

ASX Announcement | ASX: TNC

27 March 2025

REISSUED HALF YEAR FINANCIAL STATEMENTS

True North Copper Limited (ASX:TNC) (TNC or the Company) advises that the Company's previously issued consolidated financial statements for the half-year ended 31 December 2024, dated 14 March 2025, have been withdrawn and replaced by these consolidated half-year financial statements.

The previously issued consolidated half-year financial statements were issued with:

- (a) a disclaimer of conclusion in the auditor's review report, as the independent auditors considered they did not have sufficient appropriate evidence to form a review conclusion; and
- (b) An 'incomplete records disclosure' contained at note 1 of the half-year financial statements (**Incomplete Records Disclosure**).

The reason for the inclusion of the disclaimer of conclusion and the Incomplete Records Disclosure, was that the half-year financial statements were prepared based on limited financial information for the period from 21 October 2024 to 31 December 2024 (being the period when KordaMentha, TNC's previous Voluntary and Deed Administrators (Administrators) were in control of TNC).

On 21 March 2025, the securities of TNC were suspended from quotation on ASX in accordance with Listing Rule 17.3. ASX advised that they had determined that TNC's financial condition was not adequate to warrant the continued quotation of its securities and therefore TNC was in breach of Listing Rule 12.2. In making their determination, ASX advised they had regard to TNC's half-year financial statements for the period ended 31 December 2024 and BDO's disclaimer of conclusion in the auditor's review report.

The Board and independent auditors subsequently met with KordaMentha to understand all payments that had been made by the Administrators pursuant to the Deed of Company Arrangement for the period to 25 March 2025, including the first and final dividend payment made to unsecured creditors from the creditors' trust on 20 March 2025. TNC also formed a view as a result of that meeting that there were no other non-cash transactions undertaken by KordaMentha that had not already been reported to TNC. As a result of the above, the Directors have been able to obtain all relevant and complete information needed to gain comfort that the books and records for the period are complete.

Consequently, the TNC Directors resolved that the Half Year Report should be re-issued without the Incomplete Records Disclosure. As a consequence, the Half Year Report has been re-issued on 27 March 2025, without the Incomplete Records Disclosure and without a disclaimer of conclusion from BDO.

There has been no change to the loss stated in TNC's Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2024, nor to TNC's Consolidated Statement of Financial Position as at 31 December 2024, in the re-issued Half Year Report compared to the Half Year Report dated 14 March 2025.

The only changes to TNC's Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2024 in the re-issued Half Year Report compared to the Half Year Report dated 14 March 2025 relate to allocation of various transactions between different P&L expense accounts arising from the payments relating to the period of the Half Year Report but which were made from 1 January 2025 as referred to above.

This announcement has been authorised for release by the Board.

Financial Report

For the half-year ended 31 December 2024

Directors' Report	3
Auditor's Independence Declaration	8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Notes to the Financial Statements	13
Directors' Declaration	28
Independent Auditor's Review Report	29
Corporate Information	31

DIRECTORS' REPORT

The Directors present their report on the Consolidated Entity consisting of True North Copper Limited ("TNC" or "Company"), and the entities it controlled (together referred to as the "Consolidated Entity" or "Group") for the half-year ending 31 December 2024.

DIRECTORS

The names and details of the Directors of True North Copper Limited in office at the date of this report or at any time during the financial period are:

Name	Position during the period	Period of directorship
Paul Cronin	Non-Executive Chairman	Appointed 13 Jan 2025
Bevan Jones	Managing Director	Appointed 10 June 2024
Paul Frederiks	Executive Director	Appointed 11 July 2017
Tim Dudley	Non-Executive Director	Appointed 6 June 2023
Ian McAleese	Non-Executive Chairman	Appointed 22 June 2020. resigned 15 Nov 2024
Jane Seawright	Non-Executive Director	Appointed 5 July 2023, resigned 15 Nov 2024
Martin Costello	Managing Director	Appointed 26 May 2023, resigned 1 July 2024

REVIEW OF OPERATIONS

Financial Records

To prepare this financial report, the Directors reconstructed the financial records of the Group for the period of Voluntary Administration including the DOCA period (i.e. from 21 October 2024 to 31 December 2024) using data provided by the Administrators.

Voluntary Administration

On 21 October 2024, the Directors of True North Copper Ltd appointed Richard Tucker and Tony Miskiewicz of KordaMentha as Voluntary Administrators of TNC and the entities it controlled. The decision came after a period of extensive negotiations with the Company's debt provider, largest shareholder and other potential equity providers. The decision was regrettable especially as the ramp up of mining activities at Wallace North, part of the Cloncurry Copper Project, was on schedule with the first oxide ore placed onto the heap leach pads at Cloncurry in early October. In addition, recent exploration at Mt Oxide partly funded by a CEI grant from the Queensland Government has identified a number of highly prospective targets for drilling with a high probability of making more discoveries like the Vero deposit.

With cash resources running down and an inability of being able to draw on existing facilities or raise additional equity or debt before the scheduled AGM, the Directors appointed the Administrators. The Administrators then undertook an urgent assessment of the Group's operations and commenced a dual track recapitalisation and sale process for the Group.

Following appointment of the Administrators, the powers of the Company's officers (including directors) were suspended and the administrator assumed control of the Company's business, property and affairs. Accordingly the financial report has been prepared using transactions provided by the Administrators during the period of Administration from 21 October 2024 to 31 Dec 2024.

Deed of Company Arrangement

The Administrators found there was strong investor support, and subsequently the creditors of all Group 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 2024.

Under the Recap DOCA, True North successfully completed a recapitalisation of the Company which included a A\$50,900k Conditional Placement to sophisticated, professional, and experienced investors and a A\$2,539k Share Purchase Plan (SPP) to eligible shareholders of the Company. The placement was partly underwritten by Canaccord Genuity (Australia) Limited and Morgans Corporate Limited up to \$50,300k, including a \$300k drill-for-equity arrangement with Mitchell Services Limited (MSV).

Proceeds from the recapitalisation were used, in conjunction with the DOCA, to:

- discharge all of the unsecured debt of the Group (other than the deferred consideration payable to Perilya, which has been reduced from \$15,000,000 to \$7,500,000 and extended to December 2026 and is now secured by mining mortgages over the Mt Oxide tenements);
- discharge the claims of secured creditors of the Group; and
- provide funding for a revised business strategy.

