TIGERS REALM COAL
ACN 146 752 561 LIMITED

24 August 2012

Manager Company Announcements
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney, NSW 2000

Re: Interim Financial Report

Dear Sir/Madam,

We attach for release to the market Tigers Realm Coal Limited's (ASX: TIG) Interim Financial Report for the six months ended 30 June 2012.

Yours faithfully,

David J. Forsyth
Company Secretary
Tigers Realm Coal Limited

Office: +61 3 8644 1300 ◆ Fax: +61 3 9620 5444 ◆ Level 7, 333 Collins Street ◆ Melbourne Victoria Australia 3000 ◆ www.tigersrealmcoal.com

Tigers Realm Coal Limited
(ABN 50 146 752 561)

Interim Financial Report
30 June 2012

Tigers Realm Coal Limited
Corporate Directory

DIRECTORS

Antony Manini (Chairman)

Owen Hegarty

Brian Jamieson

Martin Grant (Managing Director)

COMPANY SECRETARY

David Forsyth

PRINCIPAL & REGISTERED OFFICE

Level 7, 333 Collins St

Melbourne, Victoria, 3000

Tel: 03 8644 1300

Fax: 03 9620 5444

Email: investorrelations@tigersrealmcoal.com

AUDITORS

KPMG

147 Collins Street

Melbourne, Victoria 3000

BANKERS

ANZ Banking Group Limited

100 Queen St,

Melbourne, Victoria 3000

LEGAL ADVISORS

Clayton Utz

Level 18, 333 Collins St

Melbourne, Victoria 3000

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Tigers Realm Coal Limited
Review of operations
For the six month period ended 30 June 2012

Highlights for the period include the following:

During the six months to 30 June 2012, the Group focused on the continuation of the large exploration programme across the Amaam Basin in the Chukotka District in Russia, and on advancing the Pre-Feasibility Study in relation to the Amaam coking coal resource.

Acquisition of Amaam North tenement

On 18 January 2012 the Group completed the acquisition of an additional Bering Basin coking coal tenement in far eastern Russia at Amaam North. This Amaam North tenement is 30 kilometres north of the Group's existing tenement at Amaam. The Group has acquired an 80% interest in Rosmiro Investments Limited which, through its wholly owned subsidiary Beringpromugol LCC, holds the Amaam North tenement, for consideration of US$400,000.

Amaam – Increase in Inferred Resource

On 3 May 2012 the Group announced a 38% increase in the Inferred Resources at Amaam up to 406Mt of coking coal. Of the total resource, 308Mt is in the open pit domain less than 400m from the surface. Below 400m, the Inferred Resource totals 98Mt, providing significant upside from future underground operations.

Amaam - Licencing

The Group's Russian operating company, Northern Pacific Coal Company ("NPCC") was granted a Discovery Certificate for the Amaam deposit by the Russian Federal Subsoil Agency ("Rosendra") on May 14 2012. The Discovery Certificate confirms NPCC as the successful licensee of the Amaam exploration tenement and is a crucial step in the mine permitting process. The Discovery Certificate is required for the Group to apply for an Exploration and Extraction (mining) Licence ("Mining Licence") over part of the existing exploration licence.

Strategic Portfolio Review

In June 2012 the Group announced the completion of a strategic review of its project portfolio, which was undertaken to ensure that the Group's resources are allocated in a manner which will maximise shareholder value. The Strategic Portfolio Review recognised the increase in the Group's activities and the potential resource endowment in far eastern Russia. The Strategic Project Review concluded that with the acquisition of the Amaam North tenement in Russia, the Group will maximise shareholder value through focussing activities and resources on developments of the Amaam and Amaam North tenements in far eastern Russia. As a consequence the Group has determined to cease activity on the Landazzuri Project.

Withdrawal from Landazuri Project in Colombia

On 19 June 2012 the Group announced that it would withdraw from the option agreements relating to the Landazuri tenements in Colombia. The results from the open hole drilling program at Landazuri indicated that the coal measures within the tenement are more structurally complex than earlier geological interpretations had indicated, and as a result the tonnages of coking coal with the potential for open pit mining are at the lower end of expectations, with strip ratios higher than originally anticipated. In light of these drill results, and the prevailing weakness in the global economic environment, the Group considers the farm-in terms for the Landazuri option agreements no longer to be commercially attractive.

The Group has undertaken a sale process, and although a number of prospective buyers conducted detailed due diligence on the Landazuri Project, the Group was unable to secure a buyer for the Project. Following a number of unsuccessful attempts to renegotiate the terms of the farm-in option agreements, the Group has made the decision to withdraw from the option agreements relating to the Landazuri Project. The Group has booked a loss on the discontinuation of operations in Colombia of $13,238,242.

Subsequent events include the following:

On 11 July 2012 the Company completed the placement of fully paid ordinary shares to raise gross proceeds of $8,923,405 at a price per share of $0.18 per share. As part of this placement the Directors subscribed for 4,335,556 shares. These shares are subject to shareholder approval which will be sought at an Extraordinary General Meeting on 24 August 2012. The proceeds will be applied towards additional drilling and technical studies at the Amaam Coking Coal Project, including resource infill drilling, large diameter coal quality drilling and/or bulk sampling and various condition studies to support detailed engineering design activities. Proceeds will also be used to fund drilling of scout holes at the highly prospective Amaam North tenement to test the seam thickness and coal quality, and for corporate costs and working capital for the period to June 2013.

On 10 August 2012 the Company completed a Share Purchase Plan to eligible shareholders which raised gross proceeds of approximately $753,500 at a price of $0.16 per share. The proceeds will be applied towards additional drilling and technical studies at the Amaam Coking Coal Project.

The Directors present their report together with the interim financial report of the Group, being Tigers Realm Coal Limited ("the Company" or "TIG") and its controlled entities, for the six month period ended 30 June 2012.

1. Directors and Company Secretary

The Directors and Company Secretary of the Company at any time during or since the end of the interim period are:

Name	Role
Mr Antony Manini BSc (Hons), FAusIMM, FSEG	Chairperson
Mr Martin Grant MSc, BSc (Hons)	Managing Director & CEO
Mr Owen Hegarty BEc (Hons), FAusIMM	Non-Executive Director
Mr Brian Jamieson FCA	Non-Executive Director
Mr David Forsyth FCIS, FCPA	Company Secretary

The Directors have been in office since the start of the six month period to the date of this report unless otherwise stated.

2. Directors' meetings

During the six month period to 30 June 2012, four Directors' meetings were held for Tigers Realm Coal Limited.

3. Principal activities

The principal activity of the Group is the identification, exploration and development of international coal deposits. There were no significant changes in the nature of the Group's principal activities during the financial period.

4. Operating and financial review

The operating loss after income tax of the Group for the six month period ending 30 June 2012 was $15,388,889 (2011: profit $17,990,285). Operating activities incurred cash outflows from operations for the period of $947,958 (2011: outflows of $1,069,696). There were cash outflows from exploration and evaluation expenditure of $10,443,210 for the period (2011: outflows of $8,189,433). The Group has no bank debt. As at 30 June 2012 the Group had a cash position of $7,506,478. (December 2011: $21,029,887).

5. Dividends paid or recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

6. Significant changes in the state of affairs

- On 18 January 2012 the Group completed the acquisition of Amaam North tenement in far eastern Russia by acquiring an 80% interest in Rosmiro Investments Limited for US$400,000.
- On 3 May 2012 the Group announced a 38% increase in the Inferred Resources at Amaam up to 406MT of coking coal.
- On May 14 2012 the Group was granted a Discovery Certificate for the Amaam deposit by the Russian Federal Subsoil Agency.
- On 19 June 2012 the Group announced that as a consequence of completing a strategic review of the Group's exploration projects it decided not to continue with the Landazuri Project in Colombia and had withdrawn from the farm-in option agreements relating to the Landazuri tenements in Colombia, and would be discontinuing operations in Colombia.

