,805
<b>Taxation</b>			
Corporation tax paid		(6,604)	-
<b>Capital expenditure and financial investment</b>			
Payments to acquire fixed asset investments		(961,631)	(736,247)
Receipts from sale of fixed asset investments		1,660,246	2,007,699
<b>Net cash inflow/(outflow) from capital expenditure and financial investment</b>		<b>698,615</b>	<b>1,271,452</b>
<b>Financing</b>			
Proceeds from exercise of options	8	17,000	-
Net cash inflow from financing		17,000	-
<b>Increase in cash in the year</b>	14	<b>612,347</b>	<b>1,109,513</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements are prepared under the historical cost convention as modified to include the revaluation of fixed asset investments. They are prepared in accordance with applicable accounting standards and are denominated in Pounds Sterling (£).

#### Investments

Quoted investments made by the Company are carried at closing mid-market prices on recognised exchanges. Unquoted investments are carried at directors' valuation.

Unrealised gains or losses on the revaluation of investments are reflected in the statement of total recognised gains and losses, except where the unrealised loss indicates a permanent diminution in the value of the investment, in which case a current year loss is reflected in the profit and loss account and a loss arising in previous years is dealt with by a transfer from the revaluation reserve to the profit and loss reserve.

A gain or loss realised on the disposal of an investment is recorded in the profit and loss account to the extent of the difference between the disposal proceeds and the carrying value. In addition, any amount in the revaluation reserve relating to the investment disposed of is transferred from the revaluation reserve to the profit and loss account.

#### Foreign currency

Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at balance sheet date. Exchange gains or losses are recorded in the profit and loss account.

#### Taxation

Taxation arising in relation to gains or losses recognised in the profit and loss account is recognised in the profit and loss account. Taxation in relation to other gains or losses is recognised in the statement of total recognised gains and losses.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax is not provided on timing differences arising from the revaluation of fixed asset investments, unless there is a binding contract to dispose of these assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.



## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**2. OPERATING LOSS**

	2003 £	2002 £
This is stated after charging:		
Auditors' remuneration - audit fees	8,500	9,000
Directors' emoluments	94,690	74,356

The auditors, RSM Robson Rhodes LLP received fees totalling £2,000 (ex VAT) for other services provided to the company (2002 - nil).

Other than the directors, there were no employees in the current or prior year.

**3. TAXATION****(i) Analysis of tax charge on profit on ordinary activities**

	2003 £	2002 £
Corporation tax at 30% (2002 - 30%)	104,028	99,160
Adjustment in respect of prior years	-	(26,217)
	<b>104,028</b>	<b>72,943</b>

**(ii) Factors affecting tax charge on profit for the current year**

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK: 30% (2002 - 30%).

The differences are explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	406,682	423,371
Tax at 30% thereon	122,005	127,011
Effects of:		
Marginal relief	(15,593)	-
Indexation allowances	(2,384)	(11,170)
Utilisation of tax losses not previously recognised	-	(14,347)
UK dividend income	-	(2,334)
Adjustments in respect of prior years	-	(26,217)
Actual current tax charge	<b>104,028</b>	<b>72,943</b>



NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**(iii) Factors that may affect the future tax charge**

Deferred tax has not been provided on revaluation of investments. This tax will only become payable if the assets are sold. The estimated amount of tax that would become payable in these circumstances based on the revalued carrying amounts is £846,000 (2002 - £220,000).