Under the revised strategy, the Company has ceased operational ramp up and will be undertaking an extensive exploration and resource development drilling campaign to grow reserves/resources, optimise and extend life of mine, whilst remaining mining ready, subject to a future restart decision.

The DOCA was effectuated and completed, and TNC's Directors resumed control of the Group's business, property and affairs, on 31 December 2024.

TNC resumed trading on the Australian Securities Exchange on 13 January 2025 and following the recapitalisation, TNC is now free of all interest-bearing and amortising debt with a robust balance sheet to fund a Revised Business Strategy which includes ceasing the operational ramp-up of the Cloncurry Copper Project and undertaking an extensive exploration and resource definition drilling campaign at both its 100% owned Cloncurry Copper Project and 100% owned Mt Oxide Project. The Company advised that as part of the Revised Business Strategy to undertake exploration and evaluation, that it would 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 (CCP)

During the September 2024 quarter, operations at the Cloncurry Copper Project (CCP) in Queensland continued to ramp up in line with the current mine plan and in July, TNC announced the commencement of mining activities at the Wallace North deposit, part of CCP. Stacking onto the leach pad and irrigation commenced in early October. 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 December 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 ROM and 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 irrigation. Irrigation ceased on 22 November with the last revenue invoiced and paid to the Company on 5 December 2024. 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 had binding offtake and toll milling agreements with Glencore International AG for 100% of copper concentrate from CCP and for toll milling of up to 1Mt of ore per year. Toll milling had been expected to commence in Q3 FY25.

Mt Oxide Project

During the September quarter, the Copper-Silver Mineral Resource Estimate (MRE) for TNC's Vero deposit was updated to 15.03Mt at 1.46% Cu & 10.59g/t Ag for a contained 220kt Cu & 5.13Moz Ag (JORC 2012). Results from rockchip sampling of gossans at Aquila and Ivena North returned multiple zones of anomalous copper silver geochemistry with very strong pathfinder signatures indicative of potential Vero style Cu-Ag-Co mineralisation. In addition, a MIMDAS Induced Polarisation, Resistivity and Magnetotellurics survey commenced at Mt Oxide, and 15.3 line kms over 10 lines survey was focussed on several highly prospective copper bearing leached gossans

mapped along strike of Vero including Camp Gossans, Ivena North, Aquila and Mt Gordon. The MIMDAS at Camp Gossans Vero and Ivena North, Aquila and Mt Gordon prospects resulted in new geophysical anomalies with similar signature to the Vero resource being identified coincident with highly geochemically anomalous leach gossan outcrops.

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 Prospects.

- 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 were 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 \$300k Queensland Government Collaborative Exploration Initiative (CEI) grant which was paid to the Company in February 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.

An extensive exploration program will commence at Mt Oxide in Q4 FY25, once weather permits, targeting the discovery of near-surface, open-pit deposits with similar characteristics to the Vero deposit (15.03Mt resource @ 1.46% Cu (Indicated and Inferred)). 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.

Exploration and Resource Discovery at CCP

The Company 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.

Corporate

As of 31 December 2024, TNC's cash balance totalled A\$19,120k. This followed the settlement of a Share Purchase Plan of \$2,538k on 24 December and \$50,900k 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 \$29,904k (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 as announced on 13 January 2025. Mr Bevan Jones continues as Managing Director and Mr Paul Frederiks, a continuing director, assumes the role of CFO in addition to being Company Secretary. Former Managing Director and founder of TNC, Marty Costello, departed the Company as of 1 July 2024 and Craig Gouws, Chief Financial Officer, resigned from the Company on 30 September.

FINANCIAL RESULTS

Loss for the period

During the financial period the Consolidated Entity's incurred a loss of \$25,056k (Dec 2023: \$13,698k). The increase in loss is mainly due to the costs associated with the voluntary administration and DOCA.

Liquidity and Financing

As at 31 December 2024 the Consolidated Entity had cash reserves of \$19,120k and net current assets of \$18,915k.

The ability of the consolidated entity to continue as a going concern is principally dependent upon one or more of the following conditions:

- The successful exploration and subsequent exploitation of the Consolidated Entity's tenements;
- Continued support from its shareholders.
- The ability of the consolidated entity to raise sufficient capital as and when necessary.

EVENTS AFTER REPORTING DATE

On 2 January 2025, the Company announced that it had successfully completed the conditional placement announced on 25 November 2024 (as approved by shareholders at the Company's 2024 Annual General Meeting held on 23 December 2024) to raise \$50,900k by way of a placement to sophisticated, professional and experienced investors (including a \$300k drill-for-equity arrangement with Mitchell Services Limited).

The Company further announced that the Deed of Company Arrangement ("DOCA") had now been effectuated as confirmed by the lodgement with the Australian Securities and Investments Commission made by the former Deed Administrator and full control of the Company has passed to the Directors of the Company with newly appointed Non-Executive Chairman, Mr Paul Cronin, joining the existing Board, Mr Bevan Jones (Managing Director), Paul Frederiks (Director, CFO and Company Secretary) and Tim Dudley (Non-Executive Director).

The Company's subsidiary companies were also the subject of the DOCA and had also exited external administration. By way of background, at a meeting of the Company's creditors held on 18 November 2024, creditors resolved that the Company and its subsidiary companies enter into a DOCA to recapitalise the Company and restructure its debts. The DOCA was entered into on 19 November 2024.

On 9th January 2025, the Company applied for quotation of 112,006,125 shares following the completion of the recapitalisation and the allotment of those shares on 30 December 2024.

On 13 January 2025, the Company released a Statement of Confirmations in satisfaction of the conditions for the reinstatement of its securities to official quotation set out in the conditional reinstatement letter from the ASX to all the Company on 21 November 2024. This Statement advised that the recapitalisation had been completed, that funds from the recapitalisation had been received, it provided a proposed use of funds for the next 18 months and it provided a detailed explanation of the Company's proposed programme of works for the use of funds period. In addition it responded in detail to all other conditions requested by ASX for reinstatement.

On 13 January 2025, the Company announced that Mr Paul Cronin had been appointed to the Board as Non-Executive Chairman following the completion of the Deed of Company Arrangement as outlined in the Prospectus dated 4 December 2024.

