

## ASX Announcement | ASX: TNC

16 June 2023

### STATEMENT OF CONFIRMATIONS

True North Copper Limited (ASX: TNC) (formerly named Duke Exploration Limited) (**TNC** or the **Company**) provides the following confirmations required to satisfy the conditions for re-admission of its securities to quotation on ASX.

Capitalised terms in this announcement have the same meaning given under the Company's prospectus dated 4 May 2023 (**Prospectus**) unless the context requires otherwise.

#### Completion of the Offers

The Company confirms close of the Offers under the Prospectus and completion of the issue of:

- a) 140,000,000 Shares at the issue price of \$0.25 per Share to raise \$35,000,000 under the Offer; and;
- b) 9,388,400 Shares at the issue price of \$0.25 per Shares to raise \$2,347,100 under the Priority Offer.

The Company confirms that the Cleansing Offer has closed and no Shares have been issued pursuant to the Cleansing Offer.

The Company confirms that it has issued:

- a) 6,200,000 options to directors exercisable at \$0.30 on or before the date which is 5 years from issue; and
- b) 9,290,000 options to key employees and advisers exercisable at \$0.30 on or before the date which is 5 years from issue.

#### Completion of TNC Acquisition

The Company confirms it has satisfied all conditions precedent under the TNC Acquisition Agreement and it has completed the acquisition of TNC Mining Pty Ltd (formerly named True North Copper Pty Ltd) (**TNC Mining**), including by issuing 247,234,428 Shares to the shareholders of TNC Mining as consideration for the acquisition.

#### Completion of other acquisitions

The Company confirms that TNC Mining has completed the acquisitions of:

- a) CopperCorp Pty Ltd (with the Company issuing 16,000,000 Shares to the shareholders of CopperCorp Pty Ltd); and
- b) the Mt Oxide Project (with the Company utilising \$30 million of the funds raised under the Offers to fund the completion payment to the vendor of the Mt Oxide Project).

#### Deferred Consideration

The Company confirms that it is intending to fund the \$15,000,000 deferred payment obligation under the Mt Oxide Acquisition through a combination of debt and equity to be raised during the second year after completion, notwithstanding the requirement to pay on the earlier of the second anniversary of the date of completion, or the date that is 10 business days after the grant of a mining lease over an area overlapping a Mt Oxide Project Tenement (as defined in the Prospectus).

## No impediments

The Company confirms there are no legal, regulatory, statutory or contractual impediments to it entering the sites associated with its tenements and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

## Completion of Consolidation

The Company confirms that it has completed the Consolidation on a 2.269375974:1 basis such that the shares on issue have been reduced from 105,419,627 to 46,453,099 (after rounding).

## Capital Structure

The Company's capital structure, as at the date of re-admission to the Official List of the ASX will be:

### Shares

	Final Subscription (\$37,347,100)
Shares on issue following the Consolidation	46,453,099
Shares issued pursuant to the Offers	149,388,400
Shares issued under the TNC Acquisition Agreement	247,234,428
Shares issued under the CopperCorp Acquisition Agreement	16,000,000
Shares issued for technical consultancy services	2,571,429
<b>Total</b>	<b>461,647,356</b>

### Options

Options	Number
Options on issue following the Consolidation	2,514,808
Options issued to the Joint Lead Managers	2,469,746
Performance Options issued to Directors	6,200,000
Performance Options issued to key employees and advisers	9,290,000*
Options on issue at date of re-admission	20,474,554

\*Note: the number of Performance Options issued to key employees and advisers has reduced from 9,653,000 to 9,290,000.

## Restricted securities

The Company confirms that following quotation of its securities on ASX, the following securities will be subject to restriction pursuant to the ASX Listing Rules for the period outlined below.

