TYRANNA RESOURCES LIMITED

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29 October 2020

Quarterly Activities Report 30 September 2020

Tyranna Resources Ltd (**Tyranna** or the **Company**) provides shareholders its quarterly report for the three-month period ending 30 September 2020.

WA NICKEL PROJECTS

During the quarter ended 30 September 2020 the Company undertook a comprehensive review of all historic geochemical and geophysics data, the Board has approved plans to fast-track a drilling program at the Dragon & Knight projects in WA's nickel belt once a detailed field trip and surface sampling has been completed.

- The geology team is currently in the process of formalising a drilling campaign which will focus on highly prospective nickel sulphide mineralisation targets in two known areas:
- Areas around Lightning Gossan Prospect, which is interpreted to have similar mineralisation to St George Mining's (ASX: SGQ) Fish Hook[1] prospect, based on extensive historic surface sampling with high-grade assays up to 7,600ppm Ni, 5,700ppm Cu & 1,140ppm Zn and shallow drill intercept – 4m @ 1,925ppm Ni from 16m including 2m @ 2,290ppm Ni[2]

In addition, the geophysics interpretation verified there is a standout anomaly at Lightning Gossan Prospect, which dovetails in with the geochemistry findings

- Several areas along the east-west trending regional dykes, which are on the same strike event that hosts SGQ's Mt Alexander project, that are intersected by north-south trending magnetic features.
- Once the drilling plan is finalised, after the upcoming field trip, the geology team will commence the necessary processes to secure regulatory approval, select a suitable drilling contractor and line up key logistical support crews.

EUREKA GOLD PROJECT (EGP)

On 17 August 2020 the Company announced that it had granted Warriedar Mining Pty Ltd an option to acquire tenements owned 100% by Tyranna and its wholly-owned subsidiary Coastal Shipping Logistics Pty Ltd, collectively referred to as the "Eureka Gold Project" for the payment of up to $1,500,000.

On 31 August 2020 the Company announced that Warriedar Mining Pty Ltd had exercised its option and the Company had received the non-refundable deposit of $100,000 plus the exercised option amount of $900,000. The remaining condition was the obtaining of ministerial approval which was obtained and advised to the market on 1 October 2020.

The Company can receive a further payment of $500,000 cash if, on or before the 5th anniversary of the Completion Date, Warriedar produces from within the Eureka Gold Project tenements recovered gold of not less than 20,000 ounces.

JUMBUCK GOLD PROJECT (JGP)

On 29 June 2020, Tyranna announced it had executed a sale agreement with Syngas Limited **(Syngas)**, for the proposed sale of:

(a) all of Tyranna's right, title and interest in all of the issued shares of wholly-owned subsidiary Half Moon Pty Ltd **(HMP)**, the owner of the majority joint venture interest in the Western Gawler Craton Joint Venture (**WGCJV**); and

(b) all tenements located around the WGCJV owned 100% by HMP and Tyranna's wholly-owned subsidiary Trafford Resources Pty Ltd,

collectively referred to as the "Jumbuck Gold Project" (**Acquisition**).

Tyranna originally sought shareholder approval as detailed in the Company's notice of meeting dated 1 July 2020. That resolution was withdrawn as a consequence of the Company receiving several offers for the Jumbuck Gold Project during the 2-day period between the date on which lodgement of proxies closed and the date of the meeting (being 31 July 2020), the Directors considering that the receipt of those offers was material information that Shareholders may require to properly consider their voting intentions.

The offers received were as follows:

(a) On 30 July 2020, the Company received a conditional offer from Alliance Resources Limited (ASX:AGS) to acquire the Jumbuck Gold Project for $2.025 million and an offer to Tyranna shareholders to participate in a non-renounceable right issue to subscribe for fully paid ordinary shares in Alliance Resources up to a total issue value of $1 million in proportion to their respective shareholdings in Tyranna (excluding AGS held shares in Tyranna) (Alliance Offer).

