

31 January 2018

Quarterly Activities Report 31 December 2017

Highlights

EUREKA GOLD MINE

- Acquisition of advanced Eureka Gold Project, which hosts Eureka open-cut gold mine
- Mining activities commenced to extend depth of open pit
- Drilling commenced on 23 January 2018 to bring the historical mineral resource in compliance with the JORC 2012 Code
- Tyranna to receive a 4% net smelter royalty from sale of gold or other minerals of the project from current mining campaign within existing pit

WILCHERRY HILL JOINT VENTURE

- RC drilling at Weednanna returned results of:
 - o 48m @ 2.37 g/t Au from 44m in 17WDRC051 (Target 1), including 24m @ 3.91 g/t from 44m
 - o 35m @ 3.65 g/t Au from 43m in 17WDRC051 (Target 1), incl. 9m @ 8.91 g/t Au from 44m
 - o 8m @ 14.52 g/t Au from 60m in 17WDRC057 (Target 2)
 - o 6m @ 13.63 g/t Au from 59m in 17WDRC057 (Target 2), incl. 3m @ 26.60 g/t Au from 62m
 - o 16m @ 22.11 g/t Au from 104m in 17WDRC067 (Target 4)
 - o 4m @ 16.7 g/t Au from 80m in 17WDRC070 (Target 4)
 - o 15m @ 18.21 g/t Au from 107m in 17WDRC067 (Target 4), incl. 7m @ 35.94 g/t Au from 109m
 - o 3m @ 25.45 g/t Au from 81m in 17WDRC070 (Target 4), incl. 1m @ 74.2 g/t Au from 81m
- Further RC drilling is planned for February.

JUMBUCK GOLD PROJECT

- Drilling at Greenwood confirmed a pipe-like, plunging, Challenger-type structure in Hole 020 with a result of:
 - o 22m @ 4.03 g/t gold from 50m including
 - 1m @ 20.4 g/t gold 51-52m and
 - 1m @ 36.9 g/t gold 55-56m
 - o Hole 031 returned a result of:
 - 10m at 5.16g/t Au from 31m
- Diamond drilling at Greenwood commenced in November and recommenced in January.

CORPORATE

- Two-stage Share Placement and Share Purchase Plan completed, raising \$2.5 million.

Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

EUREKA GOLD MINE

In December, Tyranna announced it had entered a binding agreement to acquire the advanced Eureka Gold Project, which hosts the Eureka open-cut gold mine, from Central Iron Ore Limited (a company listed on the Canadian TSX Venture Exchange: TSX.V: CIO).

The acquisition aims to provide Tyranna with a potential cash generating asset which can be used in funding the exciting exploration activities at Tyranna's Jumbuck Gold Project in the northern Gawler block of South Australia.

Eureka has a historical Mineral Resource of 451,000 at 4.4 g/t gold for 64,200 oz of contained gold, however this mineral resource estimate is not reported in accordance with the JORC (2012). Tyranna is aiming to upgrade the historical resource estimate to a JORC (2012) compliant estimate. On completion of this, updated mining studies will commence with the aim of estimating an updated Ore Reserve.

The Eureka open cut gold mine was in development by a local contractor, and in mid-December, Tyranna announced that activities had transitioned to mining operations. Production is scheduled to extend the depth of the open pit by approximately 20 metres and will be completed during the March 2018 quarter.

Once this phase of mining is completed, Tyranna will estimate an updated Ore Reserve with the aim of recommencing mining, via a cutback, pending the results of a feasibility study.

Acquisition terms included that Tyranna receive a royalty equal to 4% of the net smelter return generated from the sale of gold and or any other minerals, with royalty receipts used to offset the acquisition consideration during the current mining campaign. Mining activities at Eureka triggered a payment of \$250,000 from the local contractor (Eureka Mines Pty Ltd) being a pre-payment of the 4% net smelter royalty generated from the sale of gold.

Mining recommenced at Eureka in January following the Christmas break, and is scheduled to be completed by late March/early April 2018,

Tyranna submitted a Program of Works with the Department of Mines, Industry, Regulation and Safety for a reverse circulation (RC) drill program for 1,500 metres, which commenced on 23 January 2018, aiming to bring the historic mineral resource in compliance with JORC 2012 and provide geotechnical samples (Optical Televiwer (OTV) to be used for increased structural information collection and interpretation and metallurgical test work.

Approximately 1,500 – 2,000 metres will be drilled in two stages, with ~ 1,000 metres of drilling to follow up a compelling surface lateritic gold target. Stage 2 of the drill campaign is planned for late March/early April as this mining campaign is completed.

Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

Upon receipt of the drill results, Tyranna will commence a mining feasibility study to evaluate the possibility of mining and toll treating to nearby processing mills.

Acquisition Details

The acquisition of the Eureka Gold Project (M24/189, M24/584, M24/585, M24/586) is equivalent to (AUD) \$3.2 million.

The structure of the consideration payable to Central Iron Ore Ltd (CIO) for the Eureka Gold Project consists of:

1. Cash payment of \$250,000 on execution of the sale agreement;
2. Issue of 14,705,882 shares in Tyranna at a deemed issue price of \$0.017 per Share within 5 days after the date of the 2017 Annual General Meeting of Shareholders;
3. Issue of 79,411,765 shares in Tyranna at a deemed issue price of \$0.017 per Share at completion being 31 March 2018 or an earlier date to be agreed by the parties;
4. Cash payments at completion of \$1,350,000 less any royalty payments received which includes the prepayment of \$250,000 and any other royalty payments to be received.

JUMBUCK GOLD PROJECT

Greenwood Prospect

During the quarter, Tyranna Resources Limited (ASX: TYX) as manager of the Western Gawler Craton Joint Venture, which includes WPG Resources Ltd (ASX: WPG) (TYX 75% - WPG 25%) and Coombedown Resources Pty Ltd, announced results from reverse circulation (RC) drill holes completed at the Greenwood Gold Prospect, part of the larger Jumbuck Gold Project in the Northern Gawler Block of South Australia.

Previously, Tyranna had completed a highly successful drilling program in the first half of 2016, which yielded the first new discovery within the Jumbuck Gold Project area in over 15 years at the Greenwood gold prospect.

After interpretation of the results of the previous exploration drilling by Tyranna's structural geologist, it became apparent that the optimal azimuth direction needed to be modified to test the structural concept.

Hole 20 was the first of the holes that were drilled at an azimuth orientation of 310° which would effectively test a narrow, shallowly plunging shoot akin to Challenger type mineralisation.

Drilling at Greenwood was completed in November, comprising 39 holes for 2,340 metres. The confirmation of gold assays confirmed the underlying RAB geochemistry.

Results announced by Tyranna in early November included an intersection of:

- 22m @ 4.03 g/t gold from 50m - from scissor hole (hole 020) including
 - o 1m @ 20.4 g/t gold 51-52m and
 - o 1m @ 36.9 g/t gold 55-56m

The hole hit pipe-like, plunging, high-grade “Challenger”-type structure into fresh rock (primary zone).

Hole 020 was terminated due to poor ground conditions in and around the mineralisation envelope. The occurrence of bad ground conditions coincided with the mineralisation and hence the need for diamond drilling. Tyranna then commenced the process of obtaining approvals for diamond drilling.

Further results from the program were announced in mid-November, with an outstanding result from hole 031 which intersected 10m at 5.16g/t Au from 31 metres in the primary zone. This hole was drilled to intersect the same lithological structure as in hole 073 which intersected 8m at 3.35g/t Au from 55 metres in the primary zone. Hole 031 failed to achieve target depth and was truncated at 45 metres. This area at the northern extent of the mineralised envelope appears to be a secondary pipe like structure.

Hole 032 noted the unprecedented occurrence of mineralisation in the upper saprolite.

In late November, Tyranna commenced diamond drilling at Greenwood, with 1,000m of drilling planned to follow-up the RC results.

The diamond drilling aimed to:

- Follow-up recent RC drilling depth penetration difficulties
- Extend depth extension of primary zone fresh rock where the recent pipe-like structures were located
- Gain accurate structural information to update the current resource model
- Drill HQ-sized core to provide samples for geological, metallurgical and mining studies.

WILCHERRY HILL JOINT VENTURE

Weednanna Prospect

During the quarter, Alliance Resources as manager of the Wilcherry Hill Joint Venture, announced provisional results from the third round of reverse circulation (RC) drilling at Weednanna gold prospect.

The RC drilling program, completed in early November, was designed to define the geometry of Targets 1, 2 and 3 with step-out drilling and to test the new Target 4 with initial drilling by Alliance.

A total of 21 RC holes were drilled for 3,246 metres (17WDRC050-70). Nine holes reported intercepts >1 g/t Au, with four holes returning >50 g/t-m Au. Intercepts >1 g/t gold (Au). Results included:

- 16m @ 22.11 g/t Au from 104m in 17WDRC067 (Target 4)
- 8m @ 14.52 g/t Au from 60m in 17WDRC057 (Target 2)
- 48m @ 2.37 g/t Au from 44m in 17WDRC051 (Target 1), including 24m @ 3.91 g/t from 44m
- 4m @ 16.7 g/t Au from 80m in 17WDRC070 (Target 4).

