

ASX Announcement | ASX: TNC

31 January 2025

True North Copper December 2024 Quarterly Report

True North Copper Limited ('True North', 'TNC' or 'the Company') is pleased to provide the following quarterly update and Appendix 5B for Q2 FY25.

True North resumed trading on the ASX on 13 January 2025 after a period in voluntary administration. Following a recapitalisation of the Company, a significant exploration budget for 2025 has been approved, with the goal of extending the mineral inventory at both the Mt Oxide Project and the Cloncurry Copper Project (**CCP**). The Cloncurry Project was placed on care and maintenance and TNC is fortunate to have secured the funding support to retain the Company's quality tenement position in a highly prospective region.

DECEMBER QUARTER HIGHLIGHTS

Voluntary Administration and Successful Recapitalisation of the Company

- On 21 October 2024, the Directors of True North Copper Limited appointed Richard Tucker and Tony Miskiewicz of KordaMentha as Voluntary Administrators of the below entities:
 - True North Copper Limited (ACN 119 421 868)
 - TNC Mining Pty Ltd (ACN 652 408 378)
 - CopperCorp Pty Ltd (ACN 649 946 305)
 - North West Copper Pty Ltd (ACN 661 786 956)
 - TNC Asset Holding Pty Ltd (ACN 652 599 687).
- The decision to appoint Administrators came after a period of extensive negotiations with the Company's debt provider, largest shareholder, and other potential equity providers. With cash resources running down and no prospects of being able to draw on existing facilities or raise additional equity or debt before the scheduled Annual General Meeting (**AGM**), the Directors appointed the Administrators.
- With strong investor support, the creditors of all entities resolved to execute a Deed of Company Arrangement (**DOCA**) put forward by Canaccord Genuity (Australia) Limited and Morgans Corporate Limited (the '**Recap DOCA**') with Richard Tucker and Tony Miskiewicz of KordaMentha appointed as Deed Administrators. The Recap DOCA was executed on 19 November 2024¹.
- Under the Recap DOCA, **True North successfully completed a recapitalisation of the Company** which included a A\$50.9 million Conditional Placement to sophisticated, professional, and experienced investors and a A\$2.54 million Share Purchase Plan (**SPP**) to eligible shareholders of the Company². The placement was partly underwritten by Canaccord Genuity Limited and Morgans Financial Limited up to \$50.3 million, including a \$300,000 drill-for-equity arrangement with Mitchell Services Limited (**MSV**)³.
- TNC resumed trading on the Australian Securities Exchange (**ASX**) on 13 January 2025⁴.
- Following the recapitalisation, **TNC is free of all interest-bearing debt with a robust balance sheet** to fund a Revised Business Strategy which includes pausing the operational ramp-up of the Cloncurry Copper Project and undertaking an extensive exploration and resource definition drilling campaign at both our 100% owned Cloncurry Copper Project and 100% owned Mt Oxide Project.

- As part of the Revised Business Strategy to undertake exploration and evaluation, the Company will not carry out any work consistent with ramping up to or maintaining production at any of its processing facilities during the next 12 months.

Cloncurry Copper Project

- During the December 2024 quarter, operations at the Cloncurry Copper Project continued to ramp up in line with the mine plan until mining was paused on 21 October following the Company entering into voluntary administration.
- The CCP operations were subsequently transitioned into care and maintenance during the quarter.
- Prior to the pause on mining, circa 223k bank cubic metres (**BCM**) of overburden had been mined at Wallace North with approximately 22,000 tonnes of oxide ore mined and placed on the ROM⁵.
- Haulage of oxide ore to the Great Australia Mine (**GAM**) continued until 23 October, with approximately 8,300 tonnes crushed and stacked on the leach pad and put under irrigation⁵. Irrigation ceased on 22 November with the last revenue invoiced and paid to the Company on 5 December 2024.



Figure 1. Leach Pad 5 under irrigation on 8 October 2024 at the Cloncurry Operations Hub (COH).

