

ASX Announcement | ASX: TNC

12 December 2023

TNC green-lights Cloncurry Copper Project mining restart plan (Great Australia Mine and Wallace North)

True North Copper Limited (ASX:TNC) (True North, TNC or the Company) is pleased to announce the TNC Board has endorsed the Cloncurry Copper Project mining restart plan.

Recent positive exploration and development outcomes across the Great Australia Mine Reserve (GAM) and the Wallace North Resource (Wallace North) resulted in the decision to combine both projects as part of the mine plan going forward. This single proposed mining operation will be called the **Cloncurry Copper Project (CCP)** (see Figure 1).

The finalised CCP mine plans will be announced on completion of the updated Great Australia Mine Reserve and the maiden Wallace North Reserve (expected early 2024).

HIGHLIGHTS

- TNC's decision to combine both Great Australia Mine and Wallace North into the CCP was supported by the TNC Board based on internal management presentations on project economics. Further detail of the project economics will be announced with the finalised CCP mine plans on completion of the updated Great Australia Mine Reserve and the maiden Wallace North Reserve (expected early 2024).
- The 100% TNC owned Wallace North is fully permitted, enabling the project to be incorporated into TNC's mine plans earlier than initially anticipated by the company.
- Exceptional Advanced Grade Control (AGC) drilling results at Wallace North included multiple gold and copper high-grade zones (refer to TNC ASX Announcement, 7 November 2023, Wallace North AGC drilling hits 14.05% Cu, 25.70g/t Au), and will be incorporated into the maiden Reserve. TNC is currently in the process of updating its Wallace North resource model (refer to TNC ASX Announcement, 7 October 2023, TNC increases Copper Gold Mineral Resource by 14% at Wallace North, Cloncurry) to include results from the AGC drilling.
- As a result of recently completed drilling programs, the Great Australia Mine Reserve is in the process of being updated (Great Australia Mine Reserve includes Taipan, Orphan Shear and Great Australia resources). The Initial Reserve Statement (refer to TNC ASX announcement, 4 July 2023, Initial Ore Reserve for Great Australia Mine – Updated) does not incorporate results from any of TNC's recent resource and grade control drilling, which the company has undertaken over the last six months.

COMMENT

True North Copper Managing Director, Marty Costello said:

Over the past six months, thanks to the tremendous efforts of our operational and technical teams, we have reached a point where the TNC Board can confidently commit to restart mining at our Cloncurry Copper Project.

As shown in the initial GAM Reserve announcement, the fully permitted project presents an opportunity for a low capital expenditure and cash-generative opportunity. TNC will release an update on project economics for the expanded CCP on completion of the updated Great Australia Mine Reserve and the maiden Wallace North Reserve in early 2024.

We also plan to reinvest expected free cash flows into the further exploration and development of what we believe to be one of Australia's most promising Critical Mineral Copper Projects – the Mt Oxide Project.

BACKGROUND

- TNC completed refurbishment of the Great Australia Mine (GAM) SX plant within budget. Copper sulphate production is currently underway.
- The Mining Restart Study allows for the commencement of oxide and sulphide mining from open pits located at Great Australia Mine and Wallace North. Initial mining is scheduled for early 2024.
- MEC Mining Consultants prepared an Initial JORC 2012 Reserve Statement for Great Australia Mine which estimates a reserve of 4.0 million tonnes of ore at 0.74% copper and 0.08g/t gold (refer to TNC ASX announcement, 4 July 2023, *Initial Ore Reserve for Great Australia Mine – Updated*). The Initial Reserve Statement did not incorporate results from any of TNC's recent resource and grade control drilling, which the company has undertaken over the last six months.
- The mine plan in the Mining Restart Study currently uses mine inventories, within optimisations shells. Great Australia Mine Reserve and Wallace North Reserve reporting (undertaken by MEC Mining Consultants) will be delivered early 2024.

NEXT STEPS

As part of progressing the Mining Restart at the CCP, the following items are being progressed and are expected in early 2024:

- Updated Ore Reserve Statement for Great Australia and Initial Reserve Statement Wallace North Projects.
- Execution of the Cloncurry Sulphide Ore Processing and Offtake Agreement.
- Securing the Project Finance and Environmental Bond Facility to support the Mining Restart.
- Engaging mining contractors and commencement of mining operations at CCP.

