

ASX Announcement | ASX: TNC

27 March 2024

TNC Operational Update - Cloncurry Copper Project's Mining Restart

True North Copper Limited (ASX: TNC) (True North, TNC or the Company) is pleased to provide an operational update on the mining restart at its 100% owned Cloncurry Copper Project (CCP).

HIGHLIGHTS

- TNC will commence mining ore at Wallace North in early Q4 FY24 (see Figure 2).
- Mining preparation at Wallace North progressed in March 2024 (as access and mine areas dried after monsoonal rainfall events in February and early March) including the following:
 - Mobilisation of mining equipment and support infrastructure to the Wallace North project site (see Figures 4 & 5).
 - Preparation of existing access and haulage roads for upcoming mining activities (see Figure 3).
 - Completion of short-term mine scheduling by technical service teams.
 - Onboarding of skilled mining fleet operators.
- The mining ramp-up will initially build