

July 2022

Quarterly Activities Report 30 June 2022

Tyranna Resources Ltd (Tyranna or the Company) provides shareholders its quarterly report for the three-month period ending 30 June 2022.

On 16 May 2022, Tyranna Resources Ltd (Tyranna or the Company) (ASX: TYX) announced* that it has executed a binding terms sheet to acquire an 80% interest in Angolan Minerals Pty Ltd (Angolan Minerals) with Tyranna completing negotiations in respect of the proposed acquisition of Angolan Minerals and executing a formal share sale agreement with the

shareholders of Angolan Minerals on 27 June 2022 (Proposed Acquisition).

The Proposed Acquisition provides an opportunity to explore in the highly prospective West African region.

The fundamentals surrounding mineral exploration in Angola are the favourable geology, the limited amount of modern exploration techniques used to date and the Angolan government's objective to attract foreign investment in the mineral resource sector.

* Tyranna secures strategic lithium exploration project in Angola" ASX announcement, 16/05/2022



Figure 1: Location of the Namibe Lithium Project

The 207km² project area contains the Giraul pegmatite field, in which approximately 600 or more pegmatites are exposed within an area spanning 25km long and up to 10km wide (Figure 2). The exposed pegmatites are up to 1500m long and 100m wide, presenting as patches of outcrop surrounded by rubble and shallow soil derived from eroded pegmatite.

The pegmatite field was discovered in the 1960's and there was minor production of feldspar and beryl until 1975. None of the pegmatites have been tested by drilling, with only limited prior exploration of less than 10% of the pegmatite field but lithium minerals are known to be present at six locations (Figure 3), with spodumene (Figures 4 and 5 on page 3) occurring at three of these locations.