In the opinion of the Directors there were no further significant changes in the state of affairs of the Group during the interim financial period ended 30 June 2012.

7. Events subsequent to reporting date

Subsequent to 30 June 2012 the following events have occurred which are items, transactions or events considered to be of a material or unusual nature, which in the opinion of the Directors of the Company, are likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years:

- On 11 July 2012 the Company concluded a placement of fully paid ordinary shares to raise gross proceeds of approximately $8,923,405 at a price of $0.18 per share. As part of this placement the Directors subscribed for 4,335,556 shares. These shares are subject to shareholder approval which will be sought at an Extraordinary General Meeting on 24 August 2012. The placement price represented a 5% discount to the volume weighted average price over the five days trading up to and including 6 July 2012. The proceeds will be applied towards additional drilling and technical studies at the Amaam Coking Coal Project, including resource infill drilling, large diameter coal quality drilling and/or bulk sampling and various condition studies to support detailed engineering design activities. Proceeds will also be used to fund drilling of scout holes at the highly prospective Amaam North tenement to test the seam thickness and coal quality, and for corporate costs and working capital for the period to June 2013.
- On 10 August 2012 the Company completed a Share Purchase Plan for shareholders in Australia and New Zealand. The Share Purchase Plan raised gross proceeds of approximately $753,500 through the issue of fully paid ordinary shares at an issue price of $0.16 per share. The proceeds will be applied towards additional drilling and technical studies at the Amaam Coking Coal Project.

8. Likely developments

The Group will continue minerals exploration on the tenements held by entities in which it has a controlling interest or significant influence.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

9. Directors' interests

The relevant interest of each Director in the shares or options over such instruments issued by the companies within the Group and other related bodies corporate, as at 30 June 2012 is as follows:

	Tigers Realm Coal Limited	
	Ordinary shares	**Options over ordinary shares**
A. Manini	18,357,183	9,131,000
O. Hegarty	13,434,336	5,315,500
B. Jamieson	400,000	2,000,000
M. Grant	200,000	4,088,877

10. Share options

During the interim financial period, an additional 8,708,877 options were issued to directors and staff members as part of the Company option plan, and 1,017,550 options were forfeited, thus bringing the options issued over ordinary shares in the Company to 38,512,627 as at 30 June 2012.

The Company option plan offers individuals the opportunity to acquire options over fully paid ordinary shares in the Company. Share options granted under the plan carry no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares when issued rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise.

During the period share options were granted to Directors and staff as follows:

	Number of options granted
Directors	5,549,877
Employees	3,159,000
Total	8,708,877

11. Indemnification and insurance of Officers

The Company provides insurance to cover legal liability and expenses for the Directors and Executive Officers of the Company. The Directors and Officers Liability Insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the Officers in their capacity as Officers. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with the Directors and certain Officers to indemnify these individuals against any claims and related expenses, which arise as a result of their work in their respective capacities.

The Company has not provided any insurance or indemnity for the auditor of the Company.

12. Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 32 and forms part of the Directors' report for the interim period ended 30 June 2012.

Dated at Melbourne this 24th day of August 2012.

Signed in accordance with a resolution of the Directors:

Antony Manini
Chairman

Tigers Realm Coal Limited
Consolidated interim statement of financial position
As at 30 June 2012

	Note	30 June 2012 $	31 December 2011 $
Current Assets			
Cash and cash equivalents		**7,506,478**	21,029,887
Trade and other receivables	15	**1,525,860**	2,126,830
Prepayments		**1,986,068**	4,077,617
Total current assets		**11,018,406**	27,234,334
Non-current assets			
Deferred exploration, evaluation and development	16	**11,456,756**	14,289,126
Property, Plant and Equipment	17	**3,025,546**	3,859,355
Intangible assets	18	**110,915,350**	110,224,133
Total non-current assets		**125,397,652**	128,372,614
Total assets		**136,416,058**	155,606,948
Current Liabilities			
Trade and other payables	19	**736,135**	2,805,942
Employee provisions	20	**340,683**	502,442
Total current liabilities		**1,076,818**	3,308,384
Non-current liabilities			
Deferred tax liabilities	21	**20,970,911**	20,101,304
Royalty agreement liability	22	**14,151,324**	16,872,332
Total non-current liabilities		**35,122,235**	36,973,636
Total liabilities		**36,199,053**	40,282,020
Net assets		**100,217,005**	115,324,928
Equity			
Share capital	23	**64,406,142**	64,406,142
Reserves		**2,624,676**	2,440,031
Retained earnings		**303,276**	17,057,234
Total equity attributable to equity holders of the Company		**67,334,094**	83,903,407
Non-controlling interest		**32,882,911**	31,421,521
Total equity		**100,217,005**	115,324,928

The condensed notes on pages 12 to 30 are an integral part of these financial statements.

Tigers Realm Coal Limited
Consolidated interim statement of comprehensive income
For the six month period ended 30 June 2012

	Note	30 June 2012 $	30 June 2011 $
Continuing operations			
Other income	11	-	29,084,683
Exploration and evaluation expenses		**(43,258)**	(456,733)
Share based payments		**(972,829)**	(961,617)
Administrative expenses	12	**(3,097,822)**	(1,513,708)
Profit / (loss) on revaluation of Bering Option	22	**2,701,773**	(8,132,966)
Results from operating activities		**(1,412,136)**	18,019,659
Net foreign exchange gain/(loss)	12	**(81,924)**	(74,174)
Finance income	12	**174,346**	366,443
Net finance income/(expense)		**92,422**	292,269
Gain/(Loss) before income tax		**(1,319,714)**	18,311,928
Income tax (expense)/benefit	13	**(830,933)**	(321,643)
Gain/(Loss) from continuing operations		**(2,150,647)**	17,990,285
Discontinued operation			
Loss from discontinued operation (net of tax)	10	**(13,238,242)**	-
		(15,388,889)	17,990,285
Other comprehensive income			
Foreign currency translation differences for foreign operations		**(788,184)**	141,910
Total comprehensive gain/(loss) for the period		**(16,177,073)**	18,132,195
Gain/(Loss) is attributable to:			
Owners of the Company		**(16,753,958)**	23,072,122
Non-controlling interest		**1,365,069**	(5,081,837)
Gain/(Loss) for the period		**(15,388,889)**	17,990,285
Total comprehensive gain/(loss) is attributed to:			
Owners of the Company		**(17,542,142)**	23,214,032
Non-controlling interest		**1,365,069**	(5,081,837)
Total comprehensive gain/(loss) for the period		**(16,177,073)**	18,132,195
Gain/(Loss) per share (cents per share)			
-basic gain/(loss) per share (cents)	14	**(4.604)**	11.182
-diluted gain/(loss) per share (cents)	14	**(4.604)**	11.182

The condensed notes on pages 12 to 30 are an integral part of these financial statements.

Tigers Realm Coal Limited

Consolidated interim statement of changes in equity

For the six month period ended 30 June 2012

	Share Capital $	Retained Earnings $	Share based payments reserve $	Foreign Exchange Reserve $	Total $	Non-controlling Interest $	Total $
Balance as at 1 January 2012	64,406,142	17,057,234	1,768,026	672,005	83,903,407	31,421,521	115,324,928
Total comprehensive income for the six months							
to 30 June 2012							-
Profit or loss	-	(16,753,958)	-	-	(16,753,958)	1,365,069	(15,388,889)
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	-	-	(788,184)	(788,184)	-	(788,184)
Total other comprehensive income	-	-	-	(788,184)	(788,184)	-	(788,184)
Total comprehensive income for the period	-	(16,753,958)	-	(788,184)	(17,542,142)	1,365,069	(16,177,073)
Transactions with owners, recorded directly in equity							
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	96,321	96,321
Share based payment transactions	-	-	972,829	-	972,829	-	972,829
Costs of raising equity	-	-	-	-	-	-	-
Total transactions with owners	-	-	972,829	-	972,829	96,321	1,069,150
Balance at 30 June 2012	64,406,142	303,276	2,740,855	(116,179)	67,334,094	32,882,911	100,217,005

The condensed notes on pages 12 to 30 are an integral part of these financial statements.