- The first of the sulphide ore was delivered to the toll treatment ROM pad in October, just as the Company entered in voluntary administration.
- TNC has binding offtake and toll milling agreements with Glencore International AG (**Glencore**) for 100% of copper concentrate from CCP and for toll milling of up to 1Mt of ore per year. Toll milling was expected to commence in Q3 FY25.
- Reverse Circulation (RC) drilling program to commence in Q3 FY25** – True North has commenced a Revised Business Strategy to pause operations at its Cloncurry Copper Project and focus on definition drilling of several high-priority targets, including near-mine pit opportunities to grow resources, expand the mine life and optimise the previous mine plan.
- While the mobilisation phase of the drilling program progresses, a targeted Geophysics IP Survey program will commence at CCP early in Q3 FY25, expediting our exploration efforts.

Mt Oxide Project

- Multiple new geophysical targets with signatures similar to the Vero Deposit were revealed in the final five MIMDAS Induced Polarisation (IP) lines at the Rhea, Camp Gossans, and Black Marlin Prospects⁶.
 - **Rhea** – A new, shallow, 140m long chargeability anomaly is identified coincident with the Rhea hematite structural breccia. The anomaly remains open to the south and has had no previous drilling.
 - **Black Marlin** – is now defined as an open +200m long chargeability target with a new 130m wide strong (+30mV.V) chargeability zone on its northwestern end, untested by drilling.
 - **Camp Gossans** – A new shallow 110m wide high order chargeability/conductivity anomaly, has been identified where the previously identified Camp Gossan geophysical anomalies are interpreted to intersect the Dorman fault.
- These five lines represented the culmination of TNC's exploration MIMDAS survey that identified 6 geophysical target zones in the 10km long Dorman Fault corridor, host to four high-priority areas at Camp Gossans, Black Marlin, Aquila, and Rhea. An additional 5 secondary target zones have been identified near Vero and the historic Mt Gordon mine.
- The MIMDAS Induced Polarisation, Resistivity and Magnetotellurics survey at Mt Oxide was partially funded by a \$300,000 Queensland Government Collaborative Exploration Initiative (CEI) grant which will be paid to the Company in early March 2025.
- Following the completion of the geophysical survey, True North's exploration team initiated a rock chip sampling program targeting the new geophysical targets. The sampling aims to identify anomalous copper and pathfinder element trends on the structures and further refine and prioritise drill targeting.