(b) On 31 July 2020, the Company received a conditional offer from Marmota Limited (ASX:MEU) to acquire the Jumbuck Gold Project for $2.6 million (Marmota Offer).

(c) Also on 31 July 2020, Syngas submitted an increased offer of $2.0 million.

Following the 31 July 2020 general meeting, having given the new offers due consideration, and having conducted further negotiations with Syngas, the Directors agreed to sell the Jumbuck Gold Project to Syngas for a revised consideration of $2.25 million. The principal reasons for accepting Syngas' revised offer were (1) the absence of a due diligence condition, (2) the existence of a binding agreement with Syngas, and (3) the uncertainties associated with negotiating a new agreement with either of Alliance Resources or Marmota.

Subsequent to quarter end, on 26 November 2020, Tyranna will hold its annual general meeting of shareholders to approve the Acquisition. Subject to shareholder approval being obtained, and other conditions precedent satisfied, Tyranna expects settlement to occur in December 2020.

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OTHER PROJECTS

Goodsprings Base Metals Project (Nevada, USA)

The Goodsprings Base Metals Project, which is located circa 50km southwest of Las Vegas (Nevada, USA) comprises 329 mining claims covering 6,580 acres[3]. Previous geophysics surveys and geochemical work highlighted potential targets for copper-zinc-cobalt mineralisation.

During September 2020, Tyranna relinquished its rights to tenure for the Goodsprings Project tenements.

Weebo Gold Project

The Weebo Gold Project is located 70km north of Leonora in the Eastern Goldfields of Western Australia and was acquired by the Company in 2017. The Project comprises approximately 69 km^2 of ground east of the Jaguar base metal mine. The Company continues to review the project to assess options moving forward.

Pacific Express Ni Project

Tyranna acquired the Pacific Express nickel project in late 2019. The project, located in northern NSW comprises a single licence (EL8733) for ~ 108 km. The area is prospective for lateritic Ni-Co mineralisation. Historical exploration has defined several target areas which require further investigation.

CORPORATE

On 29 May 2020 Tyranna announced that $500,000 had been raised from sophisticated investors, who are clients of CPS Capital Group Pty Ltd (CPS). Under the terms of the placement Tyranna would issue 166,666,667 fully paid ordinary shares, priced at $0.003 per share.

The Placement was been fully subscribed and were issued in two tranches, being:

1. On 2 June 2020, TYX issued 62,500,000 fully paid ordinary shares pursuant to the Company's placement capacity under Listing Rule 7.1 ("Tranche 1"); and
2. On 17 August 2020, following receipt of shareholder approval TYX issued the remaining 104,166,667 fully paid ordinary shares ("Tranche 2").

At a General Meeting of shareholders on 31 July 2020, the Company received approval to:

1. Issue Mr Joseph Pinto 16,666,667 fully paid ordinary shares following his participation in the February Placement.
2. Issue a total of 26,527,233 fully paid ordinary shares to convert debt owing to CPS Capital Group Pty Ltd to equity.
3. Issue a total of 12,286,667 fully paid ordinary shares to convert related party debt owing to Mr Giuseppe Graziano to equity.
4. Issue a total of 4,380,000 fully paid ordinary shares to convert related party debt owing to Mr David Wheeler to equity.

These shares were issued on 17 August 2020.

Financial Snapshot

The Company's net cashflow used in operations for the quarter was $334k. The operational expenses mainly comprised of Exploration and Evaluation expenditure ($67k) and Administration and corporate costs of $267k.

The Company's cash position at the of the quarter is $1,111k.

Listing Rule 5.4.5

In item 6 of the attached Appendix 5B, payments to related parties of approximately $121k comprising of Director Services ($65) and Non-Director Services – corporate consultancy services ($41k), bookkeeping ($11k), serviced office ($4k) and reimbursements ($1k) were paid during the quarter.

