TYRANNA RESOURCES LTD

ASX Announcement
29 January 2024
ASX: TYX

SECURING FUTURE LITHIUM SUPPLY IN AFRICA

Quarterly Report for the period ending 31 December 2023

Highlights

- **Drilling commenced at Muvero**
- **Drill-holes MRC01 to MRC17 completed, for a total of 2,656m**
- **Spodumene recognised in drill-cuttings from 13 drill-holes**
- **The amount of drilling at Muvero will be increased from 6,000m to 8,000m or more and continue through 2024, in addition to drilling at other prospects**

Tyranna Resources Ltd (Tyranna or the Company) provides shareholders its quarterly report for the three-month period ending 31 December 2023.

The December 2023 quarter was another significant quarter for Tyranna Resource Limited (Tyranna or the Company) (ASX: TYX). On 2 November 2023, Tyranna announced drilling had commenced at the Muvero Prospect with 17 RC drill-holes having been completed, with drilling to recommence in January 2024.

Drilling completed during the quarter

The Muvero Prospect consists of an area extending approximately 500m East-West and 300m North-South in which there are 3 major pegmatite outcrops and at least 30 additional smaller outcrops. The drilling undertaken during the quarter focussed upon investigating the western portion of the prospect, covering about 15% of the total prospect area, with key points being:

- ***17 drill-holes (MRC01 – MRC17) have been completed for a total of 2,665m.***
- ***Spodumene clearly recognised in 13 drill-holes, and likely present in 3 other drill-holes*** (MRC07, MRC10 and MRC13), based upon recognised spodumene in extensions of pegmatite intersected in adjacent drill-holes.
- ***40 recognised intersections of spodumene bearing pegmatite have been attained.***
- ***Down-hole length of the spodumene-bearing pegmatite intersections range from 2m to 35m.***
- ***Most drill-holes have multiple intersections of spodumene-bearing pegmatite.***
- ***Spodumene-bearing pegmatite intersection depths (down-hole) range from surface (0m) to approximately 120m*** (MRC12; 115m-123m spodumene-bearing pegmatite).

The nature of the Muvero pegmatite is reasonably well understood because of the exposures in workings and drill-core from the 2022 drilling program. The spodumene occurs mostly as phenocrystic megacrysts (up to several metres in length) in a coarse-grained matrix comprised chiefly of cleavelandite and quartz, with accompanying varying minor amounts of lepidolite and elbaite, muscovite and microcline. However, RC drilling usually results in small fragments, and it can be difficult to recognise spodumene in this situation.

Fortunately, some of the intersections of spodumene-bearing pegmatite are quite distinctive (Figure 2) due to the presence of pale blue cleavelandite (e.g., the 27m-28m compartment of the chip tray in Figure 2), or traces of purple lepidolite (e.g., the 29m-30m compartment). Spodumene presents typically as elongate tabular or bladed fragments, e.g., in the 30m-31m compartment of the chip tray, but can also be "blocky" e.g., the large grey fragment in the 28m-29m compartment.

Figure 2: Chip-tray of 20m-40m interval of MRC15.[1]

Note the mineralisation evident from 25m to 32m, which contains spodumene (10%-20%), lepidolite (1%-5%), elbaite (1%-3%), cleavelandite (variety of albite feldspar, 20%-40%), microcline (variety of potassium feldspar, 5%-10%), muscovite (variety of mica, 5%-10%), and quartz (20%-30%).

***Note**: visual indications and estimates of mineral species and abundance should never be considered a proxy or substitute for laboratory analysis where concentrations or grades are the factor of principal economic interest. Visual estimates also provide no information regarding impurities or deleterious physical properties relevant to valuations. Assay results are expected in February 2024 and, after verification, will be announced as soon as possible.*

[1] ASX Announcement dated 12 December 2023

Seven of the drill-holes (MRC01, MRC02, MRC03, MRC04, MRC05, MRC08 (Figure 3), and MRC11) had 3 distinctly recognisable intersections of spodumene-bearing pegmatite. **These intersections occur from surface and at varying depths, confirming that spodumene-bearing pegmatite is abundant.**

Figure 3: Multiple spodumene-bearing intersections attained by MRC08[2].

Spodumene is present in the interval from 0m-11m (1%-5% spodumene), 22m-36m (10%-20% spodumene, with distinct large fragment 26m-27m) and 66m-79m (5%-10% spodumene). Detailed composition of these intervals is provided in Appendix 3.