On 14 January 2025, the Company announced it had resumed trading on the Australian Securities Exchange (ASX) on 13 January 2025. The reinstatement followed the recent successful recapitalisation of the Company including the completion of a A\$50,900k Conditional Placement and A\$2,538k Share Purchase Plan (SPP). The Company advised that following the recapitalisation, it had commenced a Revised Business Strategy which has included pausing the operational ramp-up of the Cloncurry Copper Project (CCP) and undertaking an extensive exploration and resource definition drilling campaign at CCP and the Mt Oxide Project.

On 21 March 2025, the securities of the Company were suspended from quotation in accordance with listing rule 17.3. ASX advised that they had determined that TNC's financial condition was not adequate to warrant the continued quotation of its securities and therefore TNC was in breach of Listing Rule 12.2. In making their determination, ASX advised they had regard to TNC's half year financial statements for the period ended 31 December 2024 and the disclaimer of conclusion included in the auditor's review report.

The Company subsequently met with KordaMentha (KM), the Company's previous voluntary and deed administrators, to understand all payments that had been made by KM under the DOCA for the period 1 January 2025 to 25 March 2025, including the first and final dividend payment made to unsecured creditors on 20 March 2025. The Company also formed a view as a result of that meeting that there were no other non-cash transactions undertaken by KM that had not already been reported to the Company. As a result of the above, the Directors have been able to obtain all relevant and complete information needed to gain comfort that the books and records for the period are complete.

Consequently, the Directors resolved that the half year financial statements could be re-issued without the qualifications contained in the Directors Report, Directors Declaration and Note 1 to the accounts regarding incomplete records. There has been no change to the loss stated in the Company's Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2024, nor to the Company's Consolidated Statement of Financial Position as at 31 December 2024, in these re-issued half-year financial statements compared to the half-year financial statements released on 14 March 2025.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration on page 8 forms part of the Directors' Report.
Signed in accordance with a resolution of the board of directors of True North Copper Limited.



Paul Cronin
Non-Executive Chairman
27 March 2025



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY R J LIDDELL TO THE DIRECTORS OF TRUE NORTH COPPER LIMITED

As lead auditor for the review of True North Copper Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of True North Copper Limited and the entities it controlled during the period.



R J Liddell
Director

BDO Audit Pty Ltd

Brisbane, 27 March 2025

STATEMENT OF COMPREHENSIVE INCOME



Consolidated Statement of Comprehensive Income For the half-year ended 31 December 2024

	Note	December 2024 \$'000	December 2023 \$'000
Income			
Sales Revenue	1	665	1,194
Other income		434	4
Movement in rehabilitation provision		-	106
Debt Forgiveness	1	15,780	-
Expenses			
Administration Costs		(3,122)	-
Consultant and advisory expenses		(1,974)	(1,030)
Consumable expenses		(141)	(280)
Corporate administration and compliance expenses		(3,178)	(1,649)
Contractor and other operational expenses		(1,926)	(1,054)
Copper sulphate chemicals and reagents		(538)	(855)
Depreciation and amortisation	3,5	(3,437)	(139)
Employee expenses		(3,869)	(3,981)
Environmental fees and monitoring expenses		(526)	(269)
Equipment hire expenses		(543)	(1,805)
Fee to procure environmental bond	12	-	(1,125)
Fuel expenses		(929)	(742)
Impairment of property plant and equipment	3	(4,093)	-
Impairment of development assets	5	(4,388)	-
Impairment of exploration and evaluation assets	4	(1,735)	-
Mining expenses	5	(2,757)	-
Share based payments	9	(96)	(646)
Travel expenses		(231)	(468)
Present value movement in deferred consideration		-	(138)
Operating Loss		(16,604)	(12,877)
Finance costs		(8,452)	(821)
Loss before income tax		(25,056)	(13,698)
Income tax		-	-
Loss after income tax		(25,056)	(13,698)
Other comprehensive income		-	-
Total comprehensive income		(25,056)	(13,698)
Loss per share		Cents	Cents
Basic and diluted loss per share		(243)	(288)

The Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF FINANCIAL POSITION



Consolidated Statement of Financial Position As at 31 December 2024

	Note	December 2024 \$'000	June 2024 \$'000
CURRENT ASSETS			
Cash and cash equivalents		19,120	15,481
Trade and other receivables		371	751
Other current asset		703	676
Inventories		204	355
TOTAL CURRENT ASSETS		20,398	17,263
NON-CURRENT ASSETS			
Property, plant and equipment	3	4,762	6,502
Exploration and evaluation assets	4	44,165	48,846
Development assets	5	16,405	23,239
Other receivables	6	15,360	15,543
Right-of-use assets		-	301
TOTAL NON-CURRENT ASSETS		80,692	94,431
TOTAL ASSETS		101,090	111,694
CURRENT LIABILITIES			
Trade and other payables	7	1,408	2,312
Deferred consideration	7	-	18,500
Borrowings	8	-	5,434
Short-term provisions		100	342
Lease liabilities		-	89
TOTAL CURRENT LIABILITIES		1,508	26,677
NON-CURRENT LIABILITIES			
Deferred consideration	7	7,500	3,890
Borrowings	8	-	20,028
Environment rehabilitation provision	12	15,406	15,408
Lease liabilities		-	240
TOTAL NON-CURRENT LIABILITIES		22,906	39,566
TOTAL LIABILITIES		24,414	66,243
NET ASSETS		76,676	45,451
EQUITY			
Contributed capital	9	161,533	105,348
Reserves		3,016	2,920
Accumulated losses		(87,873)	(62,817)
TOTAL EQUITY		76,676	45,451

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF CHANGES IN EQUITY



Consolidated Statement of Changes in Equity For the half-year ended 31 December 2024

	Contributed Capital	Accumulated Losses	Share Based Payment Reserve	Warrant Reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2023	67,025	(37,758)	293	-	29,561
Transactions with owners in their capacity as owners					
Issue of share capital	8,500	-	-	-	8,500
Capital raising costs	(787)	-	-	-	(787)
Share based payments	-	-	646	-	646
Total	7,713	-	646	-	8,359
Comprehensive income					
Loss after income tax	-	(13,698)	-	-	(13,698)
Total comprehensive income	-	(13,698)	-	-	(13,698)
Balance at 31 December 2023	74,738	(51,456)	939	-	24,221
Balance at 1 July 2024	105,348	(62,817)	1,271	1,649	45,451
Transactions with owners in their capacity as owners					
Issue of share capital (note 9)	58,541	-	-	-	58,541
Capital raising costs (note 9)	(2,356)	-	-	-	(2,356)
Share based payments	-	-	96	-	96
Total	56,185	-	96	-	56,281
Comprehensive income					
Loss after income tax	-	(25,056)	-	-	(25,056)
Total comprehensive income	-	(25,056)	-	-	(25,056)
Balance at 31 December 2024	161,533	(87,873)	1,367	1,649	76,676