Five holes (17WDRC066-070) were drilled at Target 4 to test some wide spaced historic gold intercepts, including **10m @ 4.3 g/t Au** in 10WDRC005. All new holes intersected strong pyrite associated with magnetite skarn. Best results were in holes 17WDRC067 which intersected **16m @ 22.11 g/t Au** and 17WDRC070 which intersected **4m @ 16.65 g/t Au**. The mineralisation is open down dip to the east on most sections and down plunge to the south. There is scope also to extend this gold to the north.

Mineralisation at all four targets remains open. At Target 1, potential remains for further gold mineralisation in the granite to the west of the magnetite skarn, particularly in areas of discrete historic high-grade intercept.

Further results announced later in the quarter included:

- 35m @ 3.65 g/t Au from 43m in 17WDRC051 (Target 1), incl. 9m @ 8.91 g/t Au from 44m
- 6m @ 13.63 g/t Au from 59m in 17WDRC057 (Target 2), incl. 3m @ 26.60 g/t Au from 62m
- 15m @ 18.21 g/t Au from 107m in 17WDRC067 (Target 4), incl. 7m @ 35.94 g/t Au from 109m
- 3m @ 25.45 g/t Au from 81m in 17WDRC070 (Target 4), incl. 1m @ 74.2 g/t Au from 81m.

Target 4 is a new conceptual shoot confirmed by high-grade gold and is open down plunge. Further RC drilling is planned in February 2018.

Regional HEM / MLEM Targets

Alliance completed an RC drilling program to test the first four regional heli-electromagnetic (HEM) / moving loop electromagnetic (MLEM) targets in November. A total of six RC holes were drilled for 1,140 metres (17EMRC001-006) at four HEM/MLEM targets to test for base metals. None of these targets had been previously drill tested.

17EMRC006 at HEM Target 2 (North) was abandoned at 162m due to broken ground and clay. This hole intersected 3m @ 0.4% zinc from 159m (to EOH). This is the first hole into this target and the presence of highly anomalous zinc at the end of hole warrants further work in 2018.

The majority of holes intersected moderately to strongly graphitic meta-sediments or semi-massive pyrite or pyrrhotite, which are considered to be the likely sources of the modelled EM conductors. The moderate grades and depths of the graphite are a low priority for further exploration at this stage.

17EMRC001 at HEM Target 5 completed at 192m depth, intersected very strongly graphitic pelite from 116-155m. This hole was the only hole analysed for Total Graphitic Carbon (TGC) and intersected 39m @ 8.0 % TGC from 116m.

Results of Metallurgical Test Work

Preliminary metallurgical testing of ore samples collected from Weednanna to assess its amenability to processing using conventional carbon-in-leach (CIL) technology is ongoing.

In January, results from two composite RC samples from the Weednanna Gold Prospect were received and confirmed positive gold recoveries.

Testwork was conducted by ALS Metallurgy Services Australia on two composite RC samples collected from Target 1 (WDMET001) and Target 3 (WDMET003) at Weednanna, with results summarised as follows:

- At a grind size of P₈₀ 75µm, cyanide bottle roll gold extraction (24 hr) was 89.4% for WDMET001 and 92.8% for WDMET003.
- Finer grind size of P₈₀ 38µm incrementally increased gold extraction for WDMET001 to 90.8% and WDMET002 to 95.5%.
- Leaching kinetics were relatively fast at both grind sizes.
- Cyanide and lime consumptions were considered low in all cases.
- There was no visible free gold in the gravity concentrates. Gravity recoveries for WDMET001 were 9.2% for gold and 4.1% for silver and for WDMET003 were 13.8% for gold and 12.2% for silver.
- Cyanide leaching of the gravity concentrate for each sample increased total gold extraction by only 0.9% for WDMET001 and 0.6% for WDMET002.


Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

2018 Planned Work

Further drilling is planned in early 2018 to:

- Test the limits of the high grade gold shoot at Weednanna Target 4
- Metallurgical testwork on new Target 4 gold zone
- Establish 3D geological model and estimate a mineral resource
- Test new target areas at Weednanna using both the geological model and knowledge gained to date
- Test the next round of regional HEM / MLEM targets for base metals.

CORPORATE

Board and Management Changes

Tyranna retained highly experienced geological consultant Richard Maddocks, who previously held senior management positions with companies such as Saracen Mineral Holdings Ltd, Troy Resources Ltd and Placer Dome.

