



14th June 2016

Tyranna Reinforces Claim to Interest in Challenger Deeps Gold

ASX CODE: TYX

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Highlights

- **EL 5661, which immediately surrounds, and is contiguous with, the Challenger gold operations forms part of the Tyranna / Challenger Gold Joint Venture.**
- **Recently Granted Mineral Lease 6457 (within EL 5661) is also subject to the same long established J/V Agreement.**
- **Current Joint Venture Equity is: Tyranna 59%, Challenger 41%**

The Board of Tyranna Resources Limited (ASX : TYX) is aware that in certain market releases made by WPG Resources Ltd. (ASX : WPG) an impression has been given that part of Exploration Licence 5661 (that part which surrounds the original Challenger Gold Mineral Lease – ML 6103) does not form part of the long established Tyranna Resources Limited/ Challenger Gold Operations Pty. Ltd. joint venture. This is incorrect.

Tyranna advises that, as a result of repeated claims by WPG, it has initiated a formal dispute process in order to protect the Company's leading ownership position of the gold assets within that tenement immediately surrounding the Challenger gold mine in the far North of South Australia.

Brief History:

In July 2010 Southern Gold Ltd. (Southern) entered into a Joint Venture Agreement with Dominion Gold Operations Pty. Ltd. (later to become Challenger Gold Operations Pty. Ltd.) where, through agreed expenditure, Southern earned a 51% stake in all gold within a list of tenements, which included EL 3270 – later to become EL 4468 and then EL 5661.

In September 2012 Trafford Resources Limited and Half Moon Pty. Ltd. (a subsidiary of Trafford) purchased all of Southern's rights and benefits accruing under or arising from the Joint Venture Agreement. This included the rights to the whole of EL 3270 (later EL 5661). Trafford and Half Moon are wholly owned subsidiaries of Tyranna.

Subsequently Kingsgate Consolidated Limited (ASX : KCN) lodged a mineral claim over part of EL 5661, upon which ML 6457 has been granted. In December 2013 Trafford and Half Moon objected to the Mineral Claim and commenced procedures to lodge caveats over the Mineral Claim (MC 4348) and Exploration Licence 3270 (EL 5661) in order to protect their rights under the Joint Venture Agreement.

Under clause 3.4 of the Joint Venture Agreement, Trafford and Half Moon (Tyranna) will own, and be entitled to take their share of any gold produced by the Joint Venture from the area covered by EL 5661 inclusive of MC 4348 / ML 6457.

Tyranna has written to Challenger Gold Operations Pty. Ltd. and WPG Resources Ltd. seeking written acknowledgement and confirmation that they each recognize the nature and extent of Trafford's and Half Moon's interests as outlined above.

