

December 2022 Quarterly Production and Activities Report 23 January 2023

ASX RELEASE



December 2022 Quarter Operational Activity

| | | Quarter Ended Dec-22 | Year to date Dec-22 | 2022 Annual Guidance |
|------------------------------------|---------|----------------------------|---------------------------|----------------------------|
| ROM coal mined | kt | 392 | 1 523 | 1 300-1 400 |
| Coal delivered to Beringovsky Port | kt | 259 | 1 142 | |
| Coal loaded | kt | 226 | 1 049 | |
| Coal sold | kt | 303 | 1 066* | 950-1 050 |
| Total coal stocks | kt | 687 | 687 | |
| Waste mined | bcm | 1 297 | 4 666 | |
| ROM strip ratio | bcm : t | 3.3:1 | 3.1:1 | |

^{*}Including coal sold ex-stockpile to local customers and coal loaded in the prior quarter

Highlights

- Safety The cumulative Total Reportable Injury Frequency Rate ("TRIFR") decreased to 2.13 per million hours from 2.30 recorded in the September quarter. No LTI's were recorded in the December quarter.
- Coal Production 392kt of coal was mined during the December quarter, 1 523kt mined during 2022, an increase of 49% compared to 2021.
- Port operations During Q4 2022 TIG loaded 226kt and 1 049kt for 2022, an increase of 18% compared to 2021 and the maximum annual volume achieved in the port's history. The average loading rate in 2022 increased to 10.6kt per weather working day ("pwwd") compared to 8.2kt pwwd in 2021.
- CHPP Project The CHPP equipment is fully functional and processed 731kt during the year.
- Sales In 2022 TIG sold 1 066kt, an increase of 17% compared to 2021 results. Overall, 15 vessels were loaded, three of them with metallurgical coal and two with high-- CV washed thermal.
- **Compliance and licencing** The Company is in material compliance with its license obligations.

Health and Safety

TIG's cumulative TRIFR decreased to 2.13 per million hours worked, from 2.30 in the September 2022 quarter. No LTI's were recorded in the December quarter. The Company continues to improve and support its workplace safety culture with training, communication and integration of success in this area into management's compensation structure.

TIG is particularly pleased to report no LTIs neither in loading operations nor CHPP construction notwithstanding these areas being particularly susceptible to workplace hazards due to unpredictable sea and weather conditions – in the case of loading – and working from height and non-routine work processes – in the case of CHPP construction.

Mining and Haulage Operations

| | | October | November | December | Total |
|------------------------------------|---------|---------|----------|----------|-------|
| ROM coal mined | kt | 170 | 108 | 113 | 392 |
| Coal delivered to Beringovsky Port | kt | 133 | 73 | 53 | 259 |
| Waste mined | kbcm | 407 | 432 | 458 | 1 297 |
| Stripping ratio | bcm : t | 2.4 | 4.0 | 4.0 | 3.3 |
| Total Coal stocks (end of month) | kt | 686 | 658 | 687 | |

During the December quarter, TIG mined 392kt of ROM coal and delivered 259kt to the port. Overall, during 2022 TIG mined 1 523kt of ROM coal which is 49% higher than in 2021. The quarterly average stripping ratio increased from 2.7:1 in the September quarter to 3.3:1 in the December quarter. The average annual stripping ratio for 2022 was 3.1:1, a significant decrease from the 4.0:1 of 2021. The lower stripping ratio was in part driven by the CHPP starting up somewhat later than expected and a conscious decision to focus on thermal coal due to favourable market conditions and revenue optimisation from products. Coal haulage to port increased to 1 142kt, a 23% increase over 2021. Maximum truck haulage per day reached 5kt.

Beringovsky Port Operations

| | | October | November | December | Total |
|-------------|----|---------|----------|----------|-------|
| Coal loaded | kt | 167 | 59 | - | 226 |
| Coal sold | kt | 151 | 100 | 52 | 303 |

(Coal loaded usually differs from coal sold for two reasons. First, coal may be loaded in a previous period but recognized as sold upon completion of loading. Second, some relatively small amounts of coal were sold ex-stockpile to local customers.)

During 2022 TIG's loading rate increased to 10.6kt per weather working day ("pwwd") compared to 8.2kt pwwd in 2021. As TIG's port has a limited navigational season with weather conditions, particularly toward the end of the season, which can be unpredictable, it is critical to maximize loading when weather allows. Multiple factors impact average loading rates, among these are effective scheduling of bulker arrivals, pre-season & intra-season dredging so that barges are able to work with maximum loads and proper planning of inter-season maintenance. The combination of severe storms and ice entering into Beringovsky bay curtailed completing loading of the last two vessels of the

season which impacted coal sales. TIG was still able to exceed the upper end of its annual guidance figure of 950-1050kt of coal.

In October TIG took delivery in Nakhodka of its 5th 500t barge. The delivery was delayed due to COVID-related restrictions in China. The barge will arrive in our port in June 2023. This additional barge will further increase TIG's annual loading capacity, and it has also been configured with a front-access ramp to enable better handling of incoming heavy equipment.

Coal Handling and Process Plant (CHPP) Project

The CHPP equipment is now fully functional and processed 731kt in 2022 as a combination of metallurgical and high CV thermal coal types. The key CHPP related infrastructure was substantially completed by year end.



Coal Sales and Marketing

During October – November, TIG completed loading five export cargos for a total of 297kt, three of which were washed coking coal.