Authorised by the Board of Tyranna Resources Ltd

Joe Graziano
Director

References

1) TYX ASX Release – 30 October & 26 November 2019
2) TYX ASX Release – 24 April 2020
3) TYX ASX Release – 30 September 2020 (Annual Report 2020)

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Appendix 1: Mining Tenements as at 30 September 2020

South Australia Tenement Schedule				
Exploration License No	**Tenement Name**	**Registered Holder**	**Interest at Beginning of Qtr**	**Interest at End of Qtr**
6002	Irra Outstation (Jumbuck)	Trafford Resources Pty Ltd	100%	100%
6003	Garford Outstation West	Trafford Resources Pty Ltd	100%	100%
6004	Garford Outstation East	Trafford Resources Pty Ltd	100%	100%
6097	Wildingi Claypen	Trafford Resources Pty Ltd	100%	100%
6171	Indooroopilly	Trafford Resources Pty Ltd	100%	100%
6214	Hilga Crutching Shed	Trafford Resources Pty Ltd	100%	100%
6215	Mt Christie	Trafford Resources Pty Ltd	100%	100%
6216	Commonwealth Hill	Trafford Resources Pty Ltd	100%	100%
5460	Mt Christie Siding	Trafford Resources Pty Ltd	100%	100%
5680	Isthmus	Half Moon Pty. Ltd.	100%	100%
5510	Mathews Tank	Trafford Resources Pty Ltd	100%	100%
5551	Brickies - Wynbring	Trafford Resources Pty Ltd	100%	100%
5526	Galaxy Tank	Trafford Resources Pty Ltd	100%	100%
6005	Eagle Hawk	Trafford Resources Pty Ltd	100%	100%
6098	Deep Leads	Trafford Resources Pty Ltd	100%	100%
5817	Sandstone	Half Moon Pty. Ltd.	100%	100%
5818	Lake Anthony	Half Moon Pty. Ltd.	100%	100%
5819	Irra	Half Moon Pty. Ltd.	100%	100%
5820	Barton Area	Half Moon Pty. Ltd.	100%	100%

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South Australia Tenement Schedule				
Exploration License No	**Tenement Name**	**Registered Holder**	**Interest at Beginning of Qtr**	**Interest at End of Qtr**
ELA2012/291	Barton Siding	Trafford Resources Pty Ltd	100%	100%
5772	Warrior Outstation	Half Moon Pty. Ltd.	100%	100%
5998	Campfire Bore	Challenger Gold Operations Pty Ltd, Coombedown Resources Pty Ltd	70% rights to the gold	70% rights to the gold
6173	Mulgathing	Challenger Gold Operations Pty Ltd	78% rights to the gold	78% rights to the gold
5732	Sandstone JV	Challenger Gold Operations Pty Ltd, Coombedown Resources Pty Ltd	70% rights to the gold	70% rights to the gold
5661	Jumbuck	Challenger Gold Operations Pty Ltd	78% rights to the gold	78% rights to the gold
5720	Mobella	Challenger Gold Operations Pty Ltd	78% rights to the gold	78% rights to the gold
5767	Sandstone	Challenger Gold Operations Pty Ltd	78% rights to the gold	78% rights to the gold
6012	Blowout	Challenger Gold Operations Pty Ltd	78% rights to the gold	78% rights to the gold

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Western Australia Tenement Schedule				
Exploration License No	**Tenement Name**	**Registered Holder**	**Interest at Beginning of Qtr**	**Interest at End of Qtr**
E36/880	Weebo	Tyranna Resources Ltd	100%	100%
E37/1275	Weebo	Tyranna Resources Ltd	100%	100%
E37/1328	Weebo	Tyranna Resources Ltd	100%	100%
E37/1353A	Weebo	Tyranna Resources Ltd	100%	100%
E37/1342A	Weebo	Tyranna Resources Ltd	100%	100%
P36/1881**	Weebo	Tyranna Resources Ltd	0%	0%
P36/1882**	Weebo	Tyranna Resources Ltd	0%	0%
M24/189	Eureka	Central Iron Ore Ltd	100%	100%
M24/584	Eureka	Central Iron Ore Ltd	100%	100%
M24/585	Eureka	Central Iron Ore Ltd	100%	100%
M24/586	Eureka	Central Iron Ore Ltd	100%	100%
E37/1366	Knight	Clean Power Resources Pty Ltd	100%	100%
E29/1034	Dragon	Clean Power Resources Pty Ltd	100%	100%