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF CASH FLOWS



Consolidated Statement of Cash Flows For the half-year ended 31 December 2024

	Note	December 2024 \$'000	December 2023 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,504	1,117
Payments to suppliers and employees		(16,384)	(12,064)
Interest received		390	18
Finance costs		(1,006)	(234)
Net cash used in operating activities		(15,496)	(11,163)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(109)	(61)
Payments for exploration and evaluation assets		(1,292)	(6,110)
Payments for other non-current assets		(77)	-
Payments for security bonds		-	(189)
Deferred consideration payments - CopperCorp	7	(1,500)	(727)
Proceeds from the disposal of fixed assets		5	-
Net cash used in investing activities		(2,973)	(7,087)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	9	53,139	8,500
Cost associated with the issue of shares	9	(2,424)	(787)
Proceeds from borrowings	8	1,297	11,000
Repayment of borrowings	8	(29,904)	(2,282)
Lease principal payments		-	(38)
Net cash provided by financing activities		22,108	16,393
Net increase/(decrease) in cash and cash equivalents held		3,639	(1,856)
Cash and cash equivalents at the beginning of the financial period		15,481	3,491
Cash and cash equivalents at the end of the financial period		19,120	1,635

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements.

NOTE 1 BASIS OF PREPARATION

Introduction

This consolidated interim financial report covers the Consolidated Entity of True North Copper Limited (the “Company”) and its controlled entities (together referred to as the “Group”, the “Consolidated Entity” or “TNC”). True North Copper Limited is a listed public company, incorporated and domiciled in Australia. The accounting policies have been consistently applied, unless otherwise stated.

Financial Records

To prepare this financial report, the Directors reconstructed the financial records of the Group for the period of Voluntary Administration including the DOCA period (i.e. from 21 October 2024 to 31 December 2024) using data provided by the Administrators.

Voluntary Administration

On 21 October 2024, the Directors of True North Copper Ltd appointed Richard Tucker and Tony Miskiewicz of KordaMentha as Voluntary Administrators of TNC and the entities it controlled. The decision came after a period of extensive negotiations with the Company's debt provider, largest shareholder and other potential equity providers. The decision was regrettable especially as the ramp up of mining activities at Wallace North, part of the Cloncurry Copper Project, was on schedule with the first oxide ore placed onto the heap leach pads at Cloncurry in early October. In addition, recent exploration at Mt Oxide partly funded by a CEI grant from the Queensland Government has identified a number of highly prospective targets for drilling with a high probability of making more discoveries like the Vero deposit.

With cash resources running down and an inability of being able to draw on existing facilities or raise additional equity or debt before the scheduled AGM, the Directors appointed the Administrators. The Administrators then undertook an urgent assessment of the Group's operations and commenced a dual track recapitalisation and sale process for the Group.

Following appointment of the Administrators, the powers of the Company's officers (including directors) were suspended and the administrator assumed control of the Company's business, property and affairs. Accordingly the financial report has been prepared using transactions provided by the Administrators during the period of Administration from 21 October 2024 to 31 Dec 2024.

Deed of Company Arrangement

The Administrators found there was strong investor support, and subsequently the creditors of all Group 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 2024.

Under the Recap DOCA, True North successfully completed a recapitalisation of the Company which included a A\$50,900k Conditional Placement to sophisticated, professional, and experienced investors and a A\$2,539k Share Purchase Plan (SPP) to eligible shareholders of the Company. The placement was partly underwritten by Canaccord Genuity (Australia) Limited and Morgans Corporate Limited up to \$50,300k, including a \$300k drill-for-equity arrangement with Mitchell Services Limited (MSV).

Proceeds from the recapitalisation were used, in conjunction with the DOCA, to:

- discharge all of the unsecured debt of the Group (other than the deferred consideration payable to Perilya, which has been reduced from \$15,000,000 to \$7,500,000 and extended to December 2026 and is now secured by mining mortgages over the Mt Oxide tenements);
- discharge the claims of secured creditors of the Group; and
- provide funding for a revised business strategy.

Under the revised strategy, the Company has ceased operational ramp up and will be undertaking an extensive exploration and resource development drilling campaign to grow reserves/resources, optimise and extend life of mine, whilst remaining mining ready, subject to a future restart decision.

NOTE 1 BASIS OF PREPARATION (Continued)

The DOCA was effectuated and completed, and TNC's Directors resumed control of the Group's business, property and affairs, on 31 December 2024.

TNC resumed trading on the Australian Securities Exchange on 13 January 2025 and following the recapitalisation, TNC is now free of all interest-bearing and amortising debt with a robust balance sheet to fund a Revised Business Strategy which includes ceasing the operational ramp-up of the Cloncurry Copper Project and undertaking an extensive exploration and resource definition drilling campaign at both its 100% owned Cloncurry Copper Project and 100% owned Mt Oxide Project. The Company advised that as part of the Revised Business Strategy to undertake exploration and evaluation, that it would not carry out any work consistent with ramping up to or maintaining production at any of its processing facilities during the next 12 months.

The Recapitalisation fully extinguished the Company's debt, settled creditor claims, and restructured key agreements, including:

- Repayment of secured creditor Nebari, comprising:
 - \$29,904k repayment of senior debt and bridging working capital facility
 - \$4,053k debt-to-equity conversion
- Settlement of unsecured creditor claims through a \$1,400k cash payment and \$500k in new shares
- Reduction of deferred consideration for the Mt Oxide acquisition from \$15,000k to \$7,500k, now payable in December 2026, secured by a mortgage over the Company's tenements.
- Debt forgiveness relates to:
 - Deferred consideration of \$13,390k
 - Creditors of \$2,390k
- Costs associated with the voluntary administration and recapitalisation are included in 'Administration Costs' in Profit or Loss.

Operations and principal activities

True North Copper Limited is an active mineral exploration company with land holdings in North Queensland and Central Queensland. The Company currently holds 100% exploration tenements for copper, cobalt, gold and silver and also 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.