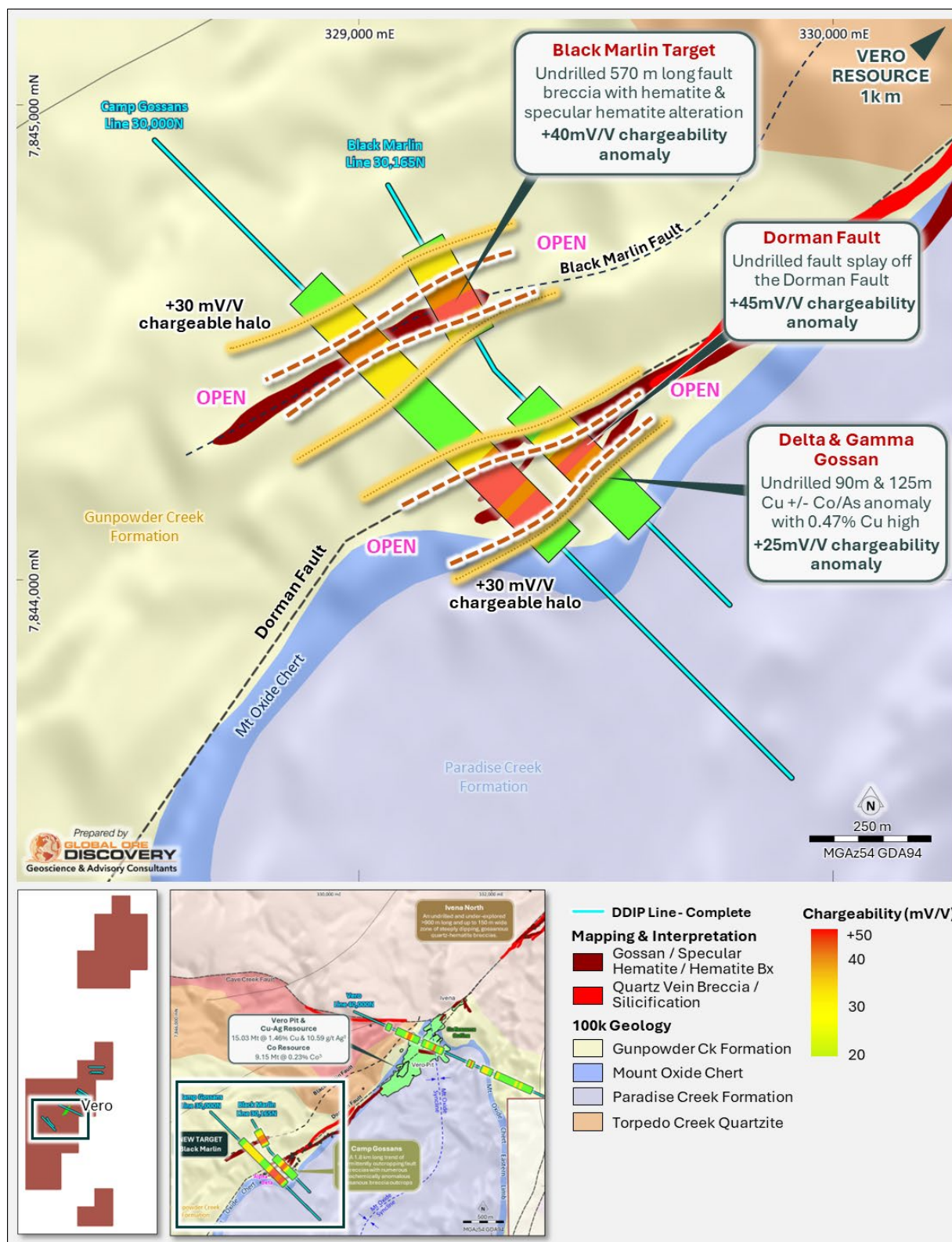


Figure 2. MIMDAS Survey Results at Black Marlin, Camp Gossans & Vero, Mt Oxide Project.

- An extensive exploration program will commence at Mt Oxide in Q4 FY25, once weather permits, targeting the discovery of near-surface, open-pittable deposits with similar characteristics to the Vero deposit (**15.03Mt resource @ 1.46% Cu** (Indicated and Inferred))⁷. Priority targets include Camp Gossans, Black Marlin, Rhea, and Aquila.
- The Mt Oxide Project represents a significant opportunity to apply leading-edge exploration to build a larger copper inventory in a well-endowed mineral system, with limited systematic modern exploration outside of the Vero Resource.

