ABN: 48 119 978 013

ASX Announcement (ASX: TSC) 31 January 2020

Binding MOU to leverage Perseus Project in NSW

- **Twenty Seven Co. (ASX: TSC), Peel Mining (ASX: PEX) & private group New Zinc Resources (NZR) have signed a binding Memorandum of Understanding (MOU) to form a large tenement package (~679km^2) which is highly prospective for Iron-Oxide-Copper-Gold / Broken Hill Type lead-zinc-silver mineralisation**
- **Located in the Broken Hill Block, NSW, the enlarged tenure package will be called the Mundi Mundi Project (MMP) and housed within a new vehicle (NewCo) owned by TSC (33%), NZR (33%) and PEX (34%)**
- **TSC will contribute its highly prospective Perseus Project, which complements contiguous tenements to be contributed by PEX and NZR**
- **There are known priority targets within the MPP, as historic drilling has intersected significant economic mineralisation at several prospects, including:**
    - **Ardeetoo: 1.2m @ 4.6% Cu, 1.5g/t Au from 196m (drill-hole PO2); and 1.8m @ 7.4% Cu, 6.2g/t Au from 338m (drill-hole DD95SR1)**
    - **Rathole: 1m @ 1.7% Cu, 2.1 g/t Au from 380m (drill-hole PO17)**
    - **Thunderdome: 1m @ 23.1% Pb-Zn from 327m (drill-hole DF02); and 8.5m @ 6.6% Pb-Zn from 316m including 2m @ 23.1% Pb-Zn from 316m (drill-hole 11DF12)**
- **To optimise the MMP and ultimately create value for shareholders, NewCo will seek a major partner to fund exploration and development work**
- **The transaction further frees-up TSC management to focus on the Rover Project in WA, which delivers material exploration upside from the significant shallow high-grade gold discovery and volcanic massive sulphide targets identified along the existing 20km prospective strike length**

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CEO Ian Warland commented: "*This is an excellent opportunity for TSC, as forming the highly prospective Mundi Mundi Project with Peel Mining and New Zinc Resources potentially delivers several positive benefits, including: 1) levaraging our high quality Perseus asset; 2) participating in the exploration upside across the enlarged tenure package on a free-carried interest basis; 3) aligning with an experienced explorer in Peel Mining; and 4) freeing up management time to focus on the core Rover Project. Importantly, historic drilling has already delivered high-quality priority targets to focus on which exhibit encouraging grades for copper, gold, zinc and lead. We look forward to keeping shareholders updated as this MOU is progressed."*

TSC Limited (**"TSC"** or **"the Company"**) is pleased to announce that it has entered into a binding MOU with Peel Far West Pty Ltd (a subsidiary of Peel Mining; PEX) and private group New Zinc Resources Pty Ltd (NZR) to form the Mundi Mundi Project (MMP) – a large highly prospective tenement package in the Broken Hill Block, NSW (Figure 1).

MMP: HIGHLY PROSPECTIVE BUNDLED TENEMENT PACKAGE

This enlarged MMP area (Figure 1), which is highly prospective for IOCG / Broken Hill Type lead-zinc-silver mineralisation, comprises TSC's Perseus tenement (EL8778) plus contiguous ground from PEX (EL8877) and NZR (EL8729).