Currency and rounding

The financial report is presented in Australian dollars which is the functional currency of the Group. The Group is of a kind referred to in Australian Securities & Investment Commission (ASIC) Corporations Instrument 2016/191, and in accordance with that instrument all financial information presented in Australian Dollars has been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Statement of Compliance

The consolidated interim financial report is a general-purpose financial report which has been prepared, to a certain extent, in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. The Company is a for-profit entity for the purpose of preparing the interim financial report.

The consolidated interim financial report does not include all of the information required for a full annual financial report and should be read in conjunction with the consolidated annual financial report of the Consolidated Entity as at and for the year ended 30 June 2024.

Authorisation of Interim Financial Report

The financial report was authorised for issue on 27 March 2025.

NOTE 1 BASIS OF PREPARATION (Continued)**Accounting Policies**

Except for the accounting policies noted below, the accounting policies and methods of computation applied by the Consolidated Entity in the consolidated interim financial report, to a certain extent, are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 30 June 2024:

Revenues

The Company started producing copper sulphate pentahydrate at its Cloncurry Project, Queensland in August 2023, after completing the refurbishment of solvent extraction and crystal plant. Copper sulphate production continued through to November 2024 with irrigation of the leach pads ceasing on 22 November and last revenue invoiced and paid to the Company on 5 December 2024.

The Company has an exclusive contract with a customer for the sale of Copper Sulphate Pentahydrate. Sales of Copper Sulphate Pentahydrate are recognised at a point in time upon transfer of control to the customer and is measured at the amount to which the Consolidated Entity expects to be entitled which is based on the pricing formula stated in the customer agreement.

The transfer of control to the customer occurs on an “ex works” basis and when a certificate of analysis is provided. The revenue is measured at the transaction price agreed and payment is received normally within 5-15 days.

Inventories

Inventories comprise consumables. Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and applicable variable selling expenses.

New Accounting Standards

A number of new or amended standards became applicable for the current reporting period. The impact of the adoption these standards did not have any impact on the Consolidated Entity’s accounting policies and did not require retrospective adjustments.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

The consolidated entity has a net surplus of current assets as at 31 December 2024 of \$18,915k. The consolidated entity incurred a loss of \$25,056k for the half-year to 31 December 2024 and cash outflows from operating activities of \$15,496k.

The ability of the consolidated entity to continue as a going concern is principally dependent upon one or more of the following conditions:

- The successful exploration and subsequent exploitation of the Consolidated Entity’s tenements.
- Continued support from its shareholders.
- The ability of the consolidated entity to raise sufficient capital as and when necessary.

These conditions give rise to material uncertainty which may cast significant doubt over the consolidated entity’s ability to continue as a going concern.

NOTE 1 BASIS OF PREPARATION (Continued)

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- To date the Consolidated Entity has funded its activities through issuance of equity securities, and it is expected that the Consolidated Entity will be able to fund its future activities through further issuances of equity securities; and
- The directors believe there is sufficient cash available for the Consolidated Entity to continue operating based on the Company's cash flow forecast.

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the consolidated entity be unable to continue as a going concern.

NOTE 2 SEGMENT REPORTING**Reportable Segments**

The Consolidated Entity has identified its operating segment based on internal reports that are reviewed and used by the executive team in assessing performance and determining the allocation of resources.

Management currently identifies the Consolidated Entity as having only one reportable segment, being exploration and evaluation for minerals. The financial results from this segment are equivalent to the financial statements of the Group. The financial results from this segment are equivalent to the financial statements of the consolidated entity. All assets are in Australia.

NOTE 3 PLANT AND EQUIPMENT

	December 2024 \$'000	June 2024 \$'000
Office equipment at cost	363	287
Accumulated depreciation	(118)	(98)
	245	189
Plant and equipment at cost	9,372	5,855
Accumulated depreciation	(996)	(99)
Impairment of Plant & Equipment	(4,093)	-
	4,283	5,756
Motor vehicles at cost	235	236
Accumulated depreciation	(119)	(102)
	116	134
Buildings and improvements	143	234
Accumulated depreciation	(25)	(58)
	118	176
Land	-	200
WIP	-	47
Total plant and equipment	4,762	6,502

Movements during the financial period

Half-year ended. 31 December 2024	Balance 1 July 2024	Additions	Transfers	Acquisition s/ (disposals)	Depreciation	Impairment	Total
Office Equipment	189	-	87	(2)	(29)	-	245
Plant and equipment	5,756	-	3,426	-	(806)	(4,093)	4,283
Motor Vehicles	134	-	-	-	(18)	-	116
Buildings and improvement	176	-	47	(89)	(16)	-	118
Land	200	-	-	(200)	-	-	-
WIP	47	252	-	(299)	-	-	-
Balance 31 December 2024	6,502	252	3,560	(590)	(869)	(4,093)	4,762

Year ended 30 June 2024	Balance 1 July 2023	Additions	Transfers	Acquisition s/ (disposals)	Depreciation	Impairment	Total
Office Equipment	162	94	-	-	(67)	-	189
Plant and equipment	38	63	5,732	-	(77)	-	5,756
Motor Vehicles	181	41	-	-	(88)	-	134
Buildings and improvement	212	-	-	-	(36)	-	176
Land	200	-	-	-	-	-	200
WIP	-	47	-	-	-	-	47
Balance 30 June 2024	793	245	5,732	-	(268)	-	6,502

The Directors have assessed the Plant & Equipment to be recognised as at 31 December 2024 and note that with regard to the Cloncurry Copper Project Solvent Extraction Plant, the commercial recovery of that asset is wholly dependent on the commencement of the Cloncurry Copper Project mine activity. As the date of commencement of the Cloncurry Copper Project mine activity is uncertain, the Solvent Extraction Plant has been impaired by \$2,655k. In addition, other assets fixed including a used sulphide plant were impaired by \$1,437k.

NOTE 4 EXPLORATION AND EVALUATION ASSETS

	December 2024 \$'000	June 2024 (12 months) \$'000
Balance at beginning of the year	48,846	67,049
Additions	827	10,768
Transfer to development	-	(23,239)
Transfer to Plant & Equipment	(3,560)	(5,732)
Disposals	(213)	-
Impairment	(1,735)	-
Balance at end of the year	44,165	48,846

In relation to the Bundarra tenement, there has been no activity on this tenement this financial year and this is not considered a core asset for the Group. As such, an impairment expense of \$1,735k has been recognised.

The Directors have assessed the exploration and evaluation assets recognised as at 31 December 2024 and the facts and circumstances do not suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount.