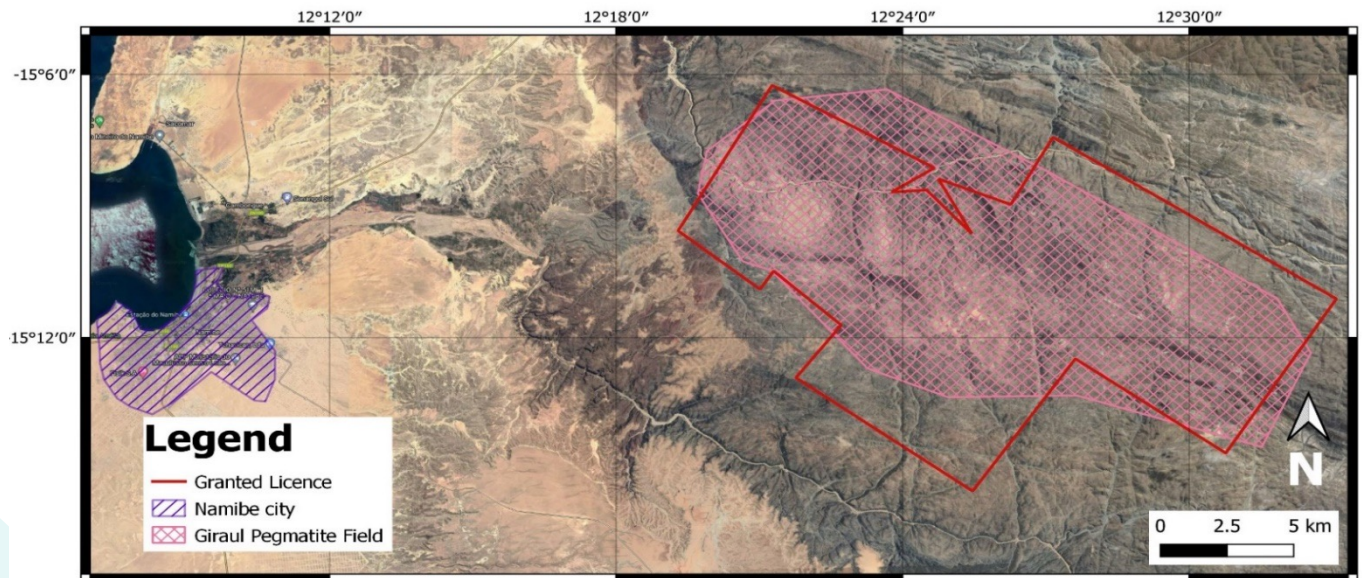


Figure 2: Location of the Namibe Lithium Project

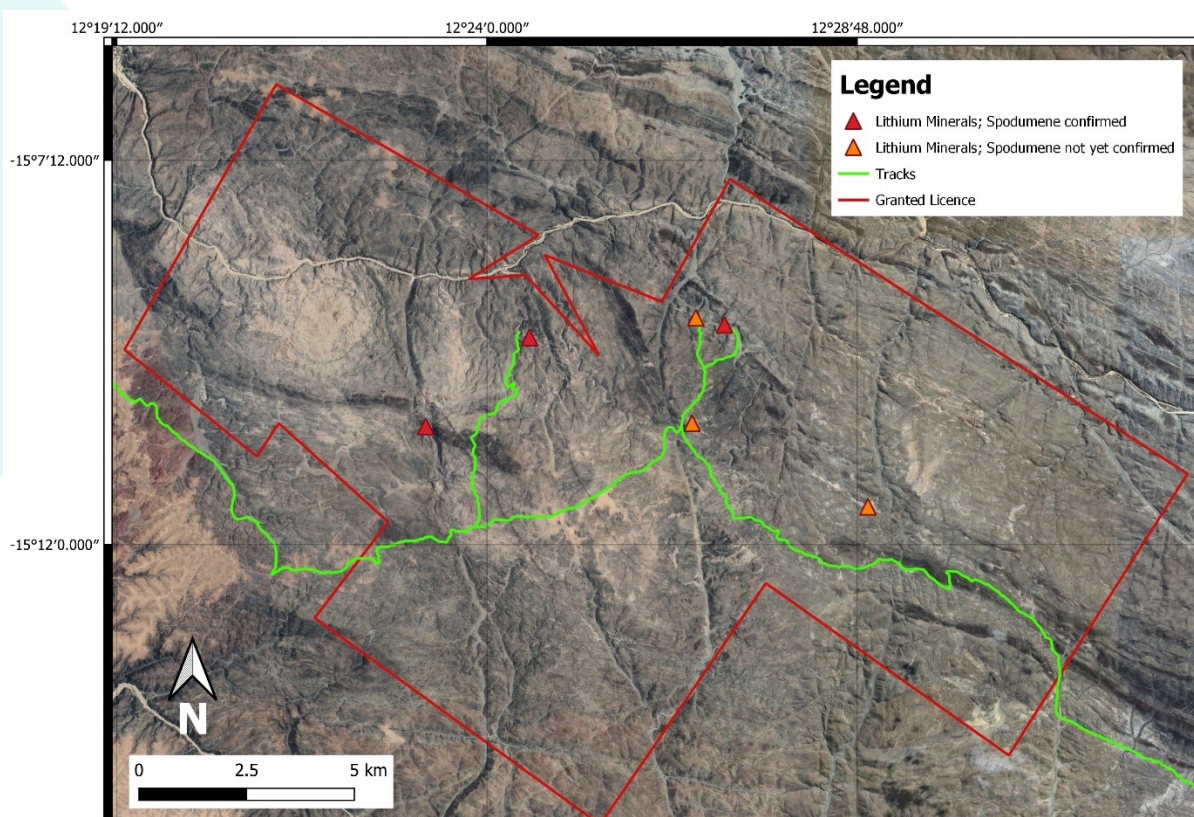


Figure 3: Location of currently known lithium-bearing pegmatites in the Namibe Lithium Project



Figure 4: Giant crystals of spodumene exposed at 221584mE/8322791mN (WGS-84 z33L) in wall of a small quarry in the Namibe Lithium Project. Peter Spitalny, lithium pegmatite expert and Principal Technical Adviser to Tyranna provides scale; spodumene crystals labelled spd.