Tigers Realm Coal Limited
Consolidated interim statement of changes in equity (continued)
For the six month period ended 30 June 2012

	Share Capital $	Retained Earnings $	Share based payments reserve $	Foreign Exchange Reserve $	Total $	Non-controlling Interest $	Total $
Balance as at 1 January 2011	**13,181,781**	**(585,528)**	**75,547**	**(1,234,573)**	**11,437,227**	**-**	**11,437,227**
Total comprehensive income for the six months to 30 June 2011							
Profit or loss	-	23,072,122	-	-	23,072,122	(5,081,837)	17,990,285
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	-	-	141,910	141,910	-	141,910
Total other comprehensive income	-	-	-	141,910	141,910	-	141,910
Total comprehensive income for the period	-	23,072,122	-	141,910	23,214,032	(5,081,837)	18,132,195
Transactions with owners, recorded directly in equity							
Issue of ordinary shares	18,000,000	-	-	-	18,000,000	-	18,000,000
Share based payment transactions	-	-	961,617	-	961,617	-	961,617
Costs of raising equity	(847,902)	-	-	-	(847,902)	-	(847,902)
Acquisition reserve in relation to Eastshore	-	-	-	-	-	36,223,781	36,223,781
Total transactions with owners	17,152,098	-	961,617	-	18,113,715	36,223,781	54,337,496
Balance at 30 June 2011	**30,333,879**	**22,486,594**	**1,037,164**	**(1,092,663)**	**52,764,974**	**31,141,944**	**83,906,918**

The condensed notes on pages 12 to 30 are an integral part of these financial statements.

Tigers Realm Coal Limited

Consolidated interim statement of cash flows

For the six month period ended 30 June 2012

	Note	30 June 2012 $	30 June 2011 $
Cash flows from operating activities			
Profit/(loss) for the period		**(15,388,889)**	17,990,285
Items not affecting cash:			
Unrealised foreign exchange		**81,924**	73,777
Share based payments		**972,829**	961,617
Impairment adjustment for discontinued operation	10	**13,041,694**	-
Interest income		**-**	(170,418)
Gain on fair value of investment		**-**	(29,084,683)
(Profit) / loss on revaluation of royalty	22	**(2,701,773)**	8,132,966
Income tax expense	13	**830,933**	321,643
		(3,163,282)	(1,774,813)
Changes in working capital			
(Increase)/decrease in trade and other receivables		**282,793**	(186,970)
(Increase)/decrease in prepayments		**2,453,113**	-
(Decrease)/increase in trade and other payables		**(520,582)**	892,087
Net cash from (used in) from operating activities		**(947,958)**	(1,069,696)
Cash flows from investing activities			
Interest received		**174,346**	-
Exploration and evaluation expenditure		**(10,443,210)**	(8,189,433)
Acquisition of subsidiary		**(385,282)**	-
Cash acquired on acquisition of subsidiary		**5,665**	286,087
Property, plant and equipment		**(1,926,970)**	(26,579)
Net cash from (used in) investing activities		**(12,575,451)**	(7,929,925)
Cash flows from financing activities			
Proceeds of issue of shares		**-**	18,000,000
Repayment of loans		**-**	(5,250,000)
Share issue costs		**-**	(1,899,464)
Net cash from (used in) financing activities		**-**	10,850,536
Net (decrease)/increase in cash and cash equivalents		**(13,523,409)**	1,850,915
Cash and cash equivalents at beginning of the period		**21,029,887**	3,934
Effects of exchange rate changes on cash and cash equivalents		**-**	-
Cash and cash equivalents at the end of the period		**7,506,478**	1,854,849

The condensed notes on pages 12 to 30 are an integral part of these financial statements.

1. Reporting entity

Tigers Realm Coal Limited (the "Company" or "TIG") is a company domiciled in Australia. The address of the Company's registered office is Level 7, 333 Collins St, Melbourne, 3000. The consolidated interim financial statements of the Company as at and for the six month period ended 30 June 2012 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities. The Group primarily is involved in coal exploration and mining development.

The consolidated annual financial report of the consolidated entity for the year ended 31 December 2011 is available on request at the Company's registered office at Level 7, 333 Collins Street, Melbourne, 3000, Victoria, Australia or from the Company's website at www.tigersrealmcoal.com.

2. Statement of compliance

The consolidated interim financial report has been prepared on a going concern basis in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. The consolidated interim financial report is presented in Australian dollars.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial statements as at and for the period ended 31 December 2011.

The consolidated interim financial report was authorised for issue by the Board of Directors on 24 August 2012.

3. Functional and presentation currency

This consolidated interim financial report is presented in Australian dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

4. Significant accounting policies

The accounting policies applied by the Group in this consolidated interim financial report are consistent with those applied by the Group in its consolidated annual financial report as at and for the year ending 31 December 2011.

5. Significant accounting estimates and judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The Group makes estimates and assumptions concerning the future. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

In preparing these consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as and for the year ended 31 December 2011.

6. Comparatives

Where required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

7. Financial risk management framework

The Group's financial risk management objective and policies are consistent with those disclosed in the consolidated financial statements as at and for the period ended 31 December 2011.

8. Basis of preparation

The consolidated interim financial report has been prepared on the historical cost basis except where stated.

Going concern basis of accounting

The interim financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at 30 June 2012 the Group had cash and cash equivalents of $7,506,478 (December 2011: $21,029,887). It had current assets of $11,018,406 (December 2011: $27,234,334) and current liabilities of $1,076,818 (December 2011: $3,308,384).

For the six month period ended 30 June 2012 the Group had a net loss of $15,388,889 (June 2011: profit $17,990,285) and had net equity of $100,217,005 (December 2011: $115,324,928). The net profit includes the impact of the gain of $2,701,773 on the revaluation of the Bering Royalty option liability (refer note 22) offset by the loss arising from the discontinuation of the Landazuri Project in Colombia of $13,238,242 (refer note 10).

During the period ended 30 June 2012 the cash outflow from operations was $947,958 (30 June 2011: $1,069,696). There were cash outflows from investing activities of $12,575,451 (30 June 2011: outflows of $7,929,925) for the period.

Since 30 June 2012 the Company has completed the following fund raising activities to meet its working capital requirements:

- On 11 July 2012 the Company concluded a placement of fully paid ordinary shares to raise gross proceeds of approximately $8,923,405 at a price of $0.18 per share.
- On 10 August 2012 the Company completed a Share Purchase Plan for shareholders in Australia and New Zealand. The Share Purchase Plan raised gross proceeds of approximately $753,500 through the issue of fully paid ordinary shares at an issue price of $0.16 per share.

The Directors are satisfied with the Group's current financing position and are of the view that the continued application of the going concern basis of accounting is appropriate due to the following factors:

- Management has reviewed the Group's consolidated cashflow requirements and has satisfied themselves that there are adequate resources in place to meet the planned corporate activities and working capital requirements for at least 12 months following the date of this report;
- In the event that exploration and operating activities exceed the planned cashflow forecasts, or continue beyond 12 months following the date of this report, the Group has the ability to raise additional funds, pursuant to the Corporations Act 2001.
- The ability of the Group to scale back certain parts of their exploration activities if required; and
- The Group retains the ability, if required, to wholly or in part dispose of interests in mineral exploration and development assets.