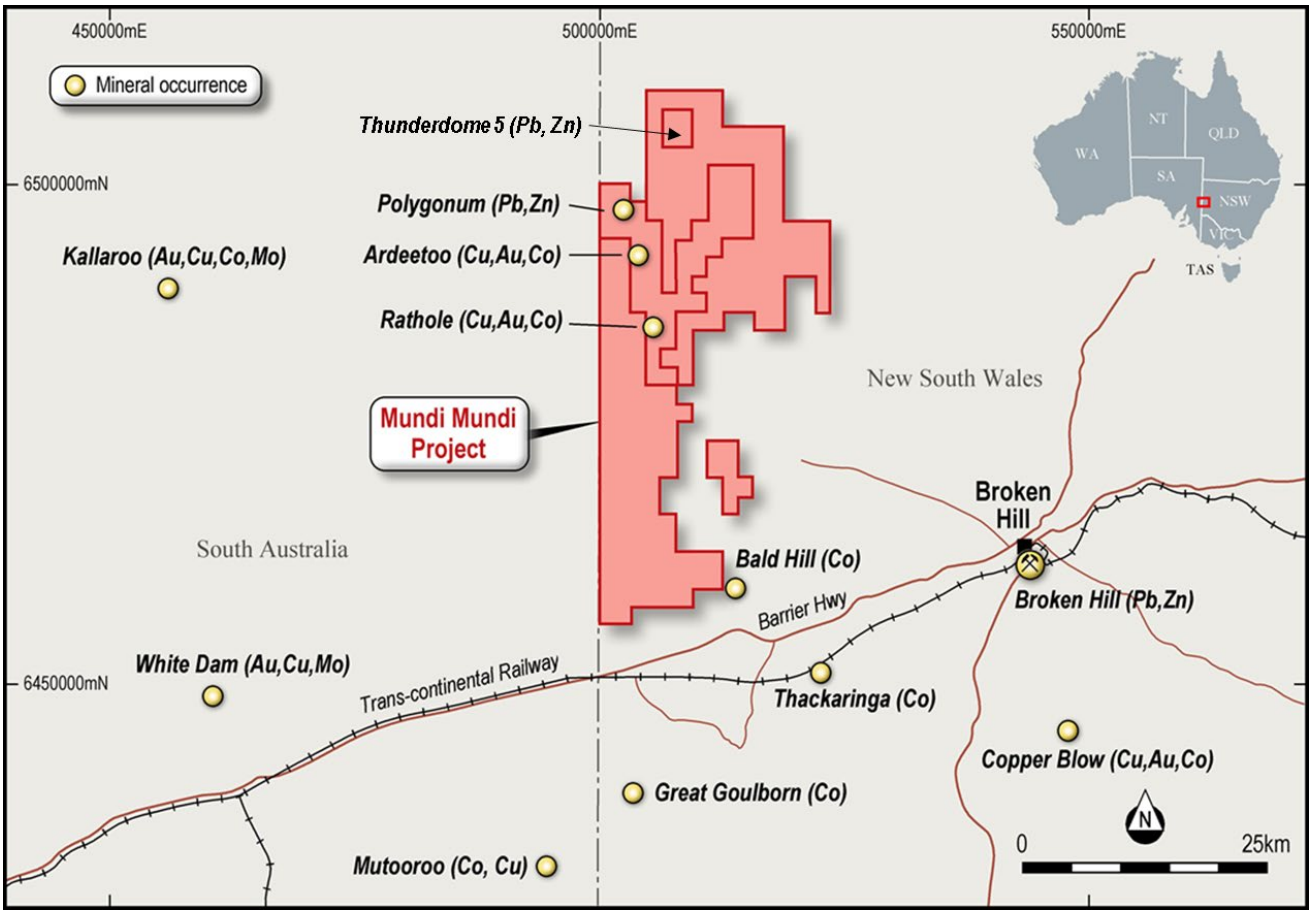

Figure 1: Mundi Mundi Project area

NewCo, which will be set up to house MMP and owned by the three founding stakeholders (TSC & NZR 33%; PEX 34%), intends to expedite seeking out a major partner to fund and fast-track exploration and development work, on a free carried interest basis for NewCo.

Exploration potential

Earlier explorers discovered several base metals prospects near the magnetic redox boundary, including Polygonum, Ardeetoo, Rathole, and K1 (Figure 2). At Ardeetoo, results achieved by CRA Exploration Pty Ltd (CRAE) included a best intersection of **1.2m @ 4.6% Cu & 1.5g/t Au from 196m.** Further south, at Rathole, CRAE intersected zones of massive pyrite and pyrrhotite with anomalous zinc-copper-gold – the best intersection achieved: **1m @ 1.66% Cu & 2.09g/t Au from 339m[1].**

In addition, the area is prospective for Broken Hill Type lead-zinc-silver deposits within the Broken Hill Group rocks and, possibly, Mississippi Value Type (Thunderdome 5) in the Adelaidean sediments.

