



ASX ANNOUNCEMENT

14 May 2020

\$1.3m fully-funded Offer for proposed acquisition of TYX Jumbuck Gold Project

Key Points

- **Marmota (MEU) has made a formal fully-funded \$1.3m offer to acquire Tyranna's Jumbuck Gold Project, immediately adjacent to MEU ground**

Marmota Limited ('Marmota' ASX:MEU or 'Buyer') is pleased to advise that it has made a formal fully-funded \$1.3m offer ('Marmota offer') to acquire all of the rights, title and interest of Tyranna Resources Limited ('Tyranna' ASX:TYX or 'Vendor') in the **Jumbuck Gold Project** (the latter project as defined in the ASX announcement of Tyranna ASX:TYX 24 April 2020 and of Syngas Limited ASX:SYS 17 Oct 2019 ('Syngas offer')), on the following key commercial terms:

1. Payment

Marmota will provide consideration of A\$1.3 million, composed of:

- a) A **cash payment to Tyranna of 1 million** Australian dollars
- b) An additional in-specie payment of \$300,000 worth of Marmota shares¹, such **shares issued directly to the shareholders of Tyranna** as of the date of execution, and distributed *pro rata* to their shareholding in Tyranna.² By this method, the shareholders of Tyranna will continue to benefit in the asset, and potentially benefit from the future path of Marmota itself.

2. Timing

Subject to formal agreement and execution by Tyranna, Marmota is ready to proceed with the cash component of \$1m immediately on transfer, and the share component as almost contemporaneously with same.

3. Superior offer

The Board of Marmota notes that the terms of the Marmota offer are unequivocally better for Tyranna shareholders than the Syngas offer in every respect: by value, the Marmota offer exceeds the Syngas offer by 30%, it at least meets or exceeds the cash component, and it provides, over and above, continuity and upside reward for existing Tyranna shareholders to potentially benefit from their prior investment in the Jumbuck Project, on top of the cash payment of \$1m to the Company, and *to also* benefit from Marmota's existing discovery programs in both gold and uranium, even if nothing material comes from the Jumbuck Project. The Marmota offer is also fully-funded, and not conditional on any capital raising.

¹ Based on the 5-day VWAP.

² In the event that the number of shares for smaller shareholders is not a marketable parcel, Marmota reserves the right to make an equivalent cash payment to those shareholders instead.

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4. Shareholder approval

Tyranna noted in its ASX release (ASX:TYX 24 April 2020) that the ASX has required that any agreement to dispose of the Jumbuck Gold Project to Syngas will require (via Listing Rule 11.4) a formal vote of approval by Tyranna shareholders. No such shareholder approval has been obtained.

5. Due diligence

It is proposed that Marmota be granted 10 business days (commencing on receipt of requested information) to conduct due diligence on the Jumbuck Gold Project, primarily to ascertain whether any of the subsidiary companies the subject of the Project have any debt or liabilities, and if so, of what quantum. Subject to any other necessary clearances (as highlighted above in point 4), the parties shall enter into a definitive purchase agreement (**Purchase Agreement**) and any other agreement that may be necessary or desirable to effect the Acquisition which will set out in detail the terms and conditions of the Acquisition.

6. Disclosure to TYX Shareholders

Marmota has formally requested the Tyranna Board to inform its shareholders of the Marmota offer, *including specifically as part of any documentation* that is provided to Tyranna shareholders for any such vote in point 4 (*cf.* ASX:TYX 24 April 2020 – ASX requires Tyranna to obtain shareholder approval), as the existence of an alternative and unambiguously better offer is clearly a relevant matter for Tyranna shareholders in determining the desirability of the Syngas offer. Moreover, should the Syngas offer be approved (in circumstances where Tyranna shareholders were not aware of a better offer), then Tyranna shareholders will have precluded themselves from accepting the superior Marmota offer.

Other factors

In addition to being superior in every respect,

- Marmota's offer does not involve any significant 'related party' transactions
- Marmota's offer is fully funded (and not conditional on any capital raising)
- Marmota's offer does not appear to be subject to ASX Listing Rule 11.4
- Marmota is free of debt
- Marmota is a listed Australian entity with considerable experience and success in gold exploration, and run for the benefit of our shareholders.

Marmota Chairman, Dr Colin Rose, said:

“ The Jumbuck Gold Project is our immediate neighbour in the Gawler Craton. It is our backyard. It is where we do our gold exploration. Our exploration team know the ground. We believe that if anyone can make it work, Marmota can.

Marmota's offer is unequivocally superior. We look forward to bringing Tyranna shareholders along with us, *issuing free shares in Marmota to Tyranna shareholders*, so that they too can potentially benefit from their prior investment.”

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

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