The Directors believe that current cash on hand will be sufficient to:

- Fund corporate expenses and other general working capital requirements through to 31 August 2013;
- Fund the completion of the Amaam pre-feasibility study; and
- Complete further drilling and technical studies at its Amaam Project

The Board of Directors is aware, having approved a cash flow forecast, of the Group's working capital requirements and the need to access additional equity funding within the next 12 months. Accordingly the ability of the Group to fund the ongoing working capital requirements of the Group is uncertain. There can be no assurance that the Group will be able to obtain or access additional funding when required, or that the terms associated with the funding will be acceptable to the Directors. If the Group is unable to obtain such additional funding, it may be required to reduce the scope of its operations, which could adversely affect its business, financial condition and operating results.

Additional funding will be required by the Group to continue these activities and complete the Amaam bankable feasibility study.

9. Segment reporting

The Group has four reportable segments, as described below, which are the Group's main mineral exploration projects. The Group has identified these segments based on the internal reports used and reviewed by the Group's Chief Executive Officer, (the chief operating decision maker) in assessing the performance and determining the allocation of resources.

The accounting policies used by the Group in reporting segments internally are the same as those referred to in note 4 to the accounts and in the prior period. In 2011 and 2012 the mineral exploration activities of the Group are managed in four reportable operating segments.

Amaam Project	The Amaam Project is located in the Bering Basin in Chukotka province, Russia.
Landazuri Project (Discontinued)	The Landazuri Project in Colombia comprises seven tenements prospective for coking coal. The Landazuri Project is located 200 km NNE of Bogota. This segment was discontinued in June 2012 when the Group withdrew from the Project.
Other Exploration Projects	Other exploration projects are the other projects within the Group's portfolio in which exploration and evaluation activities are being conducted.
Other	Consists of corporate and office expenses primarily incurred at the Group's Melbourne offices.

Management monitors the expenditure outlays of each segment for the purpose of cost control and making decisions about resource allocation. The Group's administration and financing functions are managed on a group basis and are included in the "Other" segment.

30 June 2012	**Amaam Project** $	**Landazuri Project (Discontinued)** $	**Other Exploration Projects** $	**Other** $	**Total** $
Total segment revenue (including interest revenue)	**-**	**-**	**-**	**174,346**	**174,346**
Segment expense	**-**	**(13,230,621)**	**(43,258)**	**(4,062,106)**	**(17,335,985)**
Depreciation and amortisation	**-**	**(7,621)**	**-**	**(8,545)**	**(16,166)**
Segment result	**-**	**(13,238,242)**	**(43,258)**	**(3,896,305)**	**(17,177,805)**
Segment assets	**128,305,311**	**2,187**	**-**	**602,082**	**128,909,580**
Segment liabilities	**(35,391,967)**	**(61,544)**	**-**	**(745,542)**	**(36,199,053)**

30 June 2011					
Total segment revenue (including interest revenue)	-	-	-	366,443	366,443
Segment expense	-	-	(456,733)	(2,475,325)	(2,932,058)
Segment result	-	-	(456,733)	(2,108,882)	(2,565,615)
Segment assets	111,475,540	10,117,896	-	160,032	121,753,468
Segment liabilities	(37,309,259)	(713,693)	(238,337)	(143,681)	(38,404,970)

9. Segment reporting (continued)

The reconciliation of the segment result to the gain / loss before income tax is as follows:

	For the six months ended 30 June 2012	2011
	$	$
Segment result	**(17,177,805)**	(2,565,615)
Net foreign exchange gain / (loss)	**(81,924)**	(74,174)
Gain on fair value of investment	**-**	29,084,683
Gain / (loss) on revaluation of Royalty Option Liability	**2,701,773**	(8,132,966)
Elimination of discontinued operation	**13,238,242**	-
Result before income tax	**(1,319,714)**	18,311,928

The reconciliation of the segment assets to total assets is as follows:

	30 June 2012	30 June 2011
	$	$
Segment assets	**128,909,580**	121,753,468
Cash and cash equivalents	**7,506,478**	1,854,849
Prepayments	**-**	2,023,591
Property, Plant and Equipment	**-**	26,046
Total assets per consolidated statement of financial position	**136,416,058**	125,657,954

The reconciliation of the segment liabilities to total liabilities is as follows:

Segment liabilities	**36,199,053**	38,404,970
Trade and other payables	**-**	3,346,066
Total liabilities per consolidated statement of financial position	**36,199,053**	41,751,036

Geographical information

The Group manages its business on a worldwide basis but holds assets in three geographic segments, Europe & Russia, Americas and Australasia. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the segment. Segment assets are based on the geographical location of the assets.

	30 June 2012		30 June 2011	
	Revenues	Non-current assets	Revenues	Non-current assets
	$	$	$	$
Europe & Russia	**-**	**125,335,362**	-	111,475,540
Americas	**-**	**-**	-	10,117,896
Australasia	**174,346**	**62,290**	366,443	160,032
Total	**174,346**	**125,397,652**	366,443	121,753,468

10. Discontinued operation

In June 2012 following the completion of a strategic review of the Group's exploration project portfolio, the Group withdrew from the farm-in option agreements relating to the tenements underlying the Landazuri Project, effectively ending its involvement in operations in Colombia. This will enable the Group to focus its resources on the Amaam project in Russia, which will deliver greater shareholder value.

The Group has ceased all operations in Colombia, and is in the process of liquidating its corporate entity in Colombia. The Landazuri segment was not a discontinued operation or classified as held for sale as at 31 December 2011 and the comparative statement of comprehensive income has been restated to present the discontinued operation separately from continuing operations.

	For the six months ended 30 June	
	2012	**2011**
Results of discontinued operation	**$**	**$**
Revenue	-	-
Expenses	**(196,548)**	-
Results from operating activities	**(196,548)**	-
Tax	-	-
Results of operating activities, net of tax	**(196,548)**	-
Impairment adjustment for discontinued operation	**(13,041,694)**	-
Tax on impairment of discontinued operation	-	-
Loss for the year	**(13,238,242)**	-
Basic loss per share (cents)	**(3.64)**	-
Diluted loss per share (cents)	**(3.49)**	-

The loss from the discontinued operation of $13,238,242 (June 2011: loss of $Nil) is attributable entirely to the owners of the company. Of the loss from continuing operations of $2,512,497 (June 2011: profit of $17,990,285), a loss of $3,877,566 is attributable to the owners of the Company (June 2011: profit of $23,072,122).

	For the six months ended 30 June	
	2012	**2011**
	$	**$**
Cash flows from (used in) discontinued operation		
Net cash from / (used in) operating activities	**(196,548)**	-
Net cash from / (used in) investing activities	**(2,120,675)**	(4,534,736)
Net cash flows for the period	**(2,317,223)**	(4,534,736)

Effect of closure on the financial position of the Group	
Property, plant and equipment	**(1,391)**
Fixed assets	**(498,135)**
Trade and other receivables	**(247,523)**
Prepayments	**(2,686)**
Deferred exploration, evaluation and development	**(12,291,959)**
Net assets and liabilities	**(13,041,694)**
Consideration received, satisfied in cash	-
Cash and cash equivalents disposed of	-
Net cash inflow	-

11. Other income

	For the six months ended 30 June 2012	For the six months ended 30 June 2011
	$	$
Gain on fair value of investment	-	29,084,683
Other income	-	29,084,683

Refer to note 28 "Acquisition of business" for additional information.