Thick drill intersections of anomalous lead-zinc have been achieved by previous explorers at the Woolshed, Polygonom and Thunderdome prospects, with results including:

- Polygonom: **209m @ 0.34% Pb-Zn including 5.8m @ 4.01% Pb-Zn (drill-hole DDIN4) & 71m @ 0.7% Pb-Zn including 3.8 @ 9.25% Pb-Zn (drill-hole DDIN3); and**
- Thunderdome 5: **1m @ 23.1% Pb-Zn from 327m (drill-hole DF02) & 8.5m @ 6.6% Pb-Zn from 316m including 2m @ 23.1% Pb-Zn from 316m (drill-hole 11DF12).**

Several regional geophysical targets within MMP, identified from reprocessed aero-magnetics data originally undertaking by TSC on the Perseus Project[1], have now been highlighted for priority follow-up. Moreover, these targets have been ranked by a geophysicist consultant based on magnetic & gravity signatures, along with proximity to known mineralisation (Figure 2).

In addition, the enlarged tenure area covers part of the Mundi Mundi plain, which has limited outcrop and seen minimal exploration over the last decade due to extensive cover sediments over the basement.

More surprisingly, the MMP has fewer drill-holes compared to the rest of the Broken Hill block, despite containing clearly definable aero-magnetic anomalies that map out prospective iron formations including the redox boundary (horizon) near the top of the Thackaringa Group and base of the Broken Hill Group.

In other parts of the Curnamona, Kalkaroo, Portia and North Portia deposits are associated with the redox boundary in the equivalent stratigraphic position at the top of the Thackaringa Group. Previous explorers have recognised the potential for the Mundi Mundi area to host several styles of mineralisation, including:

1. Iron-oxide-copper-gold (IOCG) near the redox boundary;
2. Broken Hill Type lead-zinc-silver in the Broken Hill Group;
3. Shear hosted copper-cobalt in the Thackaringa Group i.e. Copper Blow; and
4. Mississippi Value Type (MVT) lead-zinc mineralisation in Adelaidean sediments.

Next steps

Priority activities in the immediate term include:

- Satisfying the conditions precedent to the MOU, which involve NewCo obtaining necessary approvals / waivers and finalising a shareholder's agreement that will apply to shares held in NewCo.
- The geology teams reviewing and reconciling historic data across the MMP to refine targets for follow-up exploration then develop indicative work programs.
- Securing a major joint venture partner.

The Board of Twenty Seven Co. Limited has authorised this announcement to be given to the ASX.

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COMPETENT PERSON'S STATEMENT:

The information in this report that relates to Geological Interpretation and Exploration Results is based on information compiled by Ian Warland, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Warland is employed Twenty Seven Co. Limited. Mr Warland has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Warland consents to the inclusion in the report of the matters based on his information and the form and context in which it appears.

Reference:

1. TSC: ASX 23 November 2018

About Twenty Seven Co. Limited

Twenty Seven Co. (ASX: TSC) is an ASX-listed explorer. In brief, TSC's Australian assets are 100% owned and comprise two tenure groupings detailed briefly as follows:

WA assets: TSC's Rover project is located TSC's 140km west of Leonora in a base metals and gold mineral-rich area associated with mafic and ultramafic rocks. Historically the area is underexplored and is currently undergoing a resurgence in exploration.

NSW assets: TSC's two NSW projects – Midas and Perseus are targeting the prospective Thackaringa Group Rocks. TSC's Midas Project is located 40km NE of Broken Hill adjacent to Silver City Minerals (ASX: SCI) Yalcowinna Tenement. The Perseus Project is located 20km west of Broken Hill and is north of Alloy Resources (ASX: AYR) Ophara Project and to the east is the adjacent Havilah Resources (HAV.ASX) Kalkaroo Project.