Richard was Chief Geologist at Paddington Gold Mine and has extensive local knowledge and experience on the Bardoc Tectonic Zone (BTZ) which hosts the Eureka Gold deposit. Richard is managing a mining study to transform Tyranna to a gold producer by mining a cutback at the Eureka open pit.

In other changes, Mr Frank Lesko resigned from the Board in December.

Subsequent to the end of the quarter, the Company appointed Mr Geoffrey Clifford as Non-Executive Chairman replacing existing Chairman, Mr Joseph Pinto who will remain with the Company as a Non-Executive Director.

Mr Clifford is a professional company director, currently serving as the Non-Executive Chairman of Saracen Mineral Holdings Limited and as a Non-Executive Director on the Board of Independence Group NL. From 2007 to 2011, he was a non-executive director (including as Chairman for the period 2008 to 2011) of Atlas Iron Limited. Between July 2005 and November 2011 he held several non-executive directorships in mining and exploration companies. Prior to this, he spent eight years as the General Manager Administration and Company Secretary of Portman Limited. Mr Clifford is an accountant with more than 40 years' experience in senior accounting, finance and company secretarial roles. He holds a Bachelor of Business degree from Curtin University and is a FCPA, FGIA and FAICD.


Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

Share Placement and Share Purchase Plan

Tyranna Resources successfully concluded a two-phase Share Placement Plan as originally announced to shareholders and the ASX on 24 August 2017.

Stage 1 comprised of a Placement to sophisticated and professional investors at 1.7 cents per Share. The placement raised \$1,543,000 via the issue of 90,764,706 shares. Stage 2 consisted of a Share Purchase Plan (SPP) allowing eligible shareholders to purchase up to a maximum of \$15,000 of new shares in Tyranna at an issue price of 1.7 cents per Share. The SPP was successful in raising \$392,000 via the issue of 23,058,845 shares.

During the quarter, the Share Purchase Plan Shortfall, which was offered to interested third parties, was allocated, raising a further \$608,000. On 15 December 2017, Tyranna Resources issued 35,764,710 ordinary fully paid shares and 35,764,710 free attaching options (TYXOC) in relation to these shortfall applications. The options are issued under the Prospectus issued by the Company dated 5 September 2017.

Furthermore, the Company issued 14,705,882 ordinary fully paid shares as part of the purchase consideration for the Eureka Gold Project, as announced on 1st December 2017.

WPJV interest

In October, Trafford Resources Pty Ltd, a subsidiary of Tyranna Resources, diluted its interest in the Wilcherry Project Joint Venture (WPJV) Exploration Area to 38.64%.

Trafford elected not to contribute to the WPJV approved Programme and Budget for the period 1 July 2017 to 30 June 2018 (FY2018 P&B) totalling ~\$3.7 million, including administration and overheads.

Interest in Kairos Minerals

During the quarter, Tyranna's interest in Kairos Minerals Limited decreased to 3.93% due to a \$7.3 million share placement whereby Sprott Capital Partners became the largest shareholder.

As at 31 December 2017, Tyranna held \$1.4 million cash at bank.

For further information contact:

Bruno Senegue
Managing Director
P: +61 8 9485 1040

Peter Taylor
Investor Relations
P: +61 412 036 231
peter@nwrcommunications.com.au

Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

About Tyranna

Tyranna is a gold exploration company focused on the large Jumbuck Project in the Northern Gawler Block of South Australia.

Jumbuck is a highly prospective and underexplored area, similar in style to the Albany/Fraser belt adjacent to the Yilgarn Craton in Western Australia which is host to the large Tropicana gold deposit. Tyranna controls over 8,000 km² of ground in this area, which also hosts the Challenger gold mine (owned by WPG Resources Ltd). Challenger has produced in excess of 1 million ounces of gold to date.

The Jumbuck Project has numerous gold occurrences over large areas with strong potential for significant resources of shallow oxide ore and repeat Challenger style deposits. Tyranna's strategy is to target those more advanced gold prospects which are situated within 50km of the Challenger gold processing operations.

Competent person statement:

The information in this announcement that relates to Exploration Results is based on information compiled by Nicholas Revell, who is a Member of The Australian Institute of GeoScience and who has more than five years' experience in the field of activity being reported on. Mr. Revell is the Technical Director of the Company.