12. Expenses

	For the six months ended 30 June 2012	For the six months ended 30 June 2011
Administration expenses	$	$
Wages and salaries, including superannuation	**(1,195,821)**	(209,790)
Contractors and consultants	**(916,825)**	(1,024,324)
Accounting and audit	**(25,626)**	(86,382)
Other	**(959,550)**	(193,212)
Total administration expense	**(3,097,822)**	(1,513,708)
Finance income / (expense)		
Finance income – external interest income	**174,346**	196,025
Finance income – related party interest income receivable	**-**	170,418
Finance income	**174,346**	366,443
Net foreign exchange gain/(loss)	**(81,924)**	(74,174)
Finance expense	**(81,924)**	(74,174)
Net finance income / (expense)	**92,422**	292,269

13. Income tax expense

Numerical reconciliation between tax expense and pre-tax accounting loss

	For the six months ended 30 June 2012	2011
	$	$
Gain/(Loss) for the period before tax	**(14,557,956)**	18,311,928
Income tax using the domestic corporation tax rate of 30%	**(4,367,387)**	5,493,578
Decrease in income tax expense due to:		
Effect of tax rates in foreign jurisdictions	**(411,793)**	(4,171,658)
Non-deductible expenses-other	**187,863**	610,128
Exempt income / non-deductible expenses-royalty liability	**(270,177)**	813,297
Exempt income – fair value gain on investment	**-**	(2,908,468)
Current period tax losses for which no deferred tax asset was recognised	**5,692,427**	484,766
Total income tax expense on pre-tax net profit	**830,933**	321,643
Current income tax expense	**-**	-
Deferred income tax expense	**830,933**	321,643
Total income tax expense	**830,933**	321,643

Unrecognised deferred tax assets	**30 June 2012**	**31 December 2011**
	$	$
Net deferred tax assets have not been recognised in respect of the following:		
Opening balance	**3,354,404**	10,731
Current period tax losses	**5,692,427**	3,343,673
Total tax assets not recognised	**9,046,831**	3,354,404

The tax losses incurred in Australia do not expire under current tax legislation. In the overseas jurisdictions the tax losses can be carried forward for varying periods. Deferred tax assets have not been recognised for deductible temporary differences or carried forward tax losses because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

14. Gain/(Loss) per share

	For the six months ended 30 June	
	2012	2011
Gain/(Loss) per share	**Cents**	**Cents**
Basic gain/(loss) per share – cents	**(4.604)**	11.182
Diluted gain/(loss) per share – cents	**(4.604)**	11.182
Net tangible assets per share		
Net tangible assets per share - cents	**(11.97)**	(18.93)

(a) Basic gain/(loss) per share

The calculation of basic earnings per share (EPS) at 30 June 2012 was based on the loss attributable to ordinary equity holders of $16,753,958 (2011 profit of $23,072,122) and a weighted average number of ordinary shares outstanding during the period ended 30 June 2012 of 363,939,170 (June 2011 206,326,062).

(b) Diluted gain/(loss) per share

The calculation of diluted earnings per share at 30 June 2012 is the same as basic earnings per share. The entity had issued 38,512,627 options over ordinary shares. The options over ordinary shares could potentially dilute basic earnings per share in the future, however, they have been excluded from the calculation of diluted earnings per share because they are anti-dilutive for the reporting period.

(c) Net tangible assets per share

In accordance with chapter 19 of the ASX Listing Rules, net tangible assets per share represents total assets less intangible assets, less liabilities (including outside equity interest), divided by the number of shares on issue at period end of 363,939,170 (June 2011: 280,200,000).

15. Trade and other receivables

	30 June 2012	31 December 2011
	$	$
Other receivables	**1,500,318**	1,705,081
Receivables from related parties - TRM	**25,542**	421,749
Trade and other receivables	**1,525,860**	2,126,830
Current	**1,525,860**	2,126,830
	1,525,860	2,126,830

16. Deferred exploration, evaluation and development

	30 June 2012	31 December 2011
	$	$
Cost		
Opening balance	**14,289,126**	6,157,319
Expenditure incurred	**9,459,589**	8,131,807
Discontinued operation	**(12,291,959)**	-
Exploration, evaluation and development	**11,456,756**	14,289,126
Impairment	**-**	-
Total exploration, evaluation and development	11,456,756	14,289,126

The Group's accounting policy is to capitalise expenditure on exploration, evaluation and development on an area of interest basis. The capitalised expenditure is tested for impairment in accordance with accounting standards.

The recoverability of the carrying amounts of exploration, evaluation and development assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest.

The Landazuri Project in Colombia has been discontinued, and as consequence the deferred exploration, evaluation and development relating to Landazuri has been taken to the profit or loss (refer note 10).

17. Property, plant and equipment

	Note	Land & Buildings	Plant& Equipment	Fixtures & Fittings	Total
30 June 2012		$	$	$	$
Cost					
As at 1 January 2012		3,828,268	32,475	1,236	3,861,979
Additions		-	-	4,352	4,352
Disposals		(498,135)	(2,161)	-	(500,296)
Reallocation		(146,673)	146,673	-	-
Effect of movement in exchange rates		(154,290)	(1,816)	-	(156,106)
As at 30 June 2012		3,029,170	175,171	5,588	3,209,929
Depreciation and impairment					
As at 1 January 2012		-	(2,561)	(63)	(2,624)
Accumulated Depreciation		(180,308)	(2,033)	(187)	(182,528)
Disposals		-	769	-	769
Effect of movement in exchange rates		-	-	-	-
As at 30 June 2012		(180,308)	(3,825)	(250)	(184,383)
Net book value: As at 30 June 2012		2,848,862	171,346	5,338	3,025,546
31 December 2011					
Cost					
As at 1 January 2011		-	-	-	-
Additions		3,828,268	32,475	1,236	3,861,979
As at 31 December 2011		3,828,268	32,475	1,236	3,861,979
Amortisation and impairment					
As at 1 January 2011		-	-	-	-
Charge for the period		-	(2,561)	(63)	(2,624)
As at 31 December 2011		-	(2,561)	(63)	(2,624)
Net book value: At 31 December 2011		3,828,268	29,914	1,173	3,859,355

On 18 January 2012 the Group completed the acquisition of an additional Bering Basin coking coal tenement in far eastern Russia at Amaam North. This Amaam North tenement is 30 kilometres north of the Group's existing tenement at Amaam. The Group has acquired an 80% interest in Rosmiro Investments Limited which, through its wholly owned subsidiary Beringpromugol LCC, holds the Amaam North tenement, for consideration of $385,282 (US$400,000). This acquisition has resulted in the addition of $531,328 of mineral rights, refer to note 18.

18. Intangible assets

	Note	Goodwill	Mineral Rights	Other	Total
		$	$	$	$
30 June 2012					
Cost					
As at 1 January 2012		**20,227,142**	**89,950,856**	**46,453**	**110,224,451**
Additions		**-**	**531,328**	**3,000**	**534,328**
Effect of movement in exchange rates		**29,866**	**132,814**	**-**	**162,680**
As at 30 June 2012		**20,257,008**	**90,614,998**	**49,453**	**110,921,459**
Amortisation and impairment					
As at 1 January 2012		**-**	**-**	**(318)**	**(318)**
Charge for the period		**-**	**-**	**(5,791)**	**(5,791)**
As at 30 June 2012		**-**	**-**	**(6,109)**	**(6,109)**
Net book value: At 30 June 2012		**20,257,008**	**90,614,998**	**43,344**	**110,915,350**
31 December2011					
Cost					
As at 1 January 2011		**-**	**-**	**-**	**-**
Additions		-	-	46,453	46,453
Acquisition of Eastshore	28	19,257,996	85,641,026	-	104,899,022
Effect of movement in exchange rates		969,146	4,309,830	-	5,278,976
As at 31 December 2011		20,227,142	89,950,856	46,453	110,224,451
Amortisation and impairment					
As at 1 January 2011		-	-	-	-
Charge for the period		-	-	(318)	(318)
As at 31 December 2011		-	-	(318)	(318)
Net book value: At 31 December 2011		20,227,142	89,950,856	46,135	110,224,133

The Mineral Rights acquired as part of the business combinations will be amortised (as an expense) in the consolidated statement of comprehensive income over the life of the relevant areas of interest from the commencement of commercial production. The mineral rights intangible asset will be subject to impairment testing in accordance with the Group's accounting policy for exploration, evaluation and development assets.