Class	Number	Restriction Period
Shares	47,428,622	12 months from the date of issue
Shares	154,377,284	24 months from date of quotation
Options	11,669,746	24 months from date of quotation

## Updated Statement of Commitments

The Company confirms it intends to apply the funds available from the Offers as follows:

Funds available	Final Subscription (\$37,347,100)	Percentage of Funds (%)
31 Dec pro forma cash balance	4,751,996	9.12%
TNC Capital Raising	10,000,000	19.19%
Funds raised from the Offers	37,347,100	71.68%
<b>Total</b>	<b>52,099,096</b>	<b>100</b>
<b>Allocation of funds</b>		
Acquisition of Mt Oxide Project	30,000,000	57.58%
Mining and restart feasibility studies at Great Australia Mine (Cloncurry)	3,020,000	5.80%
Continued exploration and resource development at Bundarra Copper Project	65,000	0.12%
Mining/ environmental planning at Wallace North and Mt Oxide	1,200,000	2.30%
Deferred Consideration for CopperCorp Acquisition	4,000,000	7.68%
Exploration and resource development at Cloncurry and Mt Oxide	2,200,000	4.22%
Refurbishment of copper sulphate plant, metallurgical trials and processing of stockpiled ores	3,000,000	5.76%
Project acquisition costs (technical DD, stamp duty, legals)	1,500,000	2.88%
Financing costs <sup>4</sup>	1,100,000	2.11%
Expenses of the Offer <sup>1</sup> (including broker fees)	3,521,623	6.76%
Corporate overheads, administration costs and Unallocated working capital <sup>2,3</sup>	2,492,473	4.78%
<b>Total</b>	<b>52,099,096</b>	<b>100.00%</b>

### Notes:

- Expenses of the Offers includes costs of the TNC Capital Raising, legal fees, ASX fees, advisor fees, investing accountant fees, independent geological advisory fees, share registry fees and brokerage costs.
- Working capital includes assumed liabilities and corporate and administration costs including: general costs associated with the management and operation of the Company's business and administration expenses, management salaries, directors' fees, rent and other associated costs, additional capital to be used for funding CAPEX/OPEX requirements and exploration following the planned expenditure programs or grant of additional tenements applied for and investment in new mineral exploration projects not yet identified by the Directors, including due diligence costs incurred in consideration of such projects.
- The Company expects to fund the \$15,000,000 deferred payment obligation under the Mt Oxide Agreement (payable within 2 years after completion of the acquisition Mt Oxide Acquisition) through a combination of debt and equity to be raised at a later date, during the second year after completion.
- Fees payable to Dyda Property Management Pty Ltd (DPM) in connection with a financial institution undertaking being provided on behalf of True North in favour of the State of Queensland as surety for environmental management and rehabilitation obligations in accordance with environmental authorities EPML00876013 and EPML00941713, required by the financial provisioning scheme administered under the Mineral and Energy Resources (Financial Provisioning) Act 2018 (QLD). Refer to Section 10.2.1 of the Prospectus for a summary of the agreement with DPM.

## Updated Pro-Forma Statement of Financial Position

The following updated pro-forma statement of financial position for the Company is based on the actual funds raised of \$37,347,100 under the Prospectus.