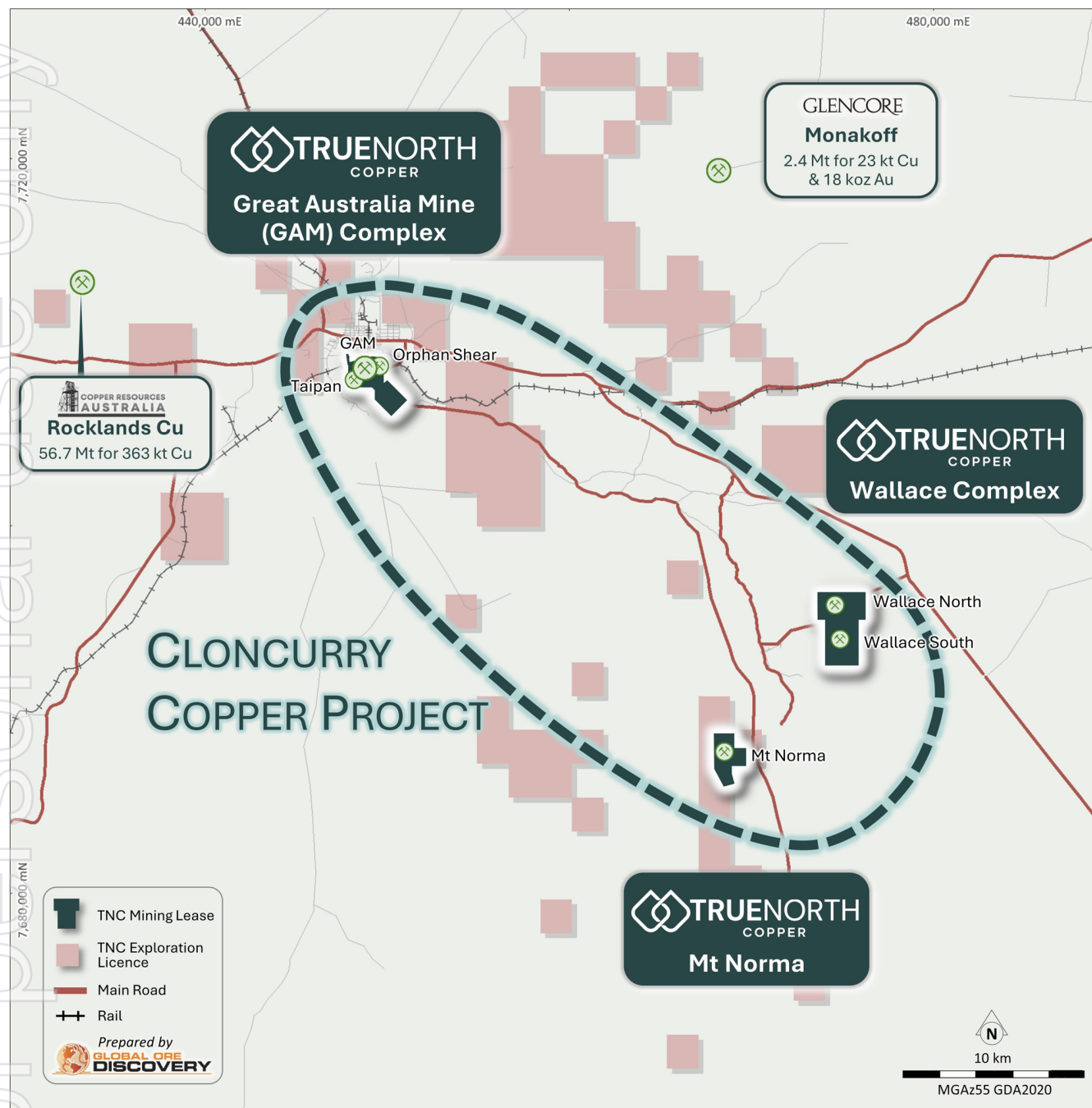


Figure 1- Cloncurry Copper Project

AUTHORISATION

This announcement has been approved for issue by Marty Costello, Managing Director and the True North Copper Limited Board.

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JORC AND PREVIOUS DISCLOSURE

The information in this announcement that relates to Mineral Resource and Ore Reserve Estimates for Great Australia, Orphan Shear and Taipan is based on information previously disclosed in the following Company ASX Announcements available from the ASX website www.asx.com.au:

- 28 February 2023, Acquisition of the True North Copper Assets.
- 4 July 2023, Initial Ore Reserve for Great Australia Mine – Updated.

The information in this announcement that relates to Mineral Resource Estimates and Exploration Results for Wallace North is based on information previously disclosed in the following Company ASX Announcements available from the ASX website www.asx.com.au:

- 3 October 2023, TNC intercepts 6m @ 12.99g/t Au and 10m @ 2.22% at Wallace North, with multiple high-grade zones.
- 17 October 2023: TNC increases Copper Gold Mineral Resource by 14% at Wallace North, Cloncurry.

The Company confirms that it is not aware of any new information as at the date of this announcement that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the estimates and results continue to apply and have not materially changed.

The information in this announcement that relates to a production target for the Great Australia Mine and forecast financial information derived from the production target is based on information previously disclosed in the Company's 4 July 2023 announcement "Initial Ore Reserve for Great Australia Mine – Updated". The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target in the initial public report released on 4 July 2023 continue to apply and have not materially changed. The Company notes that the forward looking financial information relating to the project set out in the 4 July 2023 announcement and this announcement (which underlies the initial Reserve estimation for Great Australia, Taipan and Orphan Shear) will be refined following completion of mining restart studies for the Great Australia Mine.

CONTACT DETAILS

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