**(iv) Analysis of tax in statement of total recognised gains and losses**

	2003 £	2002 £
United Kingdom corporation tax at 30% (2002 -30%) based on gains crystallised during the year which were recognised in prior periods	160,271	15,124
	<b>160,271</b>	<b>15,124</b>

**4. EARNINGS PER SHARE**

	2003 £	2002 £
Profit for year after tax	302,654	350,428
Weighted average number of shares	235,119,439	225,273,132
Diluted weighted average number of shares	235,119,439	225,273,132
Basic earnings per ordinary share	0.13p	0.16p
Diluted earnings per ordinary share	0.13p	0.16p



## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

## 5. INVESTMENTS

	2003			Total £
	Listed Investments £	Other Investments (Quoted) £	Other Investments (Unquoted) £	
	Canada	1,674,155	-	
Ireland	1,022,043	-	-	1,022,043
South Africa	84,052	-	-	84,052
UK				
-LSE	91,500	-	-	91,500
-AIM	-	1,078,483	-	1,078,483
-OFEX	-	137,501	-	137,501
-Others	-	-	406,000	406,000
	<b>2,871,750</b>	<b>1,215,984</b>	<b>446,000</b>	<b>4,533,734</b>

  

	2002			Total £
	Listed Investments £	Other Investments (Quoted) £	Other Investments (Unquoted) £	
	Canada	1,418,499	-	
Ireland	270,000	-	-	270,000
South Africa	90,626	-	-	90,626
UK				
-LSE	170,000	-	-	170,000
-AIM	-	93,088	-	93,088
-OFEX	-	-	-	-
-Others	-	-	-	-
	<b>1,949,125</b>	<b>93,088</b>	<b>-</b>	<b>2,042,213</b>



## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

	Unlisted Investments £	2003 Listed Investments £	Total £
Opening book cost	112,264	1,195,178	1,307,442
Opening unrealised appreciation/(depreciation)	(19,176)	753,947	734,771
<b>Valuation at 01.01.03</b>	<b>93,088</b>	<b>1,949,125</b>	<b>2,042,213</b>
Movements in the year:			
Purchases at cost	605,132	356,499	961,631
Sales -Proceeds	-	(1,660,246)	(1,660,246)
-Realised gains on sales	-	1,106,213	1,106,213
-Increase in unrealised appreciation	963,764	1,120,159	2,083,923
	1,568,896	922,625	2,491,521
Book cost at year end	717,396	997,644	1,715,040
Closing unrealised appreciation	944,588	1,874,106	2,818,694
<b>Valuation at 31.12.03</b>	<b>1,661,984</b>	<b>2,871,750</b>	<b>4,533,734</b>
Realised gains based on historical cost	-	1,106,213	1,106,213
Net unrealised gains recognised on these investments at previous balance sheet date	-	(558,466)	(558,466)
Realised gains based on carrying value at previous balance sheet date	-	547,747	547,747
Unrealised appreciation for the year	963,764	1,678,627	2,642,391
Total recognised gains on investments in the year	963,764	2,226,374	3,190,138



## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**6. DEBTORS**

	2003	2002
	£	£
Trade debtors	3,750	-
Other debtors and prepayments	8,212	29,739
	<b>11,962</b>	<b>29,739</b>

**7. CREDITORS:** amounts falling due within one year

	2003	2002
	£	£
Trade creditors and accruals	45,023	19,610
Other taxes and social security	4,707	3,496
Corporation tax	371,977	114,284
	<b>421,707</b>	<b>137,390</b>

**8. CALLED UP SHARE CAPITAL**

	2003	2002
	£	£
<b>Authorised:</b>		
1,000,000,000 ordinary shares 1p each	<b>10,000,000</b>	10,000,000
<b>Allotted, called-up and fully paid:</b>		
235,881,939 ordinary shares of 1p each (2002 -234,581,939)	<b>2,358,819</b>	2,345,819

At 31 December 2003, 16,950,000 options are exercisable on ordinary shares at 1.25p per share with an expiry date of 29 May 2012. A total of 20,000,000 options were exercisable at 31 December 2002. 2,750,000 options lapsed during the year.

During the year, 1,000,000 ordinary shares were issued at 1.25p and a further 300,000 ordinary shares were issued at 1.5p resulting from the exercise of share options. The total nominal value of shares issued in the year was £13,000 in return for a total consideration of £17,000.



## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**9. RESERVES**

	Share Premium £	Profit and Loss Account £	Revaluation Reserve £	Total £
At 1 January 2003	1,550,856	(318,175)	734,770	1,967,451
Profit for the year	-	302,654	-	302,654
Premium on issue of shares	4,000	-	-	4,000
Other recognised gains and losses	-	-	2,642,391	2,642,391
Tax on previously recognised gains	-	(160,271)	-	(160,271)
Realised revaluation surplus	-	558,466	(558,466)	-
<b>At 31 December 2003</b>	<b>1,554,856</b>	<b>382,674</b>	<b>2,818,695</b>	<b>4,756,225</b>

The realised revaluation surplus relates to amounts included in the revaluation reserve at 31 December 2002 which have been realised in 2003 when the related investments were sold.

**10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2003 £	2002 £
Profit for the financial year	302,654	350,428
Net unrealised gains on investments	2,482,120	594,984
Issue of shares	17,000	111,705
Net increase in shareholders' funds	2,801,774	1,057,117
Opening shareholders' funds	4,313,270	3,256,153
Closing shareholders' funds	7,115,044	4,313,270



## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**11. RELATED PARTY TRANSACTIONS**

- (1) Lion Mining Finance Limited, a company in which Colin Bird is director and shareholder, has provided office facilities, accounting, administrative and company secretarial services to the company amounting to £54,000 plus VAT in the year. There were no amounts outstanding at 31 December 2003.
- (2) The chairman is paid an amount of £18,000 per annum to cover the cost of maintaining his office. No amount was accrued in the previous year resulting in a total charge of £36,000 in 2003. There were no amounts outstanding as at 31 December 2003.

**12. FINANCIAL INSTRUMENTS****Management of Risk**

The Company's financial instruments comprise:

- Equity
- Loan notes
- Cash, short-term debtors and creditors

Throughout the period under review, it was the Company's policy that no trading in financial instruments shall be undertaken.

The main financial risks arising from the Company's financial instruments are market price risk, interest rate risk, liquidity risk and foreign currency risk. The Board regularly reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained constant throughout the period.

**Market price risk**

Market price risk arises mainly from uncertainty about future movements in equity prices and currency exchange movements relative to Sterling.

It is the Board's policy to maintain an appropriate spread of investments in the portfolio whilst maintaining the investment policy and aims of the Company. The directors actively monitor market prices throughout the year and report to the Board, which meets regularly to review investment policy.

**Interest rate risk**

Cash balances totalled £2,991,055. The Company finances its operations through its retained revenues.

**Liquidity risk**

The Company maintains appropriate cash reserves and the majority of the Company's assets comprise of realisable securities which can be sold to meet funding requirements if necessary.



NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**Foreign currency risk**

The Company's total return and net assets can be significantly affected by currency translation movements as part of the Company's assets are denominated in currencies other than Sterling. The directors mitigate the individual currency risks through the international spread of investments. Hedging transactions may be used but none have been employed during the period under review.

**Financial assets**

	Total £	Floating rate financial assets £	Non-interest bearing assets Equity investments and loan notes £
<b>At 31 December 2003</b>			
<b>Sterling</b>	<b>5,766,582</b>	<b>2,991,055</b>	<b>2,775,527</b>
<b>SA rand</b>	<b>84,052</b>	<b>-</b>	<b>84,052</b>
<b>C \$</b>	<b>1,674,155</b>	<b>-</b>	<b>1,674,155</b>
	<b>7,524,789</b>	<b>2,991,055</b>	<b>4,533,734</b>

At 31 December 2002

Sterling	2,911,796	2,378,708	533,088
SA rand	90,626	-	90,626
C \$	1,418,499	-	1,418,499
	<b>4,420,921</b>	<b>2,378,708</b>	<b>2,042,213</b>

All short-term debtors and creditors are denominated in Pounds Sterling.

There are no financial liabilities.

There were no hedging activities.

A floating rate of interest, which is linked to bank base rates, is earned on cash deposits.

**Fair value of financial assets and liabilities**

Please refer to page 4 for a comparison of market value to cost of the equity investments.



## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**13. NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	<b>2003</b>	2002
	£	£
Operating loss	<b>(287,645)</b>	(212,751)
(Increase) in debtors	<b>(3,962)</b>	(3,313)
Increase/ (decrease) in creditors	<b>26,624</b>	(7,974)
Net cash outflow from operating activities	<b>(264,983)</b>	(224,038)

**14. ANALYSIS OF NET CASH MOVEMENT IN THE YEAR**

	<b>2003</b>	2002
	£	£
Increase in cash in the year	<b>612,347</b>	1,109,513
Net funds at 1 January 2003	<b>2,378,708</b>	1,269,195
Net funds at 31 December 2003	<b>2,991,055</b>	2,378,708





## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of TIGER RESOURCE FINANCE PLC will be held on Friday 26 March 2004 at 2.30 p.m. at the Drayton Suite, Jury's Kensington Hotel, 109 - 113 Queensgate, London SW7 5LR when the following business will be transacted (items 1,2,3 and 5 will be proposed as ordinary resolutions and item 4 and 6 will be proposed as a special resolution):

### ORDINARY BUSINESS

1. To receive and if thought fit, to adopt the Report of the Directors and the Statement of Accounts for the year ended 31 December 2003 with the Auditors' Report thereon.
2. To re-appoint RSM Robson Rhodes LLP as auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company at which Accounts are presented.
3. To authorise the directors to fix the remuneration of the Auditors.

### SPECIAL BUSINESS

4. As an item of special business to consider and, if thought fit, pass the following resolution as a special resolution:

That the company be generally and unconditionally authorised pursuant to section 166 of the companies Act 1985 (the Act) to make market purchases (within the meaning of the section 163(3) of the Act) of its ordinary shares of 1p each in the capital of the company (shares) on such terms and in such manner as the directors may from time to time determine, provided that:

- (i) the maximum aggregate number of shares authorised to be purchased is 35,382,291 being the number representing 15% of the issued ordinary share capital of the company at the date of the meeting;
  - (ii) the minimum price (exclusive of expenses) which may be paid per share is 1p (being the nominal value per share) and the maximum price which may be paid per share is an amount equal to 20% higher than the average of the middle market quotations per share as derived from the Daily List of the Alternative Investment Market of the London Stock Exchange for the fifteen business days immediately preceding the day on which the shares are purchased;
  - (iii) the authority shall expire at the conclusion of the next annual general meeting of the company; and
  - (iv) the company may make a contract to purchase shares under the authority before the expiry of the authority, and may make a purchase of shares in pursuance of any such contracts.
5. As an item of special business to consider and, if thought fit, pass the following resolution as an ordinary resolution:

That pursuant to Article 5 of the Company's Articles of Association, the Directors be and are hereby authorised, generally and unconditionally for the purposes of section 80 of the Companies Act 1985 (the Act), to allot



NOTICE OF ANNUAL GENERAL MEETING - CONTINUED

relevant securities (as defined in section 80(2) of the Act) for cash or money's worth in accordance with the provisions of the Act, up to the amount of authorised but yet unissued share capital, to the exclusion of and in substitution for any other such authority previously granted to them, provided that this authority shall expire on the earlier of the date of the next Annual General Meeting after the passing of this resolution and the close of business on 26 June 2005 save that the Company may before such expiry make an offer, agreement or other arrangement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer, agreement or other arrangement as if the authority hereby conferred had not so expired.

6. As an item of special business to consider and, if thought fit, pass the following resolution as a special resolution:

That the directors be and are hereby empowered, pursuant to section 95 of the Companies Act 1985 ("the Act"), for the period commencing on the date of passing of this resolution and expiring on the earlier of the date of the next Annual General Meeting after the passing of this resolution and the close of business on 26 June 2005, and at any time thereafter pursuant to any offer, agreement or other arrangement made by the Company before the expiry of this power, to the exclusion of and in substitution for any other such power previously granted to them, to allot out of any relevant securities (as defined in section 80(2) of the Act) equity securities (as defined in section 94(2) of the Act) which they are from time to time authorised to allot, as if section 89(1) of the Act did not apply to such allotment:

