

24 August 2017

Private Placement and Share Purchase Plan

Receipt of firm commitments for \$1.7 million placement Share Purchase Plan to be offered to Eligible Shareholders on identical terms

The Board of Tyranna Resources Limited (ASX: TYX) (Tyranna or the Company) is pleased to announce strong market and shareholder support for a two-stage program of capital raisings, that will advance exploration at the company's key Jumbuck Gold Project in South Australia. The funds will be directed to further exploration drilling at Jumbuck Gold targets with the aim of furthering the company strategy to build on the current resource base toward the 500,000 oz resource target.

Capital Raise

Stage one comprises a placement to sophisticated and professional investors of approximately 99.8 million fully paid ordinary shares in Tyranna (**Shares**) at 1.7 cents per Share, with one free attaching option per Share exercisable at 4 cents and expiring 4 years after the date of issue (**Options**), (**Placement**).

The Company has received commitments to raise \$1.7 million (before costs), with the majority of the Shares component of the Placement expected to be issued on or about 29 August 2017. The majority of Shares to be issued under the Placement will not be subject to shareholder approval and will fall within the Company's placement capacity under ASX Listing Rule 7.1. Tyranna Chairman and Director Joseph Pinto also wishes to participate in the Placement by subscribing for Shares up to the value of \$130,000 which will take his holding past 40 million shares thus indicating his support of the Company's direction and strategy. Any Shares to be issued to Mr Pinto and the Options component of the Placement will be issued following the receipt of shareholder approval.

Stage two is an offer to eligible shareholders to participate in a Share Purchase Plan (**SPP**) to acquire up to \$15,000 worth of Shares (up to 882,353 Shares) at an issue price of 1.7 cents per Share, without any additional brokerage or other transaction costs, and with one free attaching Option per Share, exercisable at 4 cents and expiring 4 years after the date of issue. The SPP is not underwritten and will be capped at a total amount of \$1.0 million (before costs).

The issue price under the capital raisings represents a 15% discount to the volume weighted average price of Shares on the ASX over the five trading day period prior to the date of this announcement (which was \$0.02).

Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

The SPP will provide shareholders with the opportunity to increase their holding at an attractive price without paying brokerage or transaction costs, as the Company moves ahead with the Jumbuck Project.

Tyranna Managing Director, Bruno Seneque, commented: "This Placement and SPP will bolster the Company's ability to maintain the successful momentum at the Jumbuck Gold Project focusing on the key Typhoon and Greenwood gold prospects. With drilling at Typhoon nearly finished, the Tyranna technical team will test their new approach to the geological model with drilling to continue at Greenwood. This is definitely an exciting time for Tyranna shareholders. We feel that we are now at a catalyst change in the development of this company and I look forward to updating our shareholders over the coming quarter."

Use of funds

Assuming maximum subscription under the SPP, the funds raised under the Placement and the SPP will be used for:

- exploration activities at Jumbuck Project;
- advancement of feasibility studies for the Jumbuck Project;
- potential acquisition opportunities; and
- general working capital.

In order to make additional funds available for the above purposes, the Board of Tyranna has determined that the Company will not be contributing to the approved programme and budget for 2017/18 for the Wilcherry Project Joint Venture between Alliance Resources Ltd and Tyranna.

The Company is in discussion with a number of parties for potential project acquisition opportunities with near term production potential. There can be no guarantee that any new project acquisition will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. The Directors will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide returns to Shareholders.

SPP and Option Offers

Participation in the SPP will be entirely optional and will be available exclusively to shareholders who were registered as holders of Shares at 5.00pm (WST) on 23 August 2017, and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

Investors who subscribe for Shares under the Placement and Eligible Shareholders who subscribe for Shares under the SPP will also be offered one free attaching Option for every Share subscribed for (**Option Offers**). The Options will have an exercise price of \$0.04 and expiry date 4 years after the date of issue, and are intended to be quoted on ASX, subject to satisfying the ASX listing criteria.

The Company has also agreed to issue 7.5 million Options to the Lead Manager to the Placement, PAC Partners, on the same terms as the Option Offers (**Lead Manager Options**).

The Company intends to issue a prospectus for the Option Offers and the Lead Manager Options, which will be subject to shareholder approval at a general meeting to be convened shortly.

Full details of the SPP and Option Offers will be announced at a later date.

SPP Shortfall

Any Shares and Options not subscribed for by Eligible Shareholders under the SPP will comprise the shortfall and may be offered to institutional or sophisticated investors as a separate placement at the discretion of the Directors, subject to shareholder approval to be sought at the general meeting to be convened shortly.

Enquiries

If you have any enquiries in relation to the SPP or the Option Offers, please call Yugi Gouw, Company Secretary, on +61 8 9485 1040.

Bruno Seneque,
Managing Director
P: +61 8 9485 1040

Peter Taylor
Investor Relations
P: +61 412 036 231
peter@nwrcommunications.com.au

About Tyranna

Tyranna is a gold exploration company focused on the large Jumbuck Project in the Northern Gawler Block of South Australia. A total of 14,389 metres was drilled at the Jumbuck Gold Project during the 2016 calendar year with the aim to explore for high grade open pit, gold mineralisation within trucking distance of the Challenger gold operations. The Challenger gold operations is owned and operated by Tyranna's joint venture partner WPG Resources Ltd.

Jumbuck is a highly prospective and underexplored area, similar in style to the Albany/Fraser belt adjacent to the Yilgarn Craton in Western Australia which is host to the large 6.3M Au oz Tropicana gold deposit. Tyranna controls over 9,762 km² of ground in this area, which also hosts the Challenger gold mine (owned by WPG Resources Ltd). Challenger has produced in excess of 1 million ounces of gold to date.

The Jumbuck Project has numerous gold occurrences over large areas with strong potential for significant resources of shallow oxide ore and repeat Challenger style deposits. Tyranna's strategy is to target those more advanced gold prospects which are situated within 50km of the Challenger gold processing operations and increase the economic scale of these prospects via focused and extensive exploration.