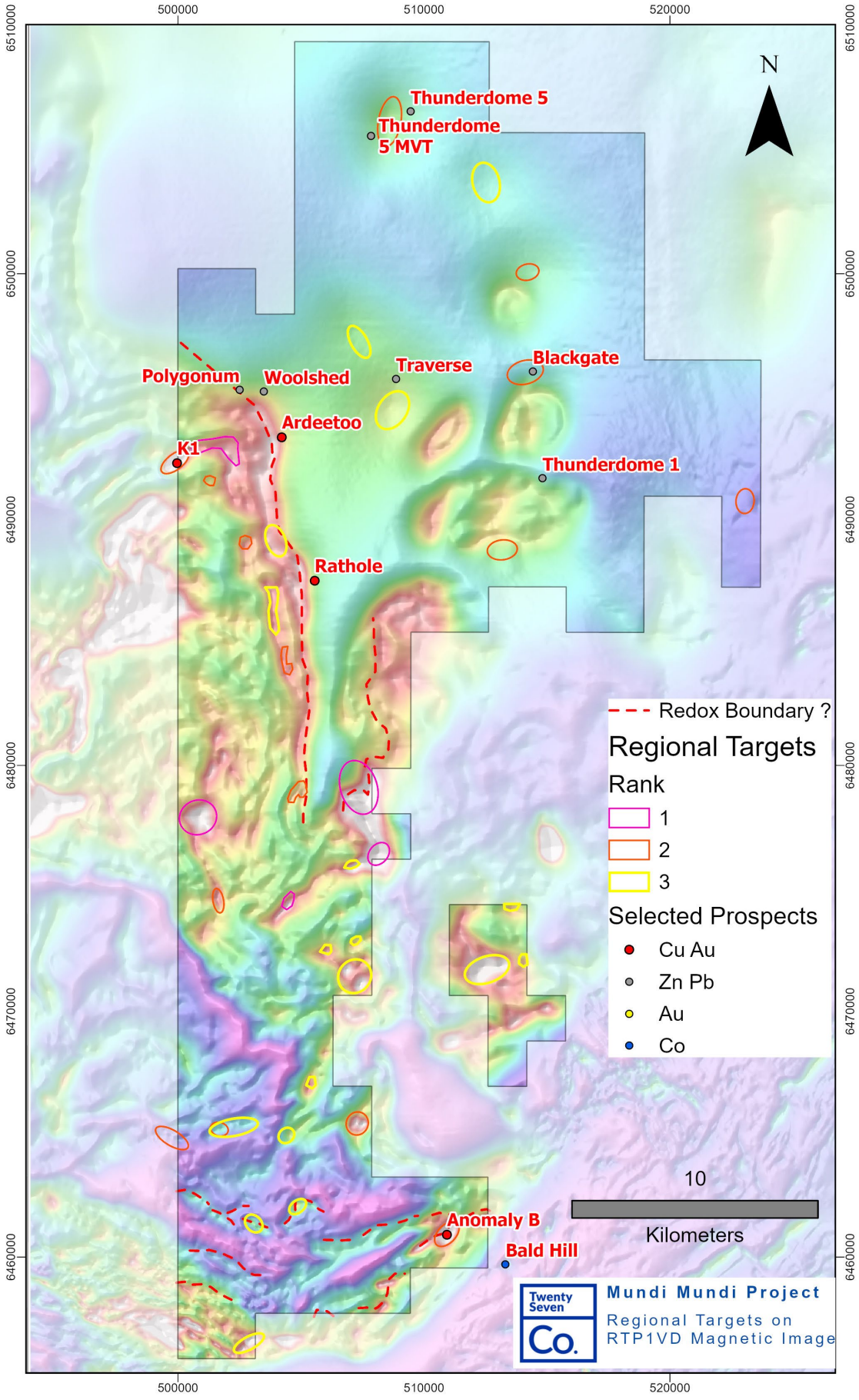

Figure 2: Mundi Mundi Project: Regional Geophysical Targets and historic prospects