Figure 5: Spodumene crystals, labelled spd, exposed at 226120mE/8323015mN (WGS-84 z33L) in wall of a small trench in a pegmatite within the Namibe Lithium Project.

On 30 May 2022 Tyranna announced* the assay results received from the Namibe Lithium Project from the historical rock-chip sampling completed in 2019 and 2021 of pegmatites within the Giraul Pegmatite Field, with the outcome of results summarised below:

Total number of pegmatites = **approximately 600**

Total number of pegmatites sampled = **16**

Total number of sampled pegmatites belonging to LCT pegmatite family = **16**

Number of sampled pegmatites yielding highly anomalous Li, Cs, Ta assay results = **11**

Of these 11 pegmatites, number confirmed to contain Li minerals = **6**

Of these 6 pegmatites, number confirmed to contain spodumene = **3**

Sampling results

The significance of the assay results is summarized in Table 1.

The best assay results for lithium was from sample AAR013, comprised of spodumene fragments from a large spodumene crystal (Figure 6) at site 19b, with the location of this confirmed Li prospect and the other confirmed Li prospects displayed in Figure 7 on page 5.

* Confirmation of high-grade assays from Namibe lithium project" ASX announcement, 30/05/2022

Table 1: Summary of significance of assays from each sampling site

| Site code | Max Li ₂ O(%) | Max Cs (ppm) | Max Ta (ppm) | Max Rb (ppm) | Max Sn (ppm) | Comment |
|------------|---------------------------|--------------|--------------------|---------------------|--------------------|---|
| 19a | 0.94 | 28.1 | BLLD* ¹ | 9.78 | BLLD* ¹ | confirmed as a Li prospect |
| 19b | 7.49 | 1100 | BLLD* ¹ | 30.6 | 275 | confirmed as a Li prospect |
| 21a | 0.08 | 537 | 130 | 1960 | 263 | follow-up warranted |
| 21b | 0.06 | 633 | 125 | 1730 | 611 | follow-up warranted |
| 21c | 0.07 | 82.3 | 40 | 1030 | 130 | adequately tested |
| 21d | 0.11 | 108 | 55 | 1600 | 199 | adequately tested |
| 21e | 0.06 | 32.5 | 20 | 726 | 78 | adequately tested |
| 21f | 0.14 | 323 | 105 | 2130 | 132 | follow-up warranted |
| 21g | 0.57 | 378 | 230 | 4810 | 903 | confirmed as a Li prospect |
| 21h | 0.12 | 423 | 55 | 1230 | 640 | follow-up warranted |
| 21i | 0.10 | 83.6 | 15 | 1540 | 191 | adequately tested |
| 21j | 0.13 | 81.6 | 115 | 2350 | 281 | follow-up warranted |
| 21k | 0.10 ^{*2} | 185 | 40 | 3180 | 303 | confirmed ^{*2} as a Li prospect |
| 21l | 3.85 | 2390 | 170 | 4050 | 570 | confirmed as a Li prospect |
| 21m | 0.06 | 56.6 | 30 | 1090 | 108 | adequately tested |
| 21n | 4.56 | 4580 | 260 | >5000 ^{*3} | 618 | confirmed as a Li prospect |

Notes:

*1 BLLD = Below lower limit of detection

*2 Li phosphate minerals known to be present (confirmed 2019) but were not sampled

*3 Upper limit of detection by the assay method used was 5000ppm Rb



Figure 6: Spodumene crystal (outlined in red and labelled spd) at 226115mE/8323024mN (WGS-84 z33L), site 19a. Sample AAR013 was taken from this location.