*__Note__: **visual indications and estimates of mineral species and abundance should never be considered a proxy or substitute for laboratory analysis where concentrations or grades are the factor of principal economic interest. Visual estimates also provide no information regarding impurities or deleterious physical properties relevant to valuations. Assay results are expected in February 2024 and, after verification, will be announced as soon as possible.**

[2] ASX Announcement dated 12 December 2023

Table 1: Mineralised intersections*1 of MRC01 – MRC17[3]

Drill-hole I.D.	From (m)	To (m)	interval (m)	Approximate Spodumene content of interval
MRC01	22	29	7	**10%-20% spodumene**; unaltered, unweathered
MRC01	31	43	12	**5%-15% spodumene**; unaltered, unweathered
MRC01	59	61	2	**1%-5% spodumene**; unaltered, unweathered
MRC02	9	15	7	**5%-15% spodumene**; unaltered, unweathered
MRC02	27	42	15	**5%-10% spodumene**; unaltered, unweathered
MRC02	44	47	3	**5%-10% spodumene**; unaltered, unweathered
MRC03	11	17	6	**5%-10% spodumene**; unaltered, unweathered
MRC03	39	61	22	**5%-10% spodumene**; unaltered, unweathered
MRC03	80	82	2	**1%-5% spodumene**; unaltered, unweathered
MRC04	12	26	14	**5%-15% spodumene**; unaltered, unweathered
MRC04	39	42	3	**5%-15% spodumene**; unaltered, unweathered
MRC04	50	52	2	**1%-5% spodumene**; unaltered, unweathered
MRC04	70	105	35	**10%-20% spodumene**; unaltered, unweathered
MRC05	20	34	14	**5%-10% spodumene**; unaltered, unweathered
MRC05	38	40	2	**1%-5% spodumene**; unaltered, unweathered
MRC05	45	57	12	**5%-15% spodumene**; unaltered, unweathered
MRC05	58	76	22	**10%-20% spodumene**; unaltered, unweathered
MRC05	99	103	4	**1%-5% spodumene**; unaltered, unweathered
MRC05	113	114	1	**1%-2% spodumene**; unaltered, unweathered
MRC05	119	120	1	**1%-2% spodumene**; unaltered, unweathered
MRC06	6	12	6	**1%-2% spodumene**; unaltered, unweathered
MRC07	0	247 (EOH)		11pegmatite intersections; No spodumene recognised*[2]
MRC08	0	11	11	**1%-5% spodumene**; minor weathering
MRC08	22	36	12	**10%-20% spodumene**; unaltered, unweathered
MRC08	66	79	13	**5%-10% spodumene**; unaltered, unweathered
MRC09	38	41	4	**1%-2% spodumene**; unaltered, unweathered
MRC09	47	54	7	**10%-20% spodumene**; unaltered, unweathered
MRC09	72	79	7	**10%-20% spodumene**; unaltered, unweathered
MRC09	89	91	2	**1%-2% spodumene**; unaltered, unweathered

***1** ***Note**: stated lengths are down-hole lengths of intersection, and the true thickness of the intersected pegmatites is not yet known. A complete description of the composition of mineralised intervals is attached as Appendix 3.*

2** ***All intersected intervals of pegmatite will be assayed, as spodumene can sometimes be difficult to recognise.

Although identification of spodumene fragments in RC drill cuttings is routinely achievable by suitably experienced geologists, visual identification of mineral species and any estimate of abundance should never be considered a proxy or substitute for laboratory analysis where concentrations or grades are the factor of principal economic interest. Visual estimates also provide no information regarding impurities or deleterious physical properties relevant to valuations. Assay results are expected in February 2024 and, after verification, will be announced as soon as possible.

