



15 August 2016

Dear Option Holder

Notice to option holder – Participation in non-renounceable rights issue

Overview of rights issue

As announced to the ASX on Friday 5 August 2016, Tyranna Resources Limited ("Tyranna") advises that it intends to conduct a pro rata non-renounceable rights issue ("Rights Issue") to eligible shareholders on the basis of one (1) new Tyranna ordinary share for every seven (7) Tyranna ordinary shares held as at 5.00 pm W.S.T.) on 18 August 2016 (**Record Date**) at an offer price of 3.7 cents per new share with one (1) free attaching 4 cent listed option for every two (2) new shares subscribed for, exercisable on or before 24 August 2017.

Your participation

The terms and conditions of your options do not entitle you to participate in the Rights Issue unless you exercise some or all of your options into shares, and are entered onto Tyranna's share register before the Record Date.

The purpose of this letter is to give you notice of the Rights Issue before the Record Date to allow you to exercise your 3 cent options should you wish to participate in the Rights Issue.

If you wish to participate in the Rights Issue (in respect of shares that would be issued to you on exercise of any of your options) please deliver your notice of exercise of options together with a cheque for the relevant exercise price to Advanced Share Registry at PO Box 1156, Nedlands, WA 6909, so that it is received **prior to 5.00 pm WST on 18 August 2016** (Record Date).

If you do not wish to participate in the Rights Issue (in respect of your options) you do not need to take any action.

This letter is not an offer or an invitation to acquire shares in Tyranna or to participate in the Rights Issue. If you are in doubt as to the action you should take in relation to this notice, you should consult your professional advisers.

Further details

Details of the Rights Issue are contained in an offer booklet lodged with ASX 15 August 2016. It is important that you read the offer booklet carefully before deciding whether to exercise your options.

If you have any questions, please contact Tyranna's CFO/Joint Company Secretary - Mr Yugi Gouw by telephone on 08 9485 1040.

Yours faithfully

Bruno Seneque
Managing Director

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