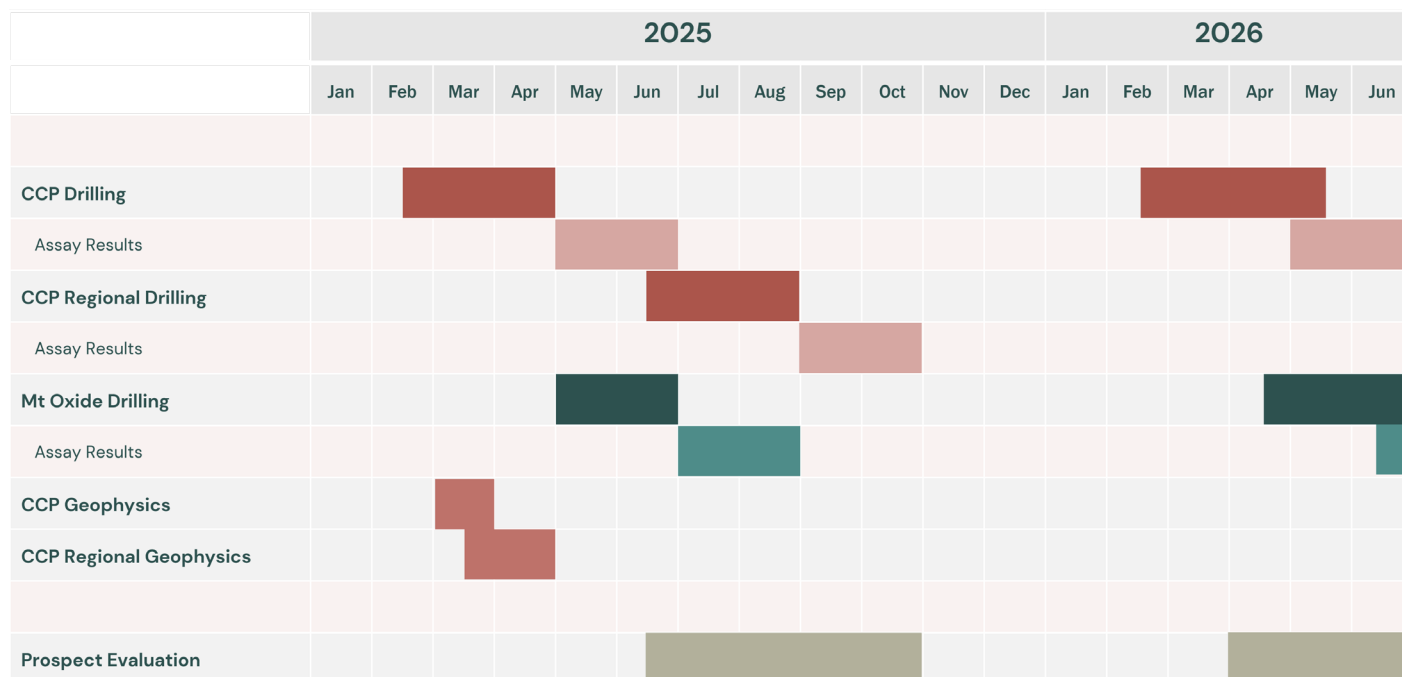


Figure 3. Exploration and Resource Development Forward Program Summary for the Cloncurry Copper Project and Mt Oxide Project.

Corporate

As of 31 December 2024, TNC's cash balance totalled A\$19.1M. This followed the settlement of a Share Purchase Plan of \$2.54 million on 24 December and \$50.9 million partially underwritten Conditional Placement on 30 December 2024. Some of these funds were used to fully settle the Company's debt facility with Nebari Natural Resources Fund II LP (Nebari) for a cash payment of \$28.4M (settling approx. 90% of the Nebari debt) and the issue of 8,106,125 fully paid ordinary shares post-consolidation, settling the remainder of the debt plus accrued interest.

Refreshed Board – Mr Ian McAleese (Non-Executive Chairman) and Ms Jane Seawright (Non-Executive Director) resigned from the Board in November. Mr Paul Cronin, Co-Founder and former Managing Director and CEO of Adriatic Metals, was appointed as Non-Executive Chairman, announced on 13 January 2025. Mr Bevan Jones continues as Managing Director.

ASX Announcements released during the Quarter

- True North Copper (ASX:TNC) News Release, 1 October 2024, [CFO Resignation](#).
- True North Copper (ASX:TNC) News Release, 14 October 2024, [TNC advances mining and processing activities at Cloncurry](#).
- True North Copper (ASX:TNC) News Release, 22 October 2024, [Company update and appointment of Voluntary Administrators](#).
- True North Copper (ASX:TNC) News Release, 24 October 2024, [Deferral of Financial Reporting and AGM](#).
- True North Copper (ASX:TNC) News Release, 30 October 2024, [TNC Quarterly Activities Report](#).
- True North Copper (ASX:TNC) News Release, 15 November 2024, [New drill targets highlighted in geophysics program](#).
- True North Copper (ASX:TNC) News Release, 15 November 2024, [Ian McAleese and Jane Seawright resign as Directors](#).
- True North Copper (ASX:TNC) News Release, 19 November 2024, [Update in relation to administration of True North Copper](#).
- True North Copper (ASX:TNC) News Release, 20 November 2024, [ASIC Relief](#).
- True North Copper (ASX:TNC) News Release, 22 November 2024, [Notice of Annual General Meeting/Proxy Form](#).
- True North Copper (ASX:TNC) News Release, 25 November 2024, [Fully Underwritten A\\$50.3 million Conditional Placement](#).
- True North Copper (ASX:TNC) News Release, 25 November 2024, [Recapitalisation and Equity Raising Presentation](#).
- True North Copper (ASX:TNC) News Release, 4 December 2024, [Share Purchase Plan Prospectus](#).
- True North Copper (ASX:TNC) News Release, 20 December 2024, [Results of SPP and Upsize of Conditional Placement](#).
- True North Copper (ASX:TNC) News Release, 23 December 2024, [Results of Meeting](#).
- True North Copper (ASX:TNC) News Release, 30 December 2024, [Upsize of Conditional Placement - Correction](#).
- True North Copper (ASX:TNC) News Release, 2 January 2025, [Effectuation of Deed of Company Arrangement](#).
- True North Copper (ASX:TNC) News Release, 13 January 2025, [Statement of Confirmations](#).
- True North Copper (ASX:TNC) News Release, 13 January 2025, [Paul Cronin appointed Non-Executive Chairman](#).
- True North Copper (ASX:TNC) News Release, 14 January 2025, [True North Copper Reinstated on ASX](#).
- True North Copper (ASX:TNC) News Release, 22 January 2025, [Chairman's Letter to Shareholders](#).