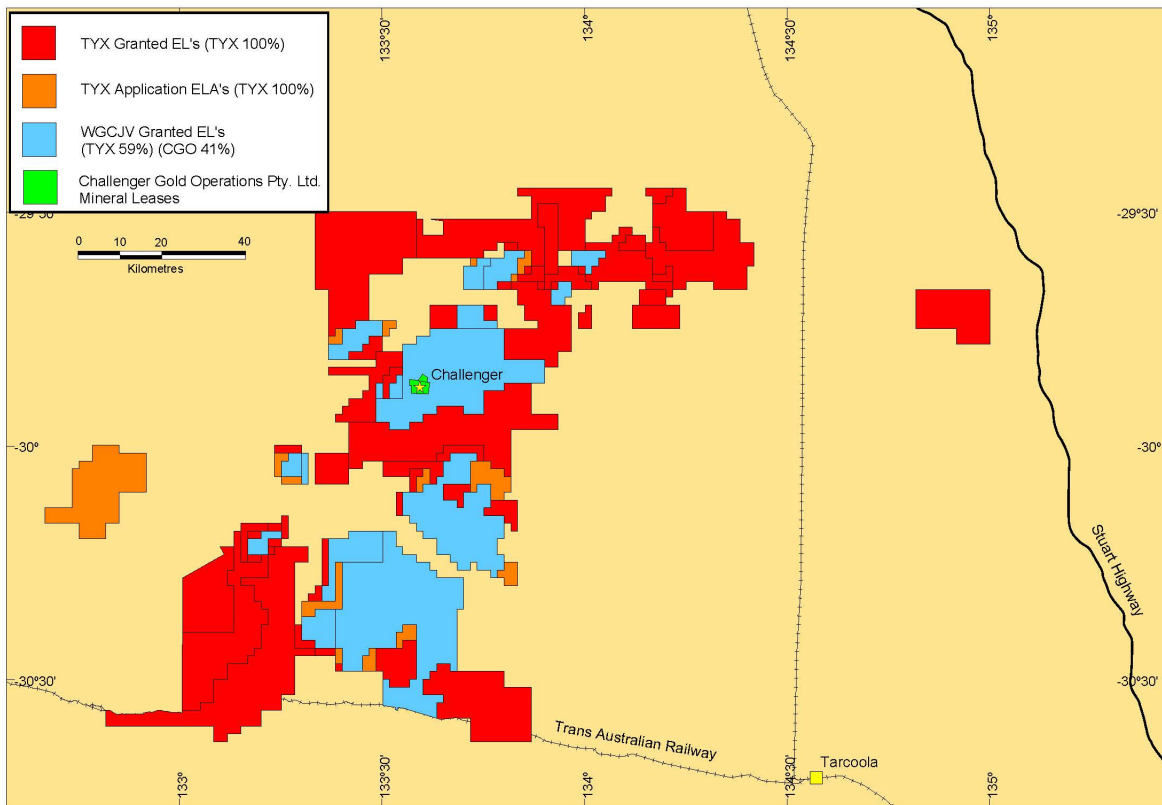


Fig 1 Location Plan Western Gawler Craton Project

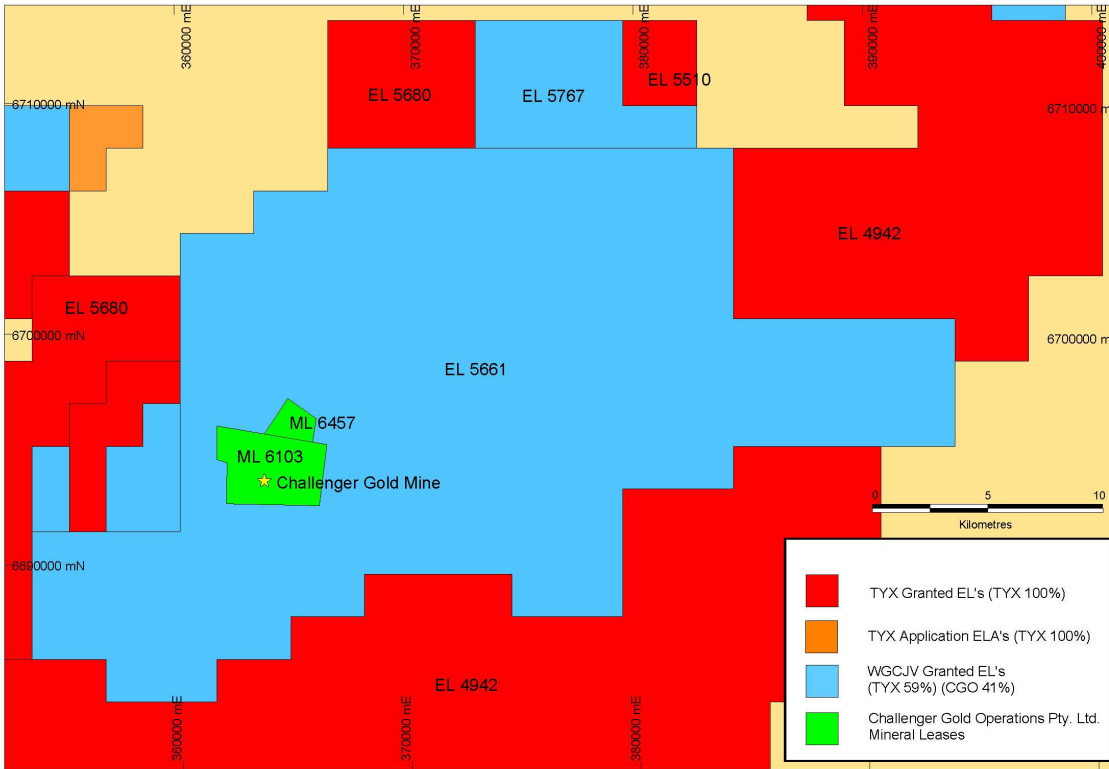


Fig 2 Locations of EL 5661 and ML 6457 (surrounding & adjacent to Challenger Gold Mine)

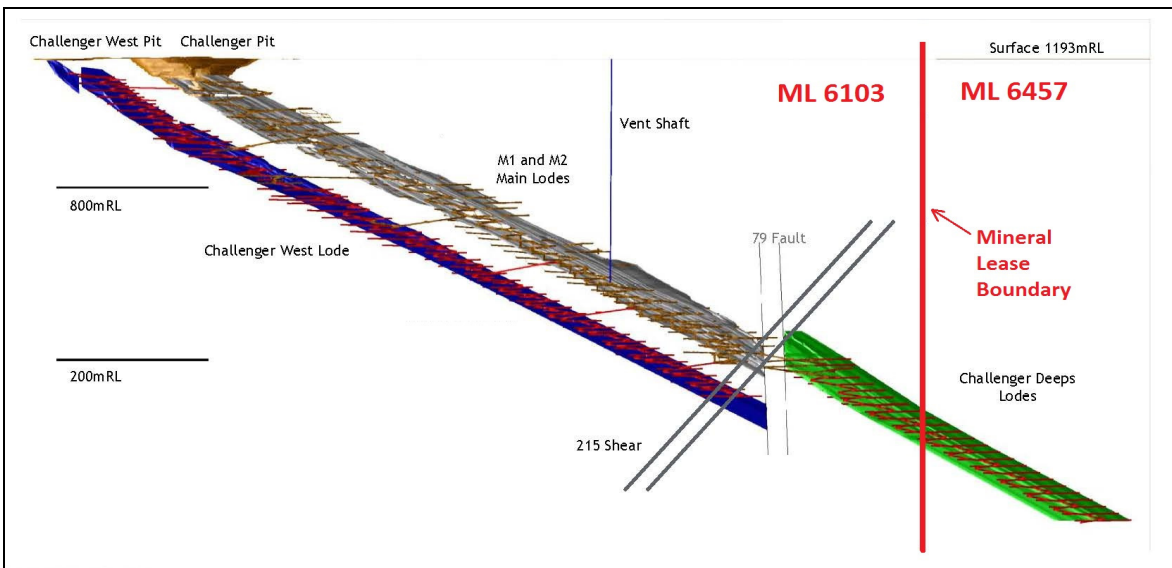


Fig 3 Section through Challenger Mine showing Mining Lease Boundaries.

Source: WPG Resources Ltd. ASX Release 9 June 2016

**Ian Finch,
Chairman**

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