NOTE 5 DEVELOPMENT ASSETS

	December 2024 \$'000	June 2024 \$'000
Balance at beginning of the year	23,239	-
Additions	2	-
Transfer from exploration & evaluation assets	-	23,239
Accumulated depreciation	(2,448)	
Disposals	-	-
Impairment	(4,388)	-
Balance at end of the year	16,405	23,239

Mining activities commenced in July 2024 and ceased in November 2024 following the directors placing the group into voluntary administration on 21 October 2024. Control of the group was handed back to the directors on 31 December 2024 following the effectuation of the Deed of Company Arrangement. During the year, \$2,750k was expensed in relation to mining expenses.

The Directors have assessed the development assets to be recognised as at 31 December 2024 and having considered the operational uncertainties that arise due to the ASX determination that the Company may not commence mining within 12 months following the capital raise made in December 2024, the Cloncurry Copper Project Development assets have been impaired by \$4,388k.

NOTE 6 OTHER RECEIVABLES

	December 2024 \$'000	June 2024 \$'000
Security Bonds	335	543
Term Deposits (secured)	15,000	15,000
Balance at end of the year	15,335	15,543

Security bonds are cash securities held as security for government tenement and environmental bonds, council bonds and supplier bonds.

Term deposits are restricted term deposits which are held for a period of up to 12-months and yield between 4.25% and 5% per annum. They secure bank guarantees granted by Wespac and given to the Queensland Government to secure the Company's Rehabilitation obligations on its Mining Leases.

NOTE 7 TRADE AND OTHER PAYABLES

	December 2024 \$'000	June 2024 \$'000
Current		
Trade payables	424	1,094
Other payables and accrued expenses	984	1,218
Deferred consideration	-	16,500
Deferred consideration	-	2,000
	1,408	20,812
Non-Current		
Deferred consideration	7,500	-
Contingent consideration	-	3,890
	7,500	3,890

Trade payables are amounts due to suppliers for goods purchased or services provided in the ordinary course of business. Trade payables are generally due for settlement within 30 days and therefore are all classified as current.

Other payables and accrued expenses generally arise from normal transactions within the usual operating activities of the Group and comprise items such as employee taxes, employee on costs, GST and other recurring items.

Deferred consideration are amounts payable to vendors at a future date. Where the amount payable is due greater than 12 months from reporting date, the amount is discounted to present value using an appropriate discount rate (if material).

Deferred and contingent consideration breakdown and summary

Half-year ended 31 December 2024	CopperCorp	Mt Oxide	Round Oak	Total
Balance at beginning of the year	1,500	15,000	5,890	22,390
Acquisitions	-	-	-	-
Payments	(1,500)	-	-	(1,500)
Debt forgiveness under DOCA	-	(7,500)	(5,890)	(13,390)
Balance at end of the year	-	7,500	-	7,500
Current	-	-	-	-
Non-current	-	7,500	-	7,500

As part of the recapitalisation process, the consideration relating to the Mt Oxide acquisition was deferred to December 2026 and reduced to \$7,500k.

NOTE 8 BORROWINGS

	December 2024 \$'000	June 2024 \$'000
Current		
Loan from Nebari Natural Resources Credit Fund II LP	-	5,428
Insurance premium financing	-	6
	-	5,434
Non -Current		
Loan from Nebari Natural Resources Credit Fund II LP	-	20,028

Nebari Natural Resources Credit Fund II LP

On the 31 December 2024, the Nebari Natural Resources loan was repaid in full.

Nebari was the senior secured lender of the Group by virtue of a Loan Facility Agreement entered into between the Company and Nebari in respect of the loan facility in February 2024. As part of the recapitalisation, Nebari and the Company agreed that Nebari would be repaid in full at completion of the recapitalisation through proceeds of the recapitalisation (90% of principal and interest up to 31 October 2024 and costs capped at \$100,000) with the remainder repaid through the issue of new Shares to Nebari. The parties entered into a restructuring agreement to give effect to these terms after the DOCA was approved by creditors on 19 November 2024. Shareholders subsequently approved the issue of up to 950,000,000 new Shares (pre-Consolidation) to Nebari at the Annual General Meeting held on 23 December 2024.

Insurance premium funding

An insurance premium funding facility was provided by Attvest Finance. The amount is unsecured, repayable in monthly instalments by August 2024 and bears interest at 11.4% per annum.

Movements during the period

	December 2024 \$'000	June 2024 \$'000
Nebari Natural Resources Credit Fund II LP		
Opening balance	25,456	-
Proceeds from borrowings	1,297	26,962
Accrued interest and fees	5,103	2,022
Transfer to warrant reserve	-	(1,649)
Interest repayment	(6,275)	(1,422)
Conversion to equity	(4,053)	-
Foreign exchange differences	2,101	(477)
Withholding tax accrued	-	30
Principal repaid	(29,904)	-
Closing balance	-	25,456
Insurance premium funding		
Funding of insurance premiums	-	497
Repayments	-	(490)
Closing balance	-	7

NOTE 9 CONTRIBUTED CAPITAL

	December 2024 \$'000	June 2024 \$'000
127,382,785 fully paid ordinary shares (June 2024: 1,029,867,482)	161,533	105,348

Ordinary Shares

	Dec 2024 \$'000	June 2024 \$'000	Dec 2024 #	June 2024 #
At the beginning of the year	105,348	67,025	1,029,867,482	461,647,356
Shares issued – November 2023 placement	-	8,310	-	69,247,103
Shares issued – December 2023 placement	-	190	-	1,586,231
Shares issued – January 2024 placement	-	2,146	-	17,880,567
Shares issued – January 2024 Tembo placement	-	4,354	-	36,286,100
Shares issued – January 2024 Dyda placement	-	81	-	895,997
Shares issued – February 2024 placement	-	50	-	543,479
Shares issued – April 2024 placement	-	1,000	-	8,333,333
Shares issued – May 2024 placement	-	16,597	-	296,381,762
Shares issued – June 2024 placement	-	7,676	-	137,065,554
1 for 100 share consolidation ⁵			(1,019,568,795)	-
Shares issued – Dec 2024 Share purchase Plan ¹	2,539	-	5,077,976	-
Shares issued – Dec 2024 Placement for cash ²	50,600	-	101,200,000	-
Shares issued – Dec 2024 Placement for Services ³	1,350	-	2,700,000	-
Shares issued – Dec 2024 Nebari loan conversion ⁴	4,053	-	8,106,125	-
Share issue costs	(2,356)	(2,081)	-	-
At reporting date	161,533	105,348	127,382,788	1,029,867,482

Notes

1. Placement pursuant to a share purchase plan at \$0.50 (post consolidation) per share
2. Placement pursuant to an underwritten conditional placement to fund new exploration strategy as announced to ASX on 25 November 2024 at \$0.50 (post consolidation) per share
3. Issue of 500,000 shares to Global Ore for services provided at \$0.50 per share, issue of 550,000 share to Korda Mentha for services provided at \$0.50 per share, issue of 600,000 share to Mitchell Drilling services for future diamond drilling services at \$0.50 per share
4. Issue of shares to Nebari Natural Resources at \$0.50 per share (post consolidation) in consideration of repayment of 10% of the debt facility the Company had with Nebari, the balance of which was repaid in cash on 31 December 2024.
5. A 1 for 100 share consolidation approved by shareholders at the Annual General Meeting held on 23 December 2024.