Financial Performance

Listing Rule 5.3.4 requires the Company to set out a comparison of funds allocated in the use of funds schedule in the Company's May 2023 Prospectus compared to what has been spent and an explanation of any material variance. The Company will no longer disclose a comparison of funds table on the basis that the funds disclosed in the May 2023 Prospectus have been exhausted and explanations of the variances have been previously provided. Please refer to page 11 of the previous quarterly activities report for the quarter ending 30 September 2024 which was released on 30 October 2024 for the last comparison of funds table.

Related Party Payments

For the purpose of Section 6 of the Appendix 5B, related party payments of \$168k were made in the quarter in relation to Directors fees and Secretarial services.

REFERENCES

1. True North Copper (ASX: TNC) News Release, 19 November 2024, Update in relation to administration of True North Copper.
2. True North Copper (ASX: TNC) News Release, 2 January 2025, Effectuation of Deed of Company Arrangement.
3. True North Copper (ASX: TNC) News Release, 25 November 2024, Fully Underwritten A\$50.3 million Conditional Placement.
4. True North Copper (ASX: TNC) News Release, 13 January 2025, Statement of Confirmations.
5. True North Copper (ASX: TNC) News Release, 14 October 2024, TNC advances mining and processing activities at Cloncurry.
6. True North Copper (ASX: TNC) News Release, 15 November 2024, New drill targets highlighted in geophysics program.
7. True North Copper (ASX: TNC) News Release, 23 September 2024, Annual Report to Shareholders.

AUTHORISATION

This announcement has been approved for issue by the True North Copper Limited Board.

DISCLAIMER

This release has been prepared by True North Copper Limited ABN 28 119 421 868 ("TNC" "True North" or the "Company"). The information contained in this release is for information purposes only. This release may not be reproduced, disseminated, quoted or referred to, in whole or in part, without the express consent of TNC.

The information contained in this release is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. Please note that, in providing this release, TNC has not considered the objectives, financial position or needs of any particular recipient. The information contained in this release is not a substitute for detailed investigation or analysis of any particular issue and does not purport to be all of the information that a person would need to make an assessment of the Company or its assets. Current and potential investors should seek independent advice before making any investment decisions in regard to the Company or its activities.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this news release. To the maximum extent permitted by law, none of TNC, its related bodies corporate, shareholders or respective directors, officers, employees, agents or advisors, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of information contained in this release.

This release includes "forward looking statements" within the meaning of securities laws of applicable jurisdictions. Forward looking statements can generally be identified by the use of the words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" "guidance" and other similar expressions. Indications of, and guidance on, future earning or dividends and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of TNC and its officers, employees, agents or associates, that may cause actual results to differ materially from those expressed or implied in such statement. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward looking statements and TNC assumes no obligation to update such information. Specific regard (amongst other things) should be given to the risk factors outlined in this release.

This release is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities and neither this release nor anything contained in it forms the basis of any contract or commitment.

