

19 November 2024

## Update in relation to the administration of True North Copper

True North Copper Limited (subject to deed of company arrangement) (True North Copper, TNC or the Company) provides the following update.

### Deed of Company Arrangement

On 21 October 2024, the Directors of True North Copper Ltd (subject to deed of company arrangement) 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) (all Subject to Deed of Company Arrangement) (together 'the Group').

Subsequently, the operations are being transitioned to care and maintenance and on 18 November 2024, at the second meetings of creditors of the Group, creditors of all entities within the Group 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.

The Recap DOCA involves the recapitalisation of the Group, with further details of the Recap DOCA outlined in Section 6 of the Administrators' Report pursuant to Section 72-225 of the Insolvency Practice Rules (Corporations) 2016 dated 11 November 2024. A copy of the report is available for download at: <https://kordamentha.com/creditors/true-north-copper>.

"The weight of creditor support for the equity recapitalisation is testament to the quality asset portfolio and means that the sale process has been parked to allow time for the equity raise to complete which is targeting completion before the new year. We are excited to work towards finalisation of the transaction" said Richard Tucker.

More fulsome details will be provided in the Notice of Meeting, however at a high-level, the Recap DOCA, subject to completion of the conditions precedent including shareholder approval and regulatory (including reinstatement to trading on the official list of ASX) will involve the Company undertaking an Equity Raising to raise at least \$50 million and up to \$60 million (before costs) (Equity Raising).

The Equity Raising as contemplated by the Recap DOCA is intended to comprise:

- A conditional placement to sophisticated, professional and experienced investors to raise a minimum of \$50 million before costs and a maximum of \$60 million before costs (Recapitalisation Placement). The Recapitalisation Placement will be conditional on shareholder approval for the purposes of ASX Listing Rule 7.1.
- In conjunction with the Recapitalisation Placement, the Company is providing an opportunity for eligible shareholders to participate in a share purchase plan to raise up to \$5 million (SPP). The SPP will be offered to eligible shareholders of the Company (being all non-related party shareholders with a registered address in Australia or New Zealand) at the applicable record date.

Proceeds from the Recapitalisation Placement will be used, in conjunction with the Recap DOCA, to discharge most of the unsecured debt of the Group, discharge the claims of certain secured creditors of the Group and provide funding for a revised business strategy. Under the revised strategy, True North Copper intends to pause operational ramp up and

undertake 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.

### **Implications for shareholders**

The Group's Annual General Meeting is intended to be held before the end of this calendar year ('AGM'). A Notice of Meeting will be issued in accordance with your nominated delivery method.

At the AGM, a number of resolutions with respect to the recapitalisation of the Group will be put forward. The successful implementation of the Recapitalisation will see the Company emerge from a deed of company arrangement and will enable the Company to apply to be reinstated to trading on the ASX (noting that any reinstatement of the shares to trading on the ASX will be subject to the satisfaction of the ASX conditions to reinstatement).

### **AUTHORISATION**

This announcement has been approved for issue by the Deed Administrators of True North Copper Limited (subject to deed of company arrangement).

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