Total sales for the year 2022 were 1 066kt (185kt metallurgical coal, remainder thermal) which was slightly ahead of our total sales volume guidance range.

Market Outlook

Coking Coal

International coking coal prices recently increased on the back of easing Chinese import restrictions on Australian coal. This has lifted Australian prices and allowed other international competitors to lift prices as well. However, Chinese prices have eased ahead of the Chinese New Year (CNY) holiday on the back of high inventory levels and deteriorating finances among a number of metcoal end-users. Chinese steel market activity remained sluggish, with demand down in November and December. Chinese steel facility operating rates (at 247 mills and 230 cokeries) are now about 75% of capacity, consequently it is not clear how robust the current Chinese domestic coking coal prices of around US\$300/t will prove to be.

Thermal Coal

International high CV thermal coal prices remained elevated during October-December and are expected to stay high in the lead-up to JRP negotiations in late Q1 2023. The resumption of Australian imports by China has had a similar effect on lower CV coal as with coking coal – leading to a short term increase in Australian coal prices and downward pressure on domestic and other international coal demand from sources such as Russia and Indonesia. Chinese buying activity has now eased due to the CNY holidays. Qinhuangdao prices remain healthy, at c. \$170/t equivalent, basis 5500 kcal/kg NAR FOB at present. Russian prices are trading at c. \$148 FOB Vostochny basis 5500 kcal/kg NAR currently (equivalent to ~\$156/t landed in north China).

Trade flows are still rebalancing, and it is expected that competition from other Russian producers will increase in 2023. The large state-owned power utility in Taiwan stopped taking Russian coal in August and Japan will stop taking delivery of Russian coal at the end of March when pre-existing contracts expire in line with the Japanese fiscal year. As with last year, Russian suppliers are expected to be our main competition in 2023, as they all look to replace lost sales into the available markets, and sanctions remain the biggest risk to freight cost, sales prices and volumes for the company. As such the disparity between reported international seaborne prices and price expectations for Russian sourced product is expected to continue into 2023.

For TIG, the optimum production and sales mix remains very much market dependent, since flexibility exists to wash either coking or thermal at Beringovsky. Decisions will be made in this regard as marketing efforts step up over the next couple of months in preparation for the 2023 loading season.

Capital investments

New capital investments during the December quarter included:

- Mining equipment (excavator & dump truck)
- Continuing construction of CHPP infrastructure
- Continuing construction of road culverts
- Fuel farm
- General repair and maintenance projects in the port

Stakeholder relations

In Q4 2022 TIG continued its work in the following areas:

Environment

- The environmental permissioning documentation for mining on the Eastern Block of Zvonkoye was filed.
- The environmental permissioning documentation for the fuel farm was filed.
- A joint meeting of the TIG Indigenous Peoples' Chukotka Government working group was held with respect to responsible environmental development. A further meeting will be held in 2Q23 to explore ways in which TIG can further support the indigenous people of Chukotka and to communicate measures taken to mitigate TIG's environmental footprint.

Government and community relations

- TIG joined the Presidium of the Russian-Chinese Business Council
- Together with the Governor of the Chukotka Autonomous district, a presentation of the TIG investment project was made at the Eastern Economic Forum
- TIG received governmental approval the engineering documents for reconstruction of the port envisioning a design capacity of 2Mpta.

Exploration and Licencing Activities

The Company is in material compliance with all license obligations.

Cash balances

At the end of the quarter, TIG had a cash balance of US\$3.8M in cash with no bank liabilities outstanding.

Capital Structure (as at 31 December 2022)

Ordinary shares on issue: 13,066,702,368

This announcement has been authorized by the Board of Directors.

ABOUT TIGERS REALM COAL (ASX CODE: TIG)

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PROJECT SUMMARY

TIG is developing a large-scale coking coal basin that covers two areas, Amaam and Amaam North (Figure A below), with combined Resources of up to 607 Mt.

At Amaam North, TIG owns a 100% beneficial interest in Exploration Licence No. AND01203 TP (Levoberezhniy Licence), the Exploration and Extraction (Mining) Licence No. AND 15813 TE, which covers the initial Project F mine development area (Fandyushkinskoe Field) and the Exploration and Extraction (Mining) Licence No. AND 01314 TE, which covers the Zvonkoye licence area, the eastern extension of the Project F licence area.

At Amaam, TIG owns an 80% beneficial interest in Exploration Licence Amaam AND 01379 TP (former AND 01277 TP Zapadniy Subsoil Licence) and two Exploration and Extraction (Mining) Licences, No. AND 01278 TE and No. AND 01288 TE.

At Amaam North - Project F

- Project F Phase One is in production
- Amaam North Project F reserves as disclosed in ASX release "TIG Announces Results of New Amaam North JORC Report" on 24 November 2020:
 - o 15.4 Mt of Marketable Reserves, 9.8 Mt Proven & 5.6 Mt Probable;
 - o 85.6 Mt Total Resource, 24.2 Mt Measured, 26.4 Mt Indicated & 35.0 Mt Inferred.
- TIG owns and operates the Beringovsky coal port terminal

At Amaam:

- A Project Feasibility Study completed on 5.0 Mtpa open pit operation producing a high vitrinite content (>90%) coking coal with excellent coking properties
- The total Resource is 521 Mt comprising 3 Mt Measured, 91 Mt Indicated, and 427 Mt Inferred