NOTE 9 CONTRIBUTED CAPITAL (Continued)**Options**

Details of options issued, exercised and expired during the financial period, and as at 31 December 2024 are set out below:

Grant Date	Expiry Date	Exercise Price	1 July 2024	Issued	Restructured*	Lapsed	31 December 2024
28-May-19	10-Nov-27	\$75.00*	550,812	-	(545,304)	-	5,508
28-May-19	10-Nov-22	\$57.00*	1,963,996	-	(1,944,356)	-	19,640
6-Jun-23	19-Jun-25	\$28.00*	2,469,746	-	(2,445,049)	-	24,697
16-Jun-23	16-Jun-28	\$0.30	3,040,000	-	-	(3,040,000)	-
16-Jun-23	16-Jun-28	\$30.00*	9,200,000	-	(9,108,000)	-	92,000
22-Dec-23	22-Dec-28	\$30.00*	1,200,000	-	(1,188,000)	-	12,000
10-Jun-24	30-Nov-29	\$0.073	6,000,000	-	-	(6,000,000)	-
31-Dec-24	31-Dec-25	\$0.60	-	5,000,000	-	-	5,000,000
			24,424,554	5,000,000	(15,230,709)	(9,040,000)	5,153,845

* Options were restructured as a result of the 1 for 100 consolidation approved by shareholders at the Annual General Meeting held on 23 December 2024. The number of options on issue was divided by 100 and the exercise price of the options was multiplied by 100.

Option holders do not have any rights to participate in any issues of shares or other interests of the Company or any other entity.

No person entitled to exercise any option referred to above has or had, by virtue of the option, a right to participate in any share issue of any other body corporate.

Fair value of options granted

The assessed fair value at the date of grant of option issued is determined using an option pricing model that considers the exercise price, the underlying share price at the time of issue, the term of the option, the underlying share's expected volatility, expected dividends and the risk-free interest rate for the expected life of the instrument.

Options were issued to the Non-Executive Chairman and approved by shareholders at the Annual General Meeting held on 23 December 2024. The Option conditions are as follows:

Number of Options (post consolidation)	5,000,000
Grant date	31 December 2024
Exercise Price	\$0.60
Vesting conditions	Continued Service
Share price at grant date (post consolidation)	\$0.50
Expiry date	31 December 2025
Life of the instrument	1 year
Underlying share price volatility	50%
Risk free interest rate	4.35%
Price model	Black Scholes
Fair value at grant date	\$0.073

NOTE 9 CONTRIBUTED CAPITAL (Continued)**Performance Rights**

Grant Date	Expiry Date	1 July 2024	Issued	Exercised	Lapsed	31 December 2024
23-Dec-24	23-Dec-29	-	500,000	-	-	500,000
		-	500,000	-	-	500,000

Performance Rights were issued to the Managing Director and approved by shareholders at the Annual General Meeting held on 23 December 2024.

Fair value of performance rights granted

The assessed fair value at the date of grant of options issued is determined using an option pricing model that takes into account the exercise price, the underlying share price at the time of issue, the term of the options the underlying share's expected volatility, expected dividends and the risk free interest rate for the expected life of the instrument. The value of the options were calculated using the inputs shown below:

The performance rights conditions are as follows:

Inputs into pricing model	Tranche 1	Tranche 2
Grant date	17 December 2024	17 December 2024
Number Performance Rights	250,000	250,000
Vesting conditions	Volume weighted average price (VWAP) of \$0.75 or greater for 20 consecutive trading days and ongoing service up until that date	Volume weighted average price (VWAP) of \$1.00 or greater for 20 consecutive trading days and ongoing service up until that date
Share price at grant date (post consolidation)	\$0.50	\$0.50
Expiry date	31 December 2029	31 December 2029
Life of the instruments	5 years	5 years
Volatility	102%	102%
Expected Dividends	Nil	Nil
Risk Free Interest Rate	4.35%	4.35%
Pricing Model	Trinomial	Trinomial

NOTE 10 RELATED PARTY TRANSACTIONS**Transactions with related parties**

Tembo Capital Group – Tim Dudley is a representative Director.

During the half-year, no fees were paid to Tembo Capital Group (2023: \$nil). The Tembo Capital Group subscribed for 30,000,000 shares (post consolidation) in the share placement approved by shareholders on 23 December 2024 for a share subscription of \$15m.

Blanckensee Consulting Pty Ltd- Paul Frederiks is a director.

During the half-year year, Blanckensee Consulting received Company secretarial and accounting fees of \$123k (2023: 106k).

There are no other transactions with related parties.

NOTE 11 COMMITMENTS**Contractual Commitments**

The Consolidated Entity has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Consolidated Entity.

	December 2024 \$'000	June 2024 \$'000
<i>Capital expenditure commitments</i>		
Payable within one year	-	421
Payable between one year and five years	-	-
Payable after five years	-	-
	-	421

NOTE 12 CONTINGENT LIABILITIES

To meet statutory requirements for financial assurances related to the Cloncurry tenements, the Company provided bank guarantees totalling \$14,965,234 and these comprised of:

- \$10,924,199 in relation to Environmental Authority No. EPML00876013.
- \$3,395,435 in relation to Environmental Authority No. EPML00941713
- \$645,600 in relation to Environmental Authority No. EPLM00497413

To secure these bank guarantees, the Company has provided cash to Westpac Banking Corporation via secured term deposits. These guarantees were then provided by Westpac Banking Corporation to Queensland Treasury. The fee paid to Westpac during this period for procuring the bank guarantees amounted to \$196k.