In 2011 Goodwill was accounted for as a direct result of the transaction which took place on 6 May 2011, whereby Tigers Realm Minerals (Cyprus) Pty Ltd ("TR Cyprus"), Eastshore Coal Holding Ltd ("Eastshore"), Bering Coal Investments Ltd ("Bering") and Siberian Tigers International Corporation ("Siberian") executed a series of agreements in relation to the management of Eastshore, CJSC Northern Pacific Coal Company ("NPCC") and the Russian subsoil licenses being the Dalniy Subsoil License (Russian subsoil license numbered AND 13868 TP) and the Zapadniy Subsoil Lincense (Russian subsoil license numbered AND 13867 TP). As a result of these agreements TR Cyprus became entitled to appoint the majority of the members of the board of Eastshore (i.e. three out of five), providing it with the power to govern the financial and operating policies of Eastshore so as to obtain the benefits from Eastshore's activities. As a result the Group has consolidated Eastshore and its subsidiary NPCC, from 6 May 2011. Goodwill of $19,257,996 represents the excess of the cost of the acquisition over the fair value of the Group's share of the identifiable assets acquired and liabilities and contingent liabilities assumed of the acquired subsidiary at the date of acquisition.

Applying *AASB 3 Business Combinations*, the fair value of the consideration has been measured as the fair value of TIG's existing 40% equity interest in Eastshore as at 6 May 2011, plus the fair value of loans made by TIG to Eastshore as at 6 May 2011, plus the fair value as at 6 May 2011 of TIG's 40% attributable share of the option inherent in the Eastshore Transaction, whereby Bering may choose to fund its proportion of the expenditure after completion of the bankable feasibility study or have its interest diluted in return for a royalty stream.

19. Trade & other payables

	30 June 2012 $	31 December 2011 $
Other trade payables and accrued expenses	681,865	2,640,125
Payables due to related parties - TRM	54,270	165,817
	736,135	2,805,942
Current	736,135	2,805,942
	736,135	2,805,942

20. Employee Provisions

	30 June 2012 $	31 December 2011 $
Annual leave	54,222	23,692
Provision for annual bonus	286,461	478,750
	340,683	502,442

21. Deferred Tax Liabilities

	30 June 2012 $	31 December 2011 $
The balance comprises temporary differences attributable to:		
Exploration and evaluation assets	2,954,177	2,111,132
Mineral rights acquired	17,128,205	17,128,205
Effect of movements in exchange rates	888,529	861,967
Total deferred tax liabilities recognised	20,970,911	20,101,304
Deferred tax liabilities to be settled in within 12 months	-	-
Deferred tax liabilities to be settled after 12 months	20,970,911	20,101,304
Total deferred tax liabilities recognised	20,970,911	20,101,304
Movement in deferred tax liability		
At beginning of period	20,101,304	61,993
Exploration and evaluation assets	843,044	2,111,132
Mineral rights acquired	-	17,128,205
Accrued interest	-	(61,993)
Effects of movement in exchange rates	26,563	861,967
At end of period	20,970,911	20,101,304

22. Royalty Agreement Liability

	30 June 2012 $	31 December 2011 $
Value at 1 January	**16,872,332**	-
Option liability inherent in the Bering Royalty Agreement	**-**	9,533,034
Fair value adjustment to option liability	**(2,701,773)**	6,756,618
Effect of movement in exchange rates	**(19,235)**	582,680
Total royalty liability recognised	**14,151,324**	16,872,332

The royalty agreement liability arose as a consequence of the shift in control of Eastshore to TRC Cyprus on 6 May 2011 and the resulting consolidation of Eastshore and its 100% owned subsidiary, NPCC.

Appling *AASB 3 Business Combinations* the fair value of the consideration for Eastshore is measured as the fair value of TIG's existing 40% equity interest in Eastshore at the 6 May 2011, and in addition, the fair value of the option inherent in the Bering Royalty Agreement, whereby Bering may choose to fund its proportion of the expenditure after completion of the bankable feasibility study or to have its interest diluted in return for a royalty stream.

With regards to the Bering Royalty Agreement, prior to 6 May 2011, TRC Cyprus held a 40% interest in Eastshore and had a right to subscribe for shares equivalent to an additional 40% interest in two tranches subject to achievement of certain milestones, the final milestone being completion of a bankable feasibility study in respect of the area of the Russian Subsoil Licenses or any other subsoil license issued to Eastshore or its controlled subsidiaries ("the Eastshore Group"). If Bering fails to fund its proportion of expenditure after completion of the bankable feasibility study, its remaining 20% shareholding may be diluted in exchange for a maximum royalty of 2% of gross sales revenue from the sale of coal produced from the area of a license held by a member of the Eastshore Group.

The "option" inherent in the Bering Royalty Agreement whereby Bering may choose to fund its proportion of expenditure after completion of the bankable feasibility study or to have its interest diluted in return for a royalty stream, is deemed to be part of the consideration for TIG obtaining "control" of Eastshore. As such, the option must be recorded as consideration at fair value in relation to the acquisition.

TIG has used the Black and Scholes formula to value the option, based on the parameters set out in the table below:

Valuation Date	30 June 2012	31 December 2011
Expiry Date	1 January 2014	1 January 2014
Current price (US$m) *(a)*	36.15	30.29
Exercise price of option (US$m) *(b)*	38.18	37.33
Time to expiration (days)	550	732
Volatility (%/100) *(c)*	80%	80%
Risk free rate (%/100) *(d)*	1.64%	1.90%

(a) 20% of Amaam Asset Valuation, post 3% royalty

(b) Value of 2% Royalty on an NPV basis

(c) Estimated share price volatility based on volatility of comparable public companies.

(d) 10 Year US bond yield

At 30 June 2012 the fair value of the liability was re-valued to $14,151,324. This resulted in a profit being taken to the profit or loss of $2,701,773. The fair value was recalculated based on information available at 30 June 2012. The Bering Option will be re-valued at each future balance date with any resulting movement being recognised as a gain or loss in the statement of comprehensive income.

23. Share capital

(i) Movements in shares on issue:

	No of shares	Issue price $	$
Opening balance at 1 January 2011	**244,200,000**		**13,181,781**
Movements in 2011			
Issue of ordinary shares	**44,739,170**	**0.50**	**22,369,585**
Issue of ordinary shares – Initial Public Offer	**75,000,000**	**0.50**	**37,500,000**
	363,939,170		**73,051,366**
Costs of raising equity			**(8,645,224)**
Ordinary shares closing balance at 31 December 2011	**363,939,170**		**64,406,142**
Movements in 2012	**-**		**-**
Closing share capital balance at 30 June 2012	**363,939,170**		**64,406,142**

Fully paid ordinary shares carry one vote per share at meetings of the Company and are entitled to receive dividends as declared.

(ii) Movements in options on issue:

	Date of issue	Number of options	Exercise price $	Expiry date
Opening balance as at 1 January 2011		**26,782,300**		
Issue of options	1 February 2011	2,039,000	0.500	1 February 2016
Issue of options	17 March 2011	1,000,000	0.425	17 March 2016
Issue of options	2 May 2011	250,000	0.425	2 May 2016
Issue of options	17 October 2011	750,000	0.415	17 October 2016
Closing balance as at 31 December 2011		**30,821,300**		
Issue of options	1 February 2012	2,049,877	0.400	1 February 2017
Issue of options	22 February 2012	2,909,000	0.500	22 February 2017
Issue of options	28 March 2012	3,500,000	0.750	28 March 2017
Issue of options	15 May 2012	250,000	0.320	14 May 2017
Options forfeited	29 June 2012	(1,017,550)		
Closing balance as at 30 June 2012		**38,512,627**		

24. Share based payments

During the interim financial period, an additional 8,708,877 options were issued to directors and employees as part of the Company option plan, and 1,017,550 options were forfeited, thus bringing the options issued over ordinary shares in the Company to 38,512,627 as at 30 June 2012.