1. **APPENDIX 1: The following tables are provided to ensure compliance with JORC Code (2012) requirements for exploration results for the Perseus Project.**

1.1. **Section 1 Sampling Techniques and Data**

1.2. (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	• The historical tenure reports are publicly available on GSNSW MinView website • Some limited historical drill intercepts are referred to in this release. • CRAE conducted diamond drilling for regional exploration from 1984 to 1988 on EL2166, EL2167, EL2251. Sampling details are historic and not fully available. • PlatSearch – conducted Diamond Drilling on historic EL4963 between 1996 to 2005 • PlatSearch, Teck Australia Ltd and joint venture partner UXA Resources Ltd (UXA) completed AC and diamond drilling on EL6404, diamond holes "DF" series
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• CRAE – drilling results are historic and not known • PlatSearch diamond holes DDIN3 and 4 holes sampled core for Pb, Ag, Zn, Ni, As, Cu, Co, Mo, U and Au. ICP using OES was used for Pb, Ag, Zn, Ni, As, Cu, Co, Mo, ICP using MS was used for U and Fire Assay for Au. Assays were completed at Amdel in South Australia. • Teck completed DF02 at Dome 5 in 2007, Analysis was by AMDEL (Adelaide) using HF/mixed acid digest on 0.25g of sample pulp and ICPOES (method IC3E) for with the following elements with detection limits in ppm: Ag(10), As(3), Cd(2), Co(2), Cu(2), Mo(3), Ni(2), Pb(5), S(50), Zn(2), Ce(10), Nb(5), Sr(2), Y(2). Au was determined by aqua regia digest and AAS-carbon rod finish (method AA9). Pb(0.1) and Bi(0.1) were determined by IC3M while major elements Al2O3, CaO, K2O,

Criteria	JORC Code explanation	Commentary
		Fe2O3(total iron), MgO, MnO, Na2O, P2O5, SiO2, TiO2 and Ba(20), Cr(20) and V(20) were determined by fusing 0.2g of pulp with lithium metaborate, dissolved and finished with ICPOES (method IC4). Major elements have detection limits of 0.01% except Ti02 with 0.005%. • UXA under a joint venture with Teck drilled 11DF12 in 2011 , Drill core covering the mineralised interval was split/cut on site and 61 ½-core samples, each representing approximately 0.5m intervals were sent to AMDEL (Adelaide) for chemical analyses (Ag, As, Cd, Cu, Fe, Pb, S, and Zn) using a multi-acid digest with ICP/OES finish.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• CRAE, PlatSearch, Teck and UXA drilling referred to is diamond drilling, drilling is historic and not all details are known.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• PlatSearch, Teck and UXA - Detailed geological logging undertaken for exploration purposes • CRAE Drilling is geological logged with general written descriptions downhole based on geological intervals.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• PlatSearch, Teck and UXA - Detailed Geological logging quantitative on core, no photos available. • CRAE Drilling is historical and information is not available.
	• *The total length and percentage of the relevant intersections logged.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Sub-sampling techniques	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.

Criteria	JORC Code explanation	Commentary
and sample preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• Core samples only reported in this release
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• CRAE- assaying technique details are not known PlatSearch, Teck and UXA – Assay technique listed above is considered as total and appropriate for early stage exploration
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• No geophysical tools were used
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• Due to early stage of exploration no verification of significant results has been completed at this time.
	• *The use of twinned holes.*	• No twinned holes completed or reported
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Drilling is historical and information is not available. • PlatSearch, Teck and UXA data files for diamond drilling are electronic