NOTE 13 EVENTS AFTER BALANCE DATE

On 2 January 2025, the Company announced that it had successfully completed the conditional placement announced on 25 November 2024 (as approved by shareholders at the Company's 2024 Annual General Meeting held on 23 December 2024) to raise \$50,900k on by way of a placement to sophisticated, professional and experienced investors (including a \$300k drill-for-equity arrangement with Mitchell Services Limited).

The Company further announced that the Deed of Company Arrangement ("DOCA") had now been effectuated as confirmed by the lodgement with the Australian Securities and Investments Commission made by the former Deed Administrator and full control of the Company has passed to the Directors of the Company with newly appointed Non-Executive Chairman, Mr Paul Cronin, joining the existing Board, Mr Bevan Jones (Managing Director), Paul Frederiks (Director, CFO and Company Secretary) and Tim Dudley (Non-Executive Director). The Company's subsidiary companies were also the subject of the DOCA and had also exited external administration. By way of background, at a meeting of the Company's creditors held on 18 November 2024, creditors resolved that the Company and its subsidiary companies enter into a DOCA to recapitalise the Company and restructure its debts. The DOCA was entered into on 19 November 2024.

On 9th January 2025, the Company applied for quotation of 112,006,125 shares following the completion of the recapitalisation and the allotment of those shares on 30 December 2024.

On 13 January 2025, the Company released a Statement of Confirmations in satisfaction of the conditions for the reinstatement of its securities to official quotation set out in the conditional reinstatement letter from the ASX to all the Company on 21 November 2024. This Statement advised that the recapitalisation had been completed, that funds from the recapitalisation had been received, it provided a proposed use of funds for the next 18 months and it provided a detailed explanation of the Company's proposed programme of works for the use of funds period. In addition it responded in detail to all other conditions requested by ASX for reinstatement.

On 13 January 2025, the Company announced that Mr Paul Cronin had been appointed to the Board as Non-Executive Chairman following the completion of the Deed of Company Arrangement as outlined in the Prospectus dated 4 December 2024.

On 14 January 2025, the Company announced it had resumed trading on the Australian Securities Exchange (ASX) on 13 January 2025. The reinstatement followed the recent successful recapitalisation of the Company including the completion of a A\$50,900k Conditional Placement and A\$2,538k Share Purchase Plan (SPP). The Company advised that following the recapitalisation, it had commenced a Revised Business Strategy which has included pausing the operational ramp-up of the Cloncurry Copper Project (CCP) and undertaking an extensive exploration and resource definition drilling campaign at CCP and the Mt Oxide Project.

On 21 March 2025, the securities of the Company were suspended from quotation in accordance with listing rule 17.3. ASX advised that they had determined that TNC's financial condition was not adequate to warrant the continued quotation of its securities and therefore TNC was in breach of Listing Rule 12.2. In making their determination, ASX advised they had regard to TNC's half year financial statements for the period ended 31 December 2024 and the disclaimer of conclusion included in the auditor's review report.

The Company subsequently met with KordaMentha (KM), the Company's previous voluntary and deed administrators, to understand all payments that had been made by KM under the DOCA for the period 1 January 2025 to 25 March 2025, including the first and final dividend payment made to unsecured creditors on 20 March 2025. The Company also formed a view as a result of that meeting that there were no other non-cash transactions undertaken by KM that had not already been reported to the Company. As a result of the above, the Directors have been able to obtain all relevant and complete information needed to gain comfort that the books and records for the period are complete.

Consequently, the Directors resolved that the half year financial statements could be re-issued without the qualifications contained in the Directors Report, Directors Declaration and Note 1 to the accounts regarding incomplete records. There has been no change to the loss stated in the Company's Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2024, nor to the Company's Consolidated Statement of Financial Position as at 31 December 2024, in these re-issued half-year financial statements compared to the half-year financial statements released on 14 March 2025.

NOTE 14 EARNINGS PER SHARE

	December 2024 \$'000	June 2024 \$'000
Earnings		
Earnings used to calculate basic and diluted EPS	(25,056)	(13,698)
Weighted average number of shares and options	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding during the period, used in calculating basic earnings per share	10,298,675	4,757,261
Weighted average number of dilutive options outstanding during the period	-	-
Weighted average number of ordinary shares and potential ordinary shares outstanding during the period, used in calculating diluted earnings per share	10,298,675	4,757,261

The basic earnings per share for the comparative period has been adjusted for the share consolidation of 1:100 shares and has been treated as if it were effective from the start of the comparative period.

Options and warrants are not considered dilutive as there is a loss from operations, these instruments would have an anti-dilutive effect and therefore diluted earnings per share is the same as the basic earnings per share.

DIRECTORS' DECLARATION

In the Directors' opinion:

- The attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements.
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date.
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

A blue ink signature, likely of Paul Cronin, written in a cursive style.

Paul Cronin
Non-Executive Chairman
27 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of True North Copper Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of True North Copper Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 13 to the half-year financial report, which describes the basis of the reissue of the half-year financial report. Subsequent to the issue of original half-year financial report, additional information was provided which allowed us to conclude that the books and records were no longer incomplete. These events have provided sufficient evidence to reissue the review conclusion.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd



R J Liddell
Director

Brisbane, 27 March 2025

TRUE NORTH COPPER LIMITED CORPORATE INFORMATION

Board of Directors

Paul Cronin	Non-Executive Chairman
Bevan Jones	Managing Director
Tim Dudley	Non-Executive Director
Paul Frederiks	Executive Director

Company Secretary

Paul Frederiks

Registered Office

Level 15, 10 Eagle Street
Brisbane Qld 4000

Principal Office

Great Australia Mine
Round Oak Round
Cloncurry QLD 4824
Phone: + 61 7 4031 0644
Contact@truenorthcopper.com.au
ABN 28 119 421 868

Share Registry

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000
Telephone (within Australia):1300 288 664
Telephone(outside Australia):+61 2 9698 5414
Email : hello@automicgroup.com.au
Website: investor.automic.com.au

Auditors

BDO Audit Pty Ltd
Level 10, 12 Creek Street
Brisbane QLD 4000
Phone: + 61 7 3237 5999

Country of Incorporation

Australia

Website

www.truenorthcopper.com.au

Stock Exchange Listing

True North Copper Limited shares are listed on the Australian Securities Exchange under ticker code TNC