The Company option plan offers individuals the opportunity to acquire options over fully paid ordinary shares in the Company. Share options granted under the plan carry no dividend or voting rights. When exercised, each option is convertible into one ordinary share subject to satisfying vesting conditions and performance criteria. The shares when issued rank pari passu in all respects with previously issued fully paid ordinary shares. Option holders cannot participate in new issues of capital which may be offered to shareholders prior to exercise.

24. Share based payments (continued)

Overall impact of share based payments

	For the six months ended 30 June 2012 $	2011 $
Share options granted – equity settled	**972,829**	961,617
Total expense recognised as a share based payment cost	**972,829**	961,617

Inputs for the measurement of grant date fair values

The grant date fair values of the options granted through the Staff Option Plan utilised assumptions underlying the Black-Scholes methodology to produce a Monte Carlo simulation model which allows for incorporation of the performance hurdles that must be met before the share based payment vests to the holder. Expected volatility is estimated by considering historic average share price volatility. As the Company listed on 29 August 2011 there is insufficient daily share price data to undertake meaningful historic price volatility analysis of the Company's shares. Therefore share price volatility has been based on the historical volatility of a group of comparable companies, based on their principal activities, for volatility estimation purposes. The risk free rate is derived from the yield on Australian Government Bonds of appropriate terms.

Inputs used in the measurement of the fair values at grant date of options granted under the Staff Option Plan are outlined below:

Option Grant Date	1 Feb 2012	22 Feb 2012	28 Mar 2012	15 May 2012
Fair value at grant date	$0.144	$0.160	$0.117	$0.130
Share price at grant date	$0.31	$0.325	$0.31	$0.25
Exercise price	$0.40	$0.50	$0.75	$0.32
Performance hurdle	B	D	C	A
Performance period	E	H	G	F
Expiry date	1 Feb 2017	22 Feb 2017	2 Mar 2017	14 May 2017
Option life in years	5	5	5	5
Risk Free Interest Rate	3.27%	3.76%	3.71%	2.77%
Expected Dividend Yield	0%	0%	0%	0%
Volatility	80%	80%	80%	80%
Post-vesting Withdrawal Rate	0%	0%	0%	0%
Early exercise Provision	I	I	I	I

Note

A. Performance hurdle: options vest if share price exceeds 125% of the IPO price (i.e. $0.625) during the performance period.
B. Performance hurdle: options vest if share price exceeds 150% of the IPO price (i.e. $0.75) during the performance period.
C. Performance hurdle: options vest 12 months after grant date.
D. Performance hurdle: options vest 24 months after grant date.
E. Performance period: 12 months after grant date, until option expiry date.
F. Performance period: 24 months after grant date, until option expiry date.
G. Performance period: 12 months after grant date.
H. Performance period: 24 months after grant date.
I. Sell price multiple: 2 x exercise price.

During the period Directors and employees were granted options. The grants of these options are:

Directors	Options granted No.
T Manini	1,500,000
O Hegarty	1,000,000
B Jamieson	1,000,000
M Grant	2,049,877
	5,549,877
Employees	**3,159,000**
	8,708,877

25. Exploration expenditure commitments

There are no material commitments as at reporting date.

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements. These obligations are expected to be fulfilled in the normal course of operations. Mining interests may be relinquished or joint ventured to reduce this amount. The various country and state governments have the authority to defer waive or amend the minimum expenditure requirements.

26. Contingencies

The Directors are of the opinion that provisions are not required and no material contingent obligations exist.

27. Related parties disclosure

(a) Identity of related parties

The Group has a related party relationship with its subsidiaries, key management personnel and Tigers Realm Minerals Limited ("TRM").

TRM is a related party as TRM is a substantial shareholder of the Company and as the Group transacted with TRM in the reporting period.

(b) Transactions with key management personnel

The key management personnel received cash compensation during the period, and they participated in the Share Option Scheme and were granted options. Refer to note 24.

(c) Other related party transactions

	Note	Transactions value period ended 30 June 2012 $	Balance outstanding as at 30 June 2012 $	Transactions value period ended 30 June 2011 $	Balance outstanding as at 31 December 2011 $
Group					
Trade payable to TRM	(a)	**111,547**	**(54,270)**	(2,931,277)	(165,817)
Trade receivable from TRM	(b)	**(396,207)**	**25,542**	-	421,749

(a) The Group has a payable to TRM. This outstanding balance is priced on an arms-length basis and is expected to be settled in cash within 12 months of the reporting date. These balances are unsecured.

(b) The Group has a receivable from TRM. This outstanding balance is priced on an arms-length basis and is expected to be settled in cash within 12 months of the reporting date. These balances are unsecured.

28. Acquisition of business

There were no business combinations completed during the period ended 30 June 2012.

Prior Period

On 6 May 2011, Tigers Realm Minerals (Cyprus) Pty Ltd ("TR Cyprus"), Eastshore Coal Holding Ltd ("Eastshore"), Bering Coal Investments Ltd ("Bering") and Siberian Tigers International Corporation ("Siberian") executed a series of agreements in relation to the management of Eastshore, CJSC Northern Pacific Coal Company ("NPCC") and the Russian subsoil licenses being the Dalniy Subsoil License (Russian subsoil license numbered AND 13868 TP) and the Zapadniy Subsoil Lincense (Russian subsoil license numbered AND 13867 TP). As a result of these agreements TR Cyprus is entitled to appoint the majority of the members of the board of Eastshore (i.e. three out of five), providing it with the power to govern the financial and operating policies of Eastshore so as to obtain the benefits from Eastshore's activities. As a result the Group has consolidated Eastshore and its subsidiary NPCC from 6 May 2011. Two of the agreements may give rise to future royalty obligations for Eastshore as follows:

- Bering Royalty Agreement: Prior to 6 May 2011, TR Cyprus held a 40% interest in Eastshore and had a right to subscribe for shares equivalent to an additional 40% interest in two tranches subject to achievement of certain milestones, the final milestone being completion of a bankable feasibility study in respect of the area of the Russian Subsoil Licenses or any other subsoil license issued to Eastshore or its controlled subsidiaries ("the Eastshore Group"). If Bering fails to fund its proportion of expenditure after completion of the bankable feasibility study, its remaining 20% shareholding will be diluted in exchange for a maximum royalty of 2% of gross sales revenue from the sale of coal produced from the area of a license held by a member of the Eastshore Group.
- Siberian Royalty Agreement: Under this agreement, Siberian is entitled to a royalty of 3% of gross sales revenue from the sale of coal produced from the area of the Zapadniy Subsoil License. The royalty payable under the Siberian Royalty Agreement is in substance a "finder's fee" payable to Siberian in compensation for originating the project. Accordingly, it will be accounted for as an acquisition related cost under *AASB 3 Business Combinations* and recognised as an expense in the period incurred. Further, as the royalty is contingent on the sale of coal produced from the area of the Zapadniy Subsoil License, it will not be given accounting recognition until such sales occur or it is subject to early settlement by mutual agreement between the parties.

The Group has accounted for the acquisition of control of Eastshore as a business combination effective 6 May 2011. In accounting for the business combination, the Group has recognised and measured the fair value of the consideration, the fair value of the assets acquired and liabilities and contingent liabilities assumed, and the resulting non-controlling interest, at that date.

Under *AASB 3 Business Combinations*, the fair value of the consideration is measured as:

(a) the fair value of the Group's existing 40% equity interest in Eastshore at 6 May 2011, which has been valued at $29,084,683, as the acquisition date fair value of the acquirer's interest in the acquiree is substituted for the consideration when no consideration is paid; and,

(b) the fair value of loans made by TIG to Eastshore as at 6 May 2011 valued at $14,322,500; and,

(c) the fair value of the option inherent in the Bering Royalty Agreement whereby Bering may choose to fund its proportion of expenditure after completion of the bankable feasibility study or to have its interest diluted in return for a royalty stream, ("Bering Option") valued at $9,533,034 at 6 May 2011. The Bering Option was subsequently re-valued to $17,747,879 as at 30 June 2011. The movement consisted of $8,132,966 being reflected in the condensed statement of comprehensive income and $81,879 in the foreign currency translation reserve which represented the revaluation of the 6 May 2011 value.