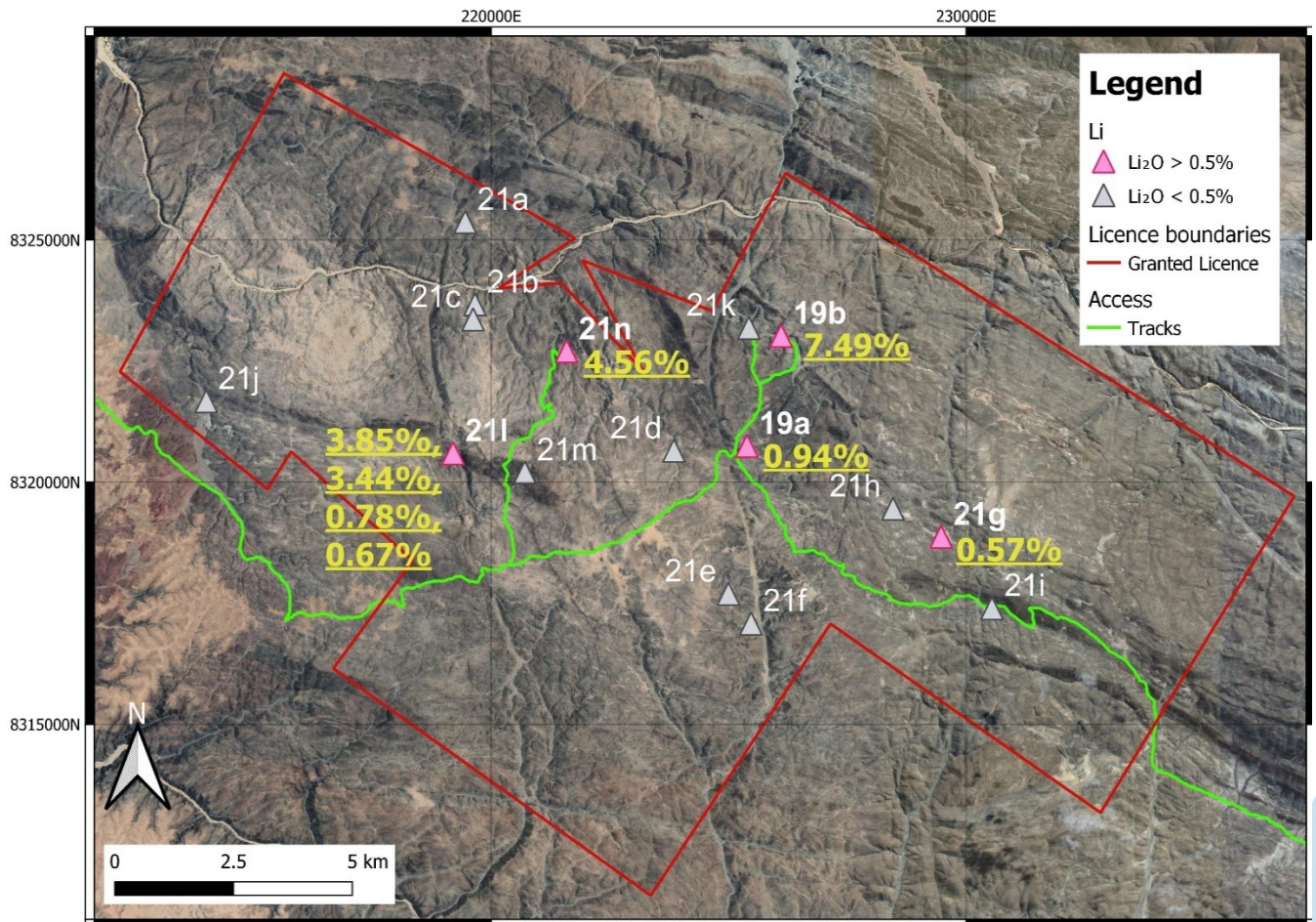


Figure 7: Sample sites including best assay results of Li (> 0.5% Li₂O)

At all sites sampled, elevated concentrations of Li, Cs, Ta, along with elevated Rb and Sn were detected, confirming that all the pegmatites sampled are members of the LCT pegmatite family. For some sites, although the concentration of Li was not high enough to suggest that an actual Li mineral was present in the samples collected, concentrations of other “LCT signature elements,” namely Cs, Ta, Rb and Sn, were sufficiently elevated to suggest that the pegmatites may contain Li minerals. For these pegmatites, displayed in Figure 8, follow-up investigation is warranted.