Mr. Revell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Revell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1: Mining Tenements as at 31 December 2017

South Australia Tenement Schedule				
Exploration License No	Tenement Name	Registered Holder	Interest at Beginning of Qtr	Interest at End of Qtr
5470	Valley Dam	Trafford Resources Pty Ltd	38.6%	32.7%
5299	Wilcherry Hill	Trafford Resources Pty Ltd	38.6%	32.7%
5164	Eurilla Dam	Trafford Resources Pty Ltd	38.6%	32.7%
5590	Peterlumbo	Trafford Resources Pty Ltd	38.6%	32.7%
5875	Mt Miccollo	Trafford Resources Pty Ltd	38.6%	32.7%
5961	Pinkawillinie	Trafford Resources Pty Ltd	38.6%	32.7%
5931	Maratchina Hill	Trafford Resources Pty Ltd	38.6%	32.7%
6002	Irra Outstation (Jumbuck)	Trafford Resources Pty Ltd	100%	100%
6003	Garford Outstation West	Trafford Resources Pty Ltd	100%	100%
6004	Garford Outstation East	Trafford Resources Pty Ltd	100%	100%
5098	Wildingi Claypen	Trafford Resources Pty Ltd	100%	100%
5168	Indooroopilly	Trafford Resources Pty Ltd	100%	100%
5282	Hilga Crutching Shed	Trafford Resources Pty Ltd	100%	100%
5283	Mt Christie	Trafford Resources Pty Ltd	100%	100%
5284	Commonwealth Hill	Trafford Resources Pty Ltd	100%	100%


 Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
 T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

South Australia Tenement Schedule

Exploration License No	Tenement Name	Registered Holder	Interest at Beginning of Qtr	Interest at End of Qtr
5285	Ingomar	Trafford Resources Pty Ltd	100%	100%
5460	Mt Christie Siding	Trafford Resources Pty Ltd	100%	100%
5680	Isthmus	Half Moon Pty. Ltd.	100%	100%
5510	Mathews Tank	Trafford Resources Pty Ltd	100%	100%
5551	Brickies - Wynbring	Trafford Resources Pty Ltd	100%	100%
5526	Galaxy Tank	Trafford Resources Pty Ltd	100%	100%
6005	Eagle Hawk	Trafford Resources Pty Ltd	100%	100%
5032	Deep Leads	Trafford Resources Pty Ltd	100%	100%
5817	Sandstone	Half Moon Pty. Ltd.	100%	100%
5818	Lake Anthony	Half Moon Pty. Ltd.	100%	100%
5819	Irra	Half Moon Pty. Ltd.	100%	100%
5820	Barton Area	Half Moon Pty. Ltd.	100%	100%
ELA2012/291	Barton Siding	Trafford Resources Pty Ltd	100%	100%
5772	Warrior Outstation	Half Moon Pty. Ltd.	100%	100%
5032	Tarcoola	Trafford Resources Pty Ltd	0%	100%
6005	Eaglehawk	Trafford Resources Pty Ltd	0%	100%


 Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
 T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

South Australia Tenement Schedule				
Exploration License No	Tenement Name	Registered Holder	Interest at Beginning of Qtr	Interest at End of Qtr
5998	Campfire Bore	Challenger Gold Operations Pty Ltd, Coombedown Resources Pty Ltd	68% rights to the gold	68% rights to the gold
5298	Mulgathing	Challenger Gold Operations Pty Ltd	75% rights to the gold	75% rights to the gold
5732	Sandstone JV	Challenger Gold Operations Pty Ltd, Coombedown Resources Pty Ltd	68% rights to the gold	68% rights to the gold
5661	Jumbuck	Challenger Gold Operations Pty Ltd	75% rights to the gold	75% rights to the gold
5720	Mobella	Challenger Gold Operations Pty Ltd	75% rights to the gold	75% rights to the gold
5767	Sandstone	Challenger Gold Operations Pty Ltd	75% rights to the gold	75% rights to the gold
6021	Blowout	Challenger Gold Operations Pty Ltd	75% rights to the gold	75% rights to the gold


 Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
 T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com

Western Australia Tenement Schedule				
Exploration License No	Tenement Name	Registered Holder	Interest at Beginning of Qtr	Interest at End of Qtr
E36/880	Weebo	Tyranna Resources Ltd	100%	100%
E37/1275	Weebo	Tyranna Resources Ltd	100%	100%
E37/1328A	Weebo	Tyranna Resources Ltd	0%	0%
M24/189	Eureka	Central Iron Ore Ltd	0%	0%
M24/584	Eureka	Central Iron Ore Ltd	0%	0%
M24/585	Eureka	Central Iron Ore Ltd	0%	0%
M24/586	Eureka	Central Iron Ore Ltd	0%	0%


 Level 2, 679 Murray Street, WEST PERTH WA 6005 | PO Box 1124, WEST PERTH WA 6872
 T +61 8 9485 1040 | F +61 8 9485 1050 | E info@tyrannaresources.com | W tyrannaresources.com