The Group's existing 40% equity interest in Eastshore had a carrying value of nil and accordingly its re-measurement to fair value as part of the consolidation of the Eastshore group, which as at 6 May 2011 comprised Eastshore and its controlled entity, NPCC, resulted in the recognition of a profit in the consolidated financial statements. Additionally the fair value of the assets, liabilities and contingent liabilities of Eastshore and its controlled entity, NPCC the related deferred tax impacts and the non-controlling interest of 60% held by Bering measured as its proportionate interest in the fair value of the identifiable assets, liabilities and contingent liabilities of Eastshore and its controlled entity NPCC, were recognised in the consolidated financial statements. Any excess of the fair value of the consideration over the fair value of the assets acquired and liabilities and contingent liabilities assumed (including related deferred tax impacts), after taking into account the non-controlling interest therein, was recognised as goodwill. The loan balances receivable from NPCC at 6 May 2011, were eliminated in the consolidated financial statements as post consolidation of Eastshore and its controlled entity, NPCC, these balances were intra-group balances within the Group.

The net effect of the above transactions is an increase in net assets $69,906,002, an increase in retained earnings $29,084,683 (excluding the fair value adjustment of $8,132,966 that took place on 30 June 2011) and recognition of a non-controlling interest $36,223,781 ($31,141,944 as at 30 June 2011). The majority of the increase in net assets is attributable to mineral rights (an intangible asset) which will be amortised (as an expense) in the consolidated statement of comprehensive income over the life of the relevant areas of interest from the commencement of commercial production. The mineral rights intangible asset will be subject to impairment testing in accordance with the Group's accounting policy for exploration, evaluation and development assets.

28. Acquisition of business – prior period (continued)

Any movements in the fair value of the option inherent in the Bering Royalty Agreement between 6 May 2011 and its expiry will be recognised in profit or loss.

The fair values of identifiable assets and liabilities of Eastshore and its subsidiaries as at the date of acquisition were:

	Carrying Value at acquisition date $	Fair Value at acquisition date $
Assets		
Cash and cash equivalents	286,087	286,087
Other current assets	398,659	398,659
Trade and other receivables	1,903,605	1,903,605
Property, plant and equipment	18,697	18,697
Exploration, evaluation and development	8,935,870	-
Mineral rights (including exploration, evaluation and development)	-	85,641,025
Total Assets	11,542,918	88,248,073
Liabilities		
Trade and other payables	(571,705)	(571,705)
Deferred tax liabilities	(642,161)	(17,770,366)
Total Liabilities	(1,213,866)	(18,342,071)
Total identifiable net assets at fair value		69,906,002
Gain on fair value of business acquired		29,084,683
Interest-bearing liabilities		14,322,500
Bering Option liability		
Bering Option liability recognised by Eastshore Group		9,533,034
Non-controlling interest in Bering Option liability		(5,719,820)
Sub-total: Bering Option liability		3,813,214
Consideration		47,220,397
Cash paid		-
Total consideration		47,220,397
Non-controlling interest in assets acquired		41,943,601
Fair value of identifiable net assets		(69,906,002)
Total consideration		47,220,397
Goodwill		19,257,996
Non-controlling interest in consideration (Bering Option liability)		(5,719,820)
Non-controlling interest in net assets acquired		41,943,601
Net non-controlling interest		36,223,781
The cash flow on acquisition is as follows:		
Net cash acquired with the subsidiary		286,087
Cash paid		-
Net consolidated cash inflow		286,087

There were nil transaction costs in relation to this acquisition.

28. Acquisition of business – prior period (continued)

From the date of acquisition, Eastshore and its subsidiaries contributed nil to the Group revenue and a $277,979 gain to the overall Group gain of $12,840,502 for the 2011 financial year. If the acquisition of Eastshore and its subsidiaries had been completed at the beginning of the annual reporting period, the consolidated statement of comprehensive income would have included nil revenue and a loss of $5,165 for the 2011 financial year.

The fair values are based on a discounted cash flow estimate for the Amaam Project at the date of acquisition which included various assumptions about the life of the mine including commodity prices, exchange rates, grade of resources, capital expenditure, operating costs, production recovery rates, depreciation rates, and tax rates.

The fair value of the Bering Option liability was determined via Black and Scholes option valuation methodology and was also impacted by the level of risk assumed in the agreement. The Bering Option has the characteristics of a put option over the balancing 20% of the shares in NPCC.

The fair value of the Bering Option liability will be re-valued at each reporting date and the adjustment recognised in the profit or loss.

At 30 June 2012 the fair value of the liability was re-valued to $14,151,324 (June 2011: $17,747,879). This resulted in a profit to the profit or loss of $2,701,773 (June 2011: loss of $8,132,966). The fair value was recalculated based on the information available at 30 June 2012. Some of the assumptions that changed were the identification of additional resources and the change in the risk adjustment that flowed from the increased likelihood of commercialisation of the project.

The deferred tax liability balance arises as a result of the requirement to recognise the difference between the fair value of the assets and liabilities acquired and their tax bases.

The goodwill will be tested annually for impairment and if evident, the impairment will be recognised in the profit or loss.

29. Subsequent events

Subsequent to 30 June 2012 the following events have occurred which are items, transactions or events considered to be of a material or unusual nature, which in the opinion of the Directors of the Company, are likely to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years:

- On 11 July 2012 the Company concluded a placement of fully paid ordinary shares to raise gross proceeds of approximately $8,923,405 at a price of $0.18 per share. As part of this placement the Directors subscribed for 4,335,556 shares. These shares are subject to shareholder approval which will be sought at an Extraordinary General Meeting on 24 August 2012. The proceeds will be used to fund drilling of scout holes at the highly prospective Amaam North tenement to test the seam thickness and coal quality, and for corporate costs and working capital for the period to June 2013.
- On 10 August 2012 the Company completed a Share Purchase Plan for shareholders in Australia and New Zealand. The Share Purchase Plan raised gross proceeds of approximately $753,500 through the issue of fully paid ordinary shares at an issue price of $0.16 per share. The proceeds will be applied towards additional drilling and technical studies at the Amaam Project.

Tigers Realm Coal Limited
Directors' declaration

1. In the opinion of the Directors of Tigers Realm Coal Limited ('the Company'):

   a) the consolidated financial statements and notes set out on pages 12 to 30 are in accordance with the *Corporations Act 2001*, including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2012 and of its performance for the half-year ended on that date; and

      (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

   b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Dated at Melbourne this 24th day of August 2012.

A Manini

Antony Manini
Chairman

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Tigers Realm Coal Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the interim period ended 30 June 2012 there have been:

(i) no contravention of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Michael Bray
Partner

Melbourne

24 August 2012

Independent auditor's review report to the members of Tigers Realm Coal Limited

Report on the financial report

We have reviewed the accompanying interim financial report of Tigers Realm Coal Limited, which comprises the condensed consolidated statement of financial position as at 30 June 2012, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the interim period ended on that date, notes 1 to 29 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the interim period.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 June 2012 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Tigers Realm Coal Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Tigers Realm Coal Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2012 and of its performance for the interim period ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of Matter: Material uncertainty regarding continuation as a going concern

Without modification to the conclusion expressed above, attention is drawn to the following matter. As stated in note 8 in the interim financial report, there is material uncertainty as to whether the Group will be able to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

KPMG

KPMG

Michael Bray
Partner

Melbourne

24 August 2012