[3] ASX Announcement dated 12 December 2023

Table 1: Mineralised intersections*[1] of MRC01 – MRC17 (continued)[4]

Drill-hole I.D.	From (m)	To (m)	interval (m)	Approximate Spodumene content of interval
MRC10	0	121 (EOH)		3 pegmatite intersections; No spodumene recognised*[2]
MRC11	0	9	9	**1%-2% spodumene;** minor weathering
MRC11	11	16	5	**1%-2% spodumene**; unaltered, unweathered
MRC11	27	33	6	**10%-20% spodumene**; unaltered, unweathered
MRC11	45	49	4	**1%-2% spodumene**; unaltered, unweathered
MRC11	97	100	3	**10%-20% spodumene**; unaltered, unweathered
MRC11	106	110	4	**1%-5% spodumene**; unaltered, unweathered
MRC12	0	17	17	**1%-2% spodumene**; unaltered, unweathered
MRC12	115	123	7	**10%-20% spodumene**; unaltered, unweathered
MRC13	0	151		7 pegmatite intersections; No spodumene recognised*
MRC14	83	88	5	**5%-10% spodumene**; unaltered, unweathered
MRC15	25	32	7	**10%-20% spodumene**; unaltered, unweathered
MRC15	47	49	2	**1%-2% spodumene**; unaltered, unweathered
MRC16	0	126		3 pegmatite intersections; No spodumene*
MRC17	62	66	4	**1%-2% spodumene**; unaltered, unweathered

***1** **Note**: stated lengths are down-hole lengths of intersection, and the true thickness of the intersected pegmatites is not yet known. A complete description of the composition of mineralised intervals is attached as Appendix 3.*

***2** All intersected intervals of pegmatite will be assayed, as spodumene can sometimes be difficult to recognise.*

Although identification of spodumene fragments in RC drill cuttings is routinely achievable by suitably experienced geologists, visual identification of mineral species and any estimate of abundance should never be considered a proxy or substitute for laboratory analysis where concentrations or grades are the factor of principal economic interest. Visual estimates also provide no information regarding impurities or deleterious physical properties relevant to valuations. Assay results are expected in January 2024 and, after verification, will be announced as soon as possible.

Development Update

During the quarter, most personnel operated out of Namibe, as cooking and ablutions facilities were not yet ready. However, progress has accelerated (Figure 4) and when drilling recommences in January, most personnel will operate out of the camp, increasing operational efficiency, reducing travel time and the potential for accidents due to travel to and from the project.