It is important to note that the sampling completed to-date has confirmed widespread Li, Cs, Ta, Rb and Sn anomalism, but does not display any clear pattern of lithium mineral distribution. **Remembering that only 16 of the estimated 600 pegmatites have been sampled, with lithium mineralisation confirmed at six locations**, the apparently random distribution of enrichment suggests that:

- › **lithium pegmatites may be present throughout the project**, rather than being restricted to any particular zone of the Giraul Pegmatite Field
- › **the potential to find many more lithium pegmatites within the project is high.**

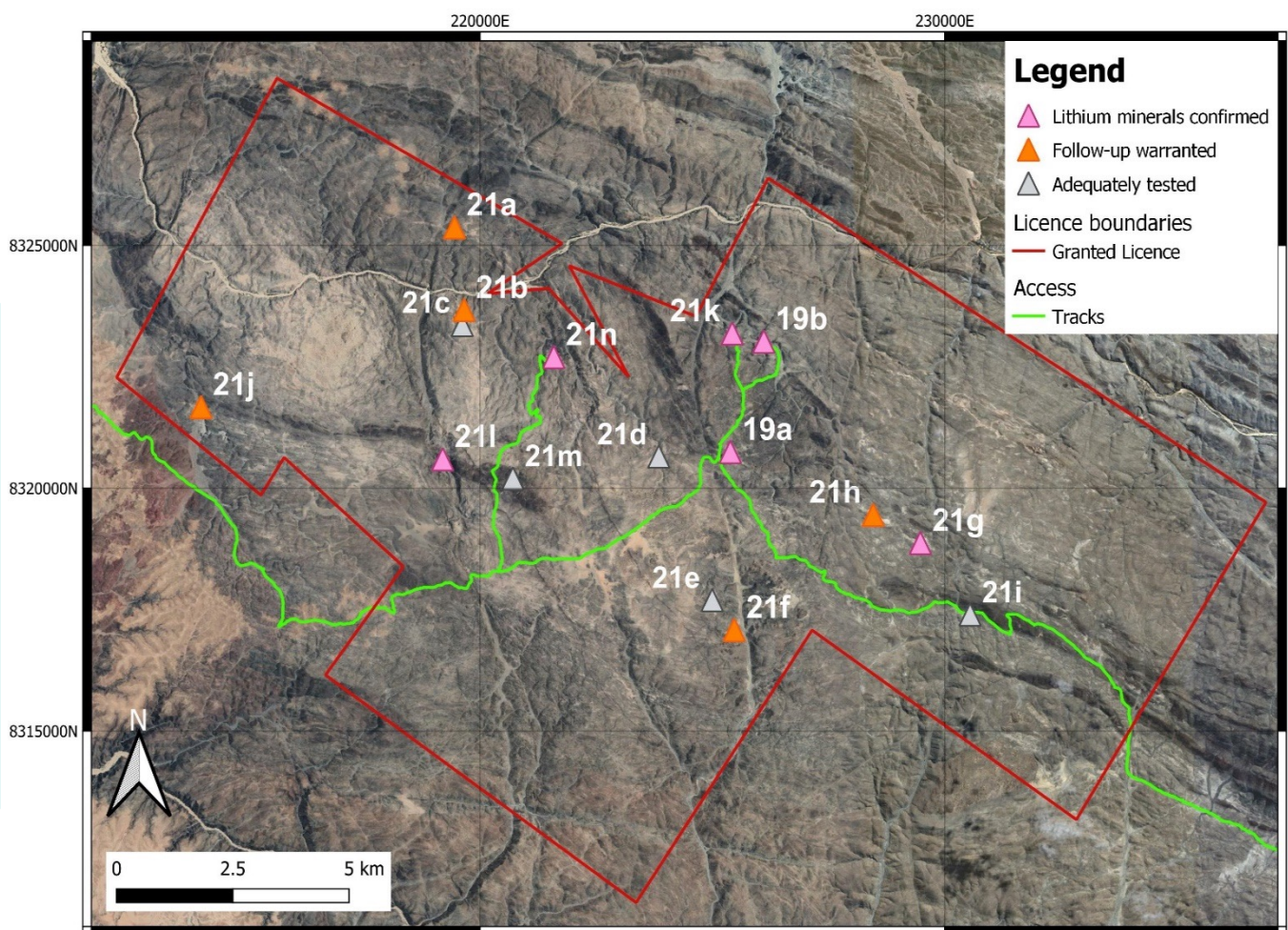


Figure 8: Confirmed Li prospects and sites where follow-up investigation is warranted