		Reviewed as at	Reviewed as at	Subsequent	Pro-forma	Pro-forma
		31-Dec-22	31-Dec-22	events	adjustments	after issue
		\$	\$	\$	\$	\$
	Notes	TNC	Duke			
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	3	510,205	3,556,957	7,904,682	4,344,711	16,316,555
GST receivable		80,599	-	-	-	80,599
Trade and other receivables		435,884	85,152	-	-	521,036
Deposits	4	1,265,500	-	-	(1,100,000)	165,500
Prepayments		475,426	-	-	-	475,426
Assets held for sale		370,000	-	-	-	370,000
<b>TOTAL CURRENT ASSETS</b>		<b>3,137,614</b>	<b>3,642,109</b>	<b>7,904,682</b>	<b>3,244,711</b>	<b>17,929,116</b>
<b>NON-CURRENT ASSETS</b>						
Property, plant and equipment		419,221	119,782	-	-	539,003
Right of use asset		439,469	-	-	-	439,469
Exploration, evaluation and development assets	5	6,430,000	13,981,378	(12,191,603)	33,667,000	41,886,775
Other assets	6	-	29,500	-	101,263	130,763
<b>TOTAL NON-CURRENT ASSETS</b>		<b>7,288,690</b>	<b>14,130,660</b>	<b>(12,191,603)</b>	<b>33,768,263</b>	<b>42,996,010</b>
<b>TOTAL ASSETS</b>		<b>10,426,304</b>	<b>17,772,769</b>	<b>(4,286,921)</b>	<b>37,012,974</b>	<b>60,925,126</b>
<b>CURRENT LIABILITIES</b>						
Trade and other payables	7	598,063	442,788	-	(173,090)	867,761
Employee benefits		122,546	62,812	-	-	185,358
Accrued expenses		27,500	-	-	-	27,500
Lease liability		72,378	-	-	-	72,378
Borrowings		215,921	-	-	-	215,921
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,036,408</b>	<b>505,600</b>	<b>-</b>	<b>(173,090)</b>	<b>1,368,918</b>
<b>NON-CURRENT LIABILITIES</b>						
Borrowings - non-current	8	4,337,132	-	(4,337,132)	-	-
Deferred payments	9	6,000,000	-	-	17,961,094	23,961,094
Lease liability		369,078	-	-	-	369,078
Rehabilitation provision	10	-	-	-	655,600	655,600
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>10,706,210</b>	<b>-</b>	<b>(4,337,132)</b>	<b>18,616,694</b>	<b>24,985,772</b>
<b>TOTAL LIABILITIES</b>		<b>11,742,618</b>	<b>505,600</b>	<b>(4,337,132)</b>	<b>18,443,604</b>	<b>26,354,690</b>
<b>NET LIABILITIES</b>		<b>(1,316,314)</b>	<b>17,267,169</b>	<b>50,211</b>	<b>18,569,370</b>	<b>34,570,436</b>
<b>EQUITY</b>						
Issued capital	11	4,538,319	21,270,032	10,936,381	29,467,393	66,212,125
Reserves	12	-	845,265	-	(531,607)	313,658
Accumulated losses	13	(5,854,633)	(4,848,128)	(10,886,170)	(10,366,415)	(31,955,346)
<b>TOTAL EQUITY</b>		<b>(1,316,314)</b>	<b>17,267,169</b>	<b>50,211</b>	<b>18,569,370</b>	<b>34,570,436</b>

Refer to notes to the pro forma balance sheet in Appendix 4 to the Independent Limited Assurance Report included as Annexure C to the Prospectus (including Notes 3 to 13 referenced in the table above). Cash amounts referred to in Note 3 have been adjusted to reflect the final subscription amount under the Offers.

## Waiver granted by ASX

Set out below are the terms of the waiver granted by ASX in connection with the Offers and the TNC Acquisition.

### Waiver Decision – Listing Rule 9.1

Based solely on the information provided, ASX Limited ('ASX') grants Duke Exploration Limited (the 'Company') a waiver from listing rule 9.1(b) to the extent necessary to permit the Company to apply the restrictions set out in paragraphs 1 and 2 of Appendix 9B (as applicable) to the ordinary shares to be issued to the existing shareholders of True North Copper Pty Ltd ('True North'), as follows:

- a) The shares issued to the shareholders of True North who subscribed with cash for their shares in True North are treated as being held by a related party or promoter seed capitalists (as appropriate) of the Company.
- b) Cash formula relief is applicable to those shares that are issued to the persons who subscribed for their shares in True North for cash consideration.
- c) Cash formula relief is applicable to those shares that are issued to Tembo Capital Holdings UK Limited who received shares in True North subsequent to the conversion of a debt security.
- d) For the purposes of determining the length of the escrow period for shares issued to unrelated seed capitalists which are subject to 12 month escrow, the 12 month escrow period will begin on the date on which the cash subscription for their shares was made.
- e) For the purposes of determining the length of the escrow period for shares issued to seed capitalists who are related parties or promoters of the Company, which are subject to 24 months escrow, the 24 month escrow period will be deemed to begin on the date of the reinstatement of trading in the Company's securities.

ASX has considered Listing Rule 9.1(b) only and makes no statement as to the Company's compliance with other listing rules.

This announcement has been authorised for release by the Board.

### FOR MORE INFORMATION, CONTACT

**Marty Costello**

Managing Director  
True North Copper Ltd

[marty.costello@truenorthcopper.com.au](mailto:marty.costello@truenorthcopper.com.au)

ph 0429 741 120

**Nathan Ryan**

Media  
NWR Communications

[nathan.ryan@nwrcommunications.com.au](mailto:nathan.ryan@nwrcommunications.com.au)

ph 0420 582 887