- (i) up to a maximum aggregate nominal amount of STG £589,705 being 25% of the issued share capital of the Company; and
- (ii) in connection with an issue by way of rights (including, without limitation, under a rights issue, open offer or similar arrangement) to holders of equity securities (as so defined) in proportion as nearly as may be to their respective holdings of such securities or in accordance with the rights attaching thereto (but with such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements, record dates or other legal or practical problems under the laws of, or other requirements of, any recognised regulatory body or any stock exchange in any territory or as regards shares held by an approved depository or in issue in uncertificated form).

By Order of the Board

**Raju Samtani** CMA - Company Secretary

Registered and administrative office: 7-8 Kendrick Mews, London SW7 3HG

26 February 2004

Note: A member entitled to attend this vote at the above mentioned meeting is entitled to appoint a proxy to attend and on a poll, vote in their stead. To be effective the form of proxy must be received at the office of the Company's Registrars, Computershare Investor Services (Ireland) Limited, PO Box 954, Dublin 18, Ireland, not later than 48 hours before commencement of the meeting. A proxy need not be a member of Company.

# FORM OF PROXY

Shareholders may vote by proxy by returning this form duly completed to Computershare Investor Services (Ireland) Limited, PO Box 954, Dublin 18, Ireland, to arrive no later than 11.30 am on the 24th March 2004. Before completing this form, please see the explanatory notes below.

I/We want the following person (called a 'proxy') to vote on my/our behalf  
(The proxy need not be a member of the Company)

**(Please place a mark in one box only to indicate your choice).**

The Chairman  
of the meeting

**(Please leave this box blank if you are selecting  
someone other than the Chairman).**

**OR**

The following  
person:

**Please leave this box blank if you have selected the  
Chairman. Do not insert your own name(s).**

To attend and vote on my/our behalf at the Annual General Meeting of Tiger Resource Finance Plc to be held on 26th March 2004 and at any adjournment of the Meeting. I/We would like my/our proxy to vote on the resolutions proposed at the Meeting as indicated on this form. Unless otherwise instructed, the proxy may vote as he or she sees fit or abstain in relation to any business of the Meeting.

Signature

Date

**(In the case of joint shareholders any one joint holder may sign)**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

## Resolutions

	<b>For</b>	<b>Against</b>
1 To adopt the 2003 Report and Accounts	<input type="checkbox"/>	<input type="checkbox"/>
2 To re-appoint RSM Robson Rhodes LLP as Auditors of the Company	<input type="checkbox"/>	<input type="checkbox"/>
3 To authorise the Directors to fix the remuneration of the Auditors	<input type="checkbox"/>	<input type="checkbox"/>
4 To authorise the Company to make market purchases of its ordinary shares	<input type="checkbox"/>	<input type="checkbox"/>
5 To authorise the Directors to allot relevant securities	<input type="checkbox"/>	<input type="checkbox"/>
6 To authorise the Directors to allot securities for cash or money's worth	<input type="checkbox"/>	<input type="checkbox"/>

## Notes:

- 1 A member entitled to attend and vote is entitled to appoint a proxy investor to attend, speak and vote instead of him.
- 2 The form of proxy must be executed under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a body corporate either under the seal or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Company.
- 3 To be effective, the form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, should be deposited with Computershare Investor Services (Ireland) Limited, PO Box 954, Dublin 18, Ireland not later than 48 hours before the time appointed for the meeting.
- 4 In the case of joint holders, the vote of the senior of them who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register.
- 5 Completion and return of a form of proxy shall not preclude a member from attending and voting at the Meeting should he/she so wish.

SECOND FOLD

PLEASE  
AFFIX  
STAMP

**COMPUTERSHARE INVESTOR SERVICES (IRELAND) LIMITED**

P O Box 954

Dublin 18

Ireland

FIRST FOLD

THIRD FOLD AND TUCK IN