Next steps

1. Completion of detailed inspection of established best prospects (Sites 19a, 19b, 21g, 21k, 21l & 21n), including mapping and additional sampling
2. Complete follow-up inspection of sites 21a, 21b, 21f, 21h & 21j
3. Investigate additional as-yet uninspected sites to find additional lithium pegmatites

Once we have received the necessary shareholder approvals, Tyranna's short-term goal will be to define drill-targets with an intention to commence drilling as soon as possible.

As part of the Proposed Acquisition, Mr Paul Williams will join the Tyranna Board as an executive director and Mr Peter Spitalny will be contracted by Tyranna as Principal Technical Advisor.

Mr Spitalny is a Competent Person (as defined by the JORC Code 2012) with respect to pegmatite-hosted lithium mineralisation and reporting of associated exploration results.

Consideration

Subject to shareholder approval, including for the purposes of Listing Rule 11.1.2 which applies in circumstances where there is a proposed change in the nature and/or scale of an entity's activities, Tyranna will issue 700,000,000 fully paid ordinary shares in the Company (**Consideration Shares**), 350,000,000 options to acquire shares in the Company, exercisable at \$0.01 per share on or before 30 June 2025 (**Consideration Options**), and 700,000,000 performance shares, convertible into Tyranna shares on satisfaction of the performance milestones (**Performance Shares**), as consideration for the Sale Securities.

Advisor Fee

Subject to shareholder approval, Tyranna agreed to pay a non-cash facilitation fee to CPS Capital Group Pty Ltd (**CPS**) to be settled in Tyranna shares and options as follows:

- a) 105,000,000 fully paid ordinary shares in the Company (**Advisor Shares**); and
- b) 52,500,000 options to acquire Tyranna shares (**Advisor Options**).

Officer Options

Subject to shareholder approval, Tyranna agreed to issue of 120,000,000 options to acquire Tyranna shares, exercisable at \$0.01 per share on or before 30 June 2025, to the directors and company secretary of the Company (**Officer Options**).

Conditions Precedent

Completion of the Proposed Acquisition is subject to each of the certain conditions being satisfied or waived by the appropriate party, these conditions are included in the Company's notice of general meeting dispatched on 6 July 2022.

Timetable

The indicative timetable for the completion of the Proposed Acquisition is as follows:

| Event | Date (week ending) |
|---|--------------------|
| Announce proposed Acquisition | 16 May 2022 |
| Execute Share Sale Agreement | 27 June 2022 |
| Lodge notice of General Meeting with ASX for review | 29 June 2022 |
| Despatch notice of General Meeting | 6 July 2022 |
| Hold General Meeting | 4 August 2022 |
| Completion of Acquisition | 11 August 2022 |

*The timetable above is indicative only and subject to change

Capital Raising

During the quarter Tyranna successfully raised \$1,100,000 before costs issuing 220,000,000 Shares at \$0.005 (**Placement**). Under the terms of the Placement, participants, subject to shareholder approval, will receive one (1) free attaching option to acquire Tyranna shares for every two (2) shares subscribed for, exercisable at \$0.01 per share on or before 30 June 2025 (**collectively Placement Securities**).

CPS has been engaged by the Company as lead manager to the Placement. CPS and/or its nominees received a management fee of 2% plus GST for managing the Placement and a placement fee of 4% plus GST, for funds raised via the Placement.

WA Nickel Projects

The Company has continued to review the prospectivity of this project. The Company is focused on developing an effective strategy to explore the projects with a dedicated team in place to drive performance and cost effectively run the exploration program.