ANNEXURE A: SCHEDULE OF MINING TENEMENTS AND BENEFICIAL INTEREST HELD AS AT END OF THE DECEMBER 2024 QUARTER

Holder Name	Tenement	Name	State	Percentage held
TNC MINING PTY LTD	EPM10313	Mount Oxide JV	QLD	100%
TNC MINING PTY LTD	EPM11675	Balacava	QLD	100%
TNC MINING PTY LTD	EPM12409	Wynberg	QLD	100%
TNC MINING PTY LTD	EPM13137	Coppermine Creek	QLD	100%
TNC MINING PTY LTD	EPM14295	Monakoff West	QLD	100%
TNC MINING PTY LTD	EPM14660	Mount Oxide West #3	QLD	100%
COPPER CORP PTY LTD	EPM15706	Tommy Creek	QLD	100%
NORTH WEST COPPER PTY LTD	EPM15879	Mt Norma	QLD	100%
TNC MINING PTY LTD	EPM16800	Mount Oxide South	QLD	100%
NORTH WEST COPPER PTY LTD	EPM18106	Flamingo West	QLD	100%
TNC MINING PTY LTD	EPM18538	Arthur	QLD	100%
TNC MINING PTY LTD	EPM26371	Kuridala	QLD	100%
TRUE NORTH COPPER LIMITED	EPM26499	Bundarra	QLD	100%
TRUE NORTH COPPER LIMITED	EPM26852	Prairie Creek	QLD	91%
TRUE NORTH COPPER LIMITED	EPM 27474	Duania	QLD	100%
TRUE NORTH COPPER LIMITED	EPM 27609	Waitara	QLD	100%
NORTH WEST COPPER PTY LTD	EPM27959	Flamingo 2	QLD	100%
NORTH WEST COPPER PTY LTD	EPM28040	Mt Norma West	QLD	100%
COPPER CORP PTY LTD	EPM28089*	Winston	QLD	100%
TNC MINING MPTY LTD	EPM 28908*	Flamingo South	QLD	100%
TNC MINING PTY LTD	EPM28648*	Cloncurry HUB-1	QLD	100%

Holder Name	Tenement	Name	State	Percentage held
TNC MINING PTY LTD	EPM28649*	Cloncurry HUB-2	QLD	100%
TNC MINING PTY LTD	EPM29080*	Mistake Creek	QLD	100%
TNC MINING PTY LTD	EPM29090	Gunpowder Creek	QLD	100%
MOUNT OXIDE PTY LTD	MDL2024*	Mount Oxide	QLD	100%
TNC MINING PTY LTD	ML100077	Wallace South	QLD	100%
TNC MINING PTY LTD	ML100111	Wynberg	QLD	100%
TNC MINING PTY LTD	ML 100384*	Mongoose East	QLD	100%
NORTH WEST COPPER PTY LTD	ML2506	Mount Normal	QLD	100%
COPPER CORP PTY LTD	ML2518	Winston Churchill	QLD	100%
COPPER CORP PTY LTD	ML2535	Sally	QLD	100%
NORTH WEST COPPER PTY LTD	ML2550	Mount Norma NO 2	QLD	100%
NORTH WEST COPPER PTY LTD	ML2551	Mount Norma NO 3	QLD	100%
TNC MINING PTY LTD	ML2695	Kangaroo Rat	QLD	100%
TNC MINING PTY LTD	ML90065	Great Australia	QLD	100%
NORTH WEST COPPER PTY LTD	ML90103	New Snow Ball	QLD	100%
NORTH WEST COPPER PTY LTD	ML90104	Mossy's Dream	QLD	100%
TNC MINING PTY LTD	ML90108	Orphan Shear	QLD	100%
NORTH WEST COPPER PTY LTD	ML90172	MT Norma SURROUND 1	QLD	100%
NORTH WEST COPPER PTY LTD	ML90173	MT Norma SURROUND 2	QLD	100%
NORTH WEST COPPER PTY LTD	ML90174	MT Norma SURROUND 3	QLD	100%
NORTH WEST COPPER PTY LTD	ML90175	MT Norma SURROUND 4	QLD	100%
NORTH WEST COPPER PTY LTD	ML90176	MT Norma SURROUND 5	QLD	100%
TNC MINING PTY LTD	ML90236	Wallace	QLD	100%

*Application stage

Disposal of mining tenements and beneficial interest

No disposal of mining tenements and beneficial interest occurred during the quarter ending 31 December 2024.

Acquisition of mining tenements and beneficial interest

No acquisition of mining tenements and beneficial interest occurred during the quarter ending 31 December 2024.

Schedule of beneficial percentage interest in farm-in or farm-out agreements at end of the December 2024 quarter

The Company currently has a 10% free carried interest (to bankable feasibility study) in three New South Wales Cu-Au porphyry tenements currently operated by Lachlan Resources Limited.

Farm-in or farm-out agreements entered into

There were no farm-in or farm-out agreements entered into during the quarter ending 31 December 2024.