***** Application waiting for grant***

New South Wales Tenement Schedule				
Exploration License No	**Tenement Name**	**Registered Holder**	**Interest at Beginning of Qtr**	**Interest at End of Qtr**
EL8733	Pacific Express	Clean Power Resources Pty Ltd	100%	100%

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USA Tenement Schedule				
Exploration License No	**Tenement Name**	**Registered Holder**	**Interest at Beginning of Qtr**	**Interest at End of Qtr**
NCP-004 TO NCP-035	Goodsprings	Colombia Pass Inc	100%	0%
NCP-050 TO NCP-055	Goodsprings	Colombia Pass Inc	100%	0%
NCP-060 TO NCP-097	Goodsprings	Colombia Pass Inc	100%	0%
NCP-106 TO NCP-111	Goodsprings	Colombia Pass Inc	100%	0%
NCP-116 TO NCP-156	Goodsprings	Colombia Pass Inc	100%	0%
NCP-164 TO NCP-189	Goodsprings	Colombia Pass Inc	100%	0%
NCP-196 TO NCP-200	Goodsprings	Colombia Pass Inc	100%	0%
NCP-202	Goodsprings	Colombia Pass Inc	100%	0%
NCP-204	Goodsprings	Colombia Pass Inc	100%	0%
NCP-206	Goodsprings	Colombia Pass Inc	100%	0%
NCP-208	Goodsprings	Colombia Pass Inc	100%	0%
NCP-210	Goodsprings	Colombia Pass Inc	100%	0%
NCP-212	Goodsprings	Colombia Pass Inc	100%	0%
NCP-214	Goodsprings	Colombia Pass Inc	100%	0%
NCP-216	Goodsprings	Colombia Pass Inc	100%	0%
NCP-218	Goodsprings	Colombia Pass Inc	100%	0%
NCP-220	Goodsprings	Colombia Pass Inc	100%	0%
NCP-222	Goodsprings	Colombia Pass Inc	100%	0%
NCP-224	Goodsprings	Colombia Pass Inc	100%	0%
NCP-225 TO NCP-233	Goodsprings	Colombia Pass Inc	100%	0%
NCP-240 TO NCP-243	Goodsprings	Colombia Pass Inc	100%	0%
NCP-245	Goodsprings	Colombia Pass Inc	100%	0%
NCP-247 TO NCP-261	Goodsprings	Colombia Pass Inc	100%	0%
NCP-268 TO NCP-285	Goodsprings	Colombia Pass Inc	100%	0%
NCP-296 TO NCP-315	Goodsprings	Colombia Pass Inc	100%	0%

USA Tenement Schedule				
Exploration License No	**Tenement Name**	**Registered Holder**	**Interest at Beginning of Qtr**	**Interest at End of Qtr**
NCP-317	Goodsprings	Colombia Pass Inc	100%	0%
NCP-319	Goodsprings	Colombia Pass Inc	100%	0%
NCP-321	Goodsprings	Colombia Pass Inc	100%	0%
NCP-324	Goodsprings	Colombia Pass Inc	100%	0%
NCP-326	Goodsprings	Colombia Pass Inc	100%	0%
NCP-328 TO NCP-340	Goodsprings	Colombia Pass Inc	100%	0%
NCP-354 TO NCP-375	Goodsprings	Colombia Pass Inc	100%	0%
NCP-382 TO NCP-436	Goodsprings	Colombia Pass Inc	100%	0%
NCP-438	Goodsprings	Colombia Pass Inc	100%	0%

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