Weebo Gold Project

The Company sees potential in further exploration at the Weebo Gold Project. From the limited work undertaken at this point there are some immediate areas that require further investigation and the Company may look at detailed geophysics to identify potential drilling targets in the northern portion of the project area. There is a general lack of drilling on the prospects and the Company will focus on developing a systematic strategy to further investigate the potential as soon as possible. Fieldwork completed early in 2021 included a ground magnetic survey. Zones of magnetic anomalism have been interpreted as late magnetic intrusions and their location controlled by pre-existing structures, possibly having potential as hosts of gold mineralisation.

Other projects

Pacific Express Ni Project

Tyranna did not undertake any work program on this project during the quarter.

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

Financial Snapshot

The Company's net cashflow used in operations for the quarter was \$121k. The operational expenses mainly comprised of Exploration and Evaluation expenditure (\$36k) and Administration and corporate costs (\$86k).

The Company also provided a short-term loan (\$88k) to Angolan to undertake exploration activities whilst the Proposed Acquisition is being completed.

The Company's cash position at the of the quarter is \$3,033k.

Listing Rule 5.4.5

In item 6 of the attached Appendix 5B, payments to related parties of approximately \$27k comprising of director remuneration (\$20k), bookkeeping (\$3k), and serviced office (\$4k) were paid during the quarter.

Authorised by the Board of Tyranna Resources Ltd
Joe Graziano
Director

Compliance Statement

With reference to previously reported exploration results, included in this report and accompanied by proximal reference footnotes, the company confirms that it is not aware of any new information or data which materially affects the information included in the original announcement to the market. The company confirms that the form and context of the Competent Person's findings are presented have not been modified from the original announcement.

Forward Looking Statement

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this presentation are to Australian currency, unless otherwise stated. Investors should make and rely upon their own enquires and assessments before deciding to acquire or deal in the Company's securities.

Appendix 1: Mining Tenements as at 30 June 2022

| Western Australia Tenement Schedule | | | | |
|-------------------------------------|---------------|-------------------------------|------------------------------|------------------------|
| Exploration License No | Tenement Name | Registered Holder | Interest at Beginning of Qtr | Interest at End of Qtr |
| E37/1353 | Weebo | Tyranna Resources Ltd | 100% | 100% |
| E37/1342 | Weebo | Tyranna Resources Ltd | 100% | 100% |
| E37/1366 | Knight | Clean Power Resources Pty Ltd | 100% | 100% |
| E29/1034 | Dragon | Clean Power Resources Pty Ltd | 100% | 100% |

| 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% |

Please don't hesitate to get in touch

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TYX

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

TYRANNA RESOURCES LIMITED

ABN

79 124 990 405

Quarter ended ("current quarter")

30 June 2022

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|----------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | | |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (36) | (362) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | - | - |
| (e) administration and corporate costs | (86) | (551) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (121) | (912) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | - | - |
| (d) exploration & evaluation | - | - |
| (e) investments | (55) | (55) |
| (f) other non-current assets | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|--|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | 2,400 |
| | (c) property, plant and equipment | - | - |
| | (d) investments | 179 | 179 |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | (88) | (88) |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | 124 | 2,524 |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 1,100 | 1,100 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (99) | (99) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 1,001 | 1,001 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 2,146 | 419 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (121) | (912) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 124 | 2,524 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 1,001 | 1,001 |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|---|------------------------------------|---|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 3,033 | 3,033 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 3,033 | 2,029 |
| 5.2 | Call deposits | | |
| 5.3 | Bank overdrafts | | |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 3,033 | 2,029 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|-----------|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 27 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Director Remuneration - \$20,000

Non-Director Services:

- Bookkeeping - \$3,000
- Serviced Office - \$4,000

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> | | |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | <input type="text"/> | |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | |
| <input type="text"/> | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (121) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (121) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 3,033 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 3,033 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 25 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| <input type="text" value="N/A"/> | |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| <input type="text" value="N/A"/> | |
| 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| <input type="text" value="N/A"/> | |
| <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i> | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:21 July 2022.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.