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	• No adjustments to the data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• PlatSearch – Differential GPS used for collar coordinates DDIN1 • Drilling is historical and information is not available. • Drill hole locations taken from government "Minview" database online. • GPS was used by Teck for DF02 accuracy is logged as 5m • GPS was used by UXA for DF12 accuracy of 1m
	• *Specification of the grid system used.*	• PlatSearch, Teck and UXA - MGA94 Zone 54 • CRAE – grid system unknown collar position from government database
	• *Quality and adequacy of topographic control.*	• PlatSearch – Differential GPS used for collar coordinates DDIN1 • Drilling is historical and information is not available.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• Historic Drilling is conducted on discrete anomalies for early exploration
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• The data spacing is not sufficient to establish degree of grade continuity or appropriate for resource estimation purposes. Drilling was for early exploration purposes only.
	• *Whether sample compositing has been applied.*	• No compositing has been reported. • Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Sample security	• *The measures taken to ensure sample security.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews undertaken.

1.2 Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• The tenement referred to in this release is EL8778 owned TSC Exploration Ltd formally Nomad Exploration Ltd, a wholly owned subsidiary of Twenty-Seven Co. Limited. • EL8877 is owned by Peel Far West Pty Ltd • EL8729 is owned by New Zinc Resources Ltd • The tenements in this release are currently in good standing with the relevant authorities. • Landowner negotiations are in progress
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The tenements are secure under NSW legislation.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The historical tenure reports and exploration drilling data are publicly available on GSNSW Minview website. • There have been several explorers over the last 40 years whose tenure partially overlaps TSC tenement. Exploration was mostly for base metals looking for Broken Hill style lead zinc deposits and iron oxide copper gold deposits. There was limited assay work done for cobalt. • Exploration drilling has been limited. • The main previous explorers include CRAE, BHP, PlatSearch Ltd, Inco Ltd, Teck, UXA, North Broken Hill Ltd, Chevron Exploration Corporation, Pasminco Australia Ltd and MIM Exploration Ltd. Work included auger drilling, soil sampling, geophysical surveys including IP, gravity, airborne magnetic, ground magnetics and RC/diamond drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The historical tenure reports indicated that: ➢ The projects lie within the geological complex Curnamona Province, which contains a large variety and unusual suite of geological units as a result of complex geological history with multiple metamorphic and mineralizing fluid events. The projects are prospective for iron oxide copper gold (IOCG),

Criteria	JORC Code explanation	Commentary
		Broken Hill Style lead zinc silver mineralisation. Cobalt sulphide mineralisation, specifically Thackaringa style or Great Eastern mineralisation. ➢ The project is also prospective for epigenetic copper gold style mineralisation associated with shear zones and iron formations within the Thackaringa Group.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ➢ *easting and northing of the drill hole collar* ➢ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ➢ *dip and azimuth of the hole* ➢ *down hole length and interception depth* ➢ *hole length.*	• All drill hole locations are taken from the GSNSW GIS datasets available through GSNSW website "MinView". The drilling results are historic, and the details are not fully known. The data in the GIS datasets are considered by the Competent Person to be of sufficient standard for the purposes of regional exploration and for use in this release.
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Drilling is historical and information is not available or considered pertinent for use of the data in the release.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Drilling assay data is historic and sourced from GSNSW GIS datasets "MinView". Details of the data are not full known. That data is considered by the Competent Person as appropriate for use in this release.
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail*	• Drilling assay data is historic and sourced from GSNSW GIS datasets "MinView". Details of the data are not full known. That data is considered by the Competent Person as appropriate for use in this release.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalents used
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	• Diamond Drilling was exploratory in nature

Criteria	JORC Code explanation	Commentary
	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• Not applicable no significant mineralisation reported
	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable no significant mineralisation reported
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See main body of this release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The reporting is considered balanced
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Exploration has included geochemistry, geophysics and drilling by several companies since the 1970's. Review of this data is ongoing. Analysis of Co was rarely done and hence will be the focus of ongoing exploration.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Early stage exploration and follow-up of identified Co, Cu and Au, and base metal anomalies including additional interpretation of geophysical data, reviews and assessments of regional targets and infill geochemical sampling of ranked anomalies in preparation for future drill testing.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Refer to figures in this report.