[4] ASX Announcement dated 12 December 2023

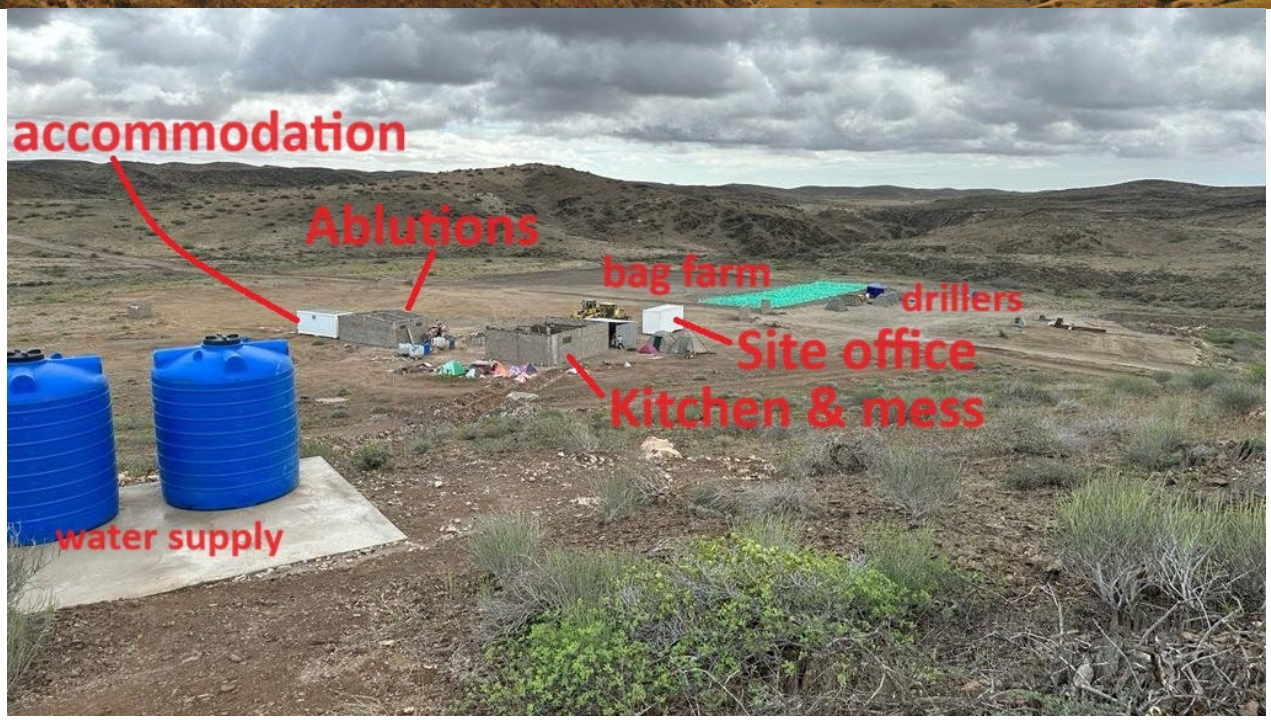

Figure 4: Namibe Lithium Project Camp, 6/12/23.

Next Steps

Drilling will recommence in January 2024, with approximately 6,000m remaining to be drilled at the Muvero prospect, along with drilling at other prospects. Approximately half the samples from the drilling have been received by ALS Namibia (Okahandja) for processing into pulps for export to Australia and subsequent analysis.

Receipt of the assay results from the first batch of samples is anticipated to occur in February 2024 and, after required validation, will be announced as soon as possible.

CORPORATE

Financial Snapshot

The Company's net cashflow used in operations for the quarter was $1.675 million. The operational expenses mainly comprised of Exploration and Evaluation expenditure ($1.356 million) and Administration and corporate costs ($0.335 millon).

The Company's cash position at the of the quarter is $10.5 million.

Listing Rule 5.4.5

In item 6 of the attached Appendix 5B, payments to related parties of approximately $258k comprising of director remuneration ($235k), bookkeeping ($4k), exploration services ($3k), serviced office ($5k) and reimbursements of ($11k) were paid during the quarter.

Authorised by the Board of Tyranna Resources Ltd
Joe Graziano
Director

Competent Person's Statement

The information in this report that relates to exploration results for the Namibe Lithium Project is based on, and fairly represents, information and supporting geological information and documentation that has been compiled by Mr Peter Spitalny who is a Fellow of the AusIMM. Mr Spitalny is employed by Han-Ree Holdings Pty Ltd, through which he provides his services to Tyranna as an Executive Director; he is a shareholder of the company. Mr Spitalny has more than five years relevant experience in the exploration of pegmatites and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Spitalny consents to the inclusion of the information in this report in the form and context in which it appears.

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 have not been modified from original announcements.

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 31 December 2023

Western Australia Tenement Schedule				
Exploration License No	Tenement Name	Registered Holder	Interest at Beginning of Qtr	Interest at End of Qtr
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%

Angolan Tenement Schedule				
Exploration License No	Tenement Name	Registered Holder	Beneficial Interest at Beginning of Qtr	Beneficial Interest at End of Qtr
023/05/03/T.P/ANG – MIREMPET 2023 Codigo No 013/140/16/0/2022	Namibe	Angolitio Exploracao Mineira (SU), Lda	80%	72%

Appendix 5B

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

Name of entity

TYRANNA RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
79 124 990 405	31 December 2023

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(1,356)	(2,123)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(335)	(855)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	17
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)	10	10
1.9	**Net cash from / (used in) operating activities**	**(1,675)**	**(2,950)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(32)	(361)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(32)**	**(361)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	10	10
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(914)
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)		
	- Project level funding by Sinomine Resource Group	-	10,000
3.10	**Net cash from / (used in) financing activities**	**10**	**13,596**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	12,319	333
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,675)	(2,950)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(32)	(361)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	**10**	**13,596**
4.5	Effect of movement in exchange rates on cash held	(54)	(50)
4.6	**Cash and cash equivalents at end of period**	**10,569**	**10,569**

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	8,569	12,319
5.2	Call deposits	2,000	
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)**	10,569	12,319

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	258
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.

Executive Director Remuneration - $165,000

Non-Executive Director Remuneration - $70,000

Non-Director Services:

- Bookkeeping - $4,000
- Serviced Office - $5,000
- Exploration consultancy - $3,000
- Reimbursements - $11,000

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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**	
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.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,675)
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)	(1,675)
8.4	Cash and cash equivalents at quarter end (item 4.6)	10,569
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	10,569
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	6

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.

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?

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?

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?

N/A

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.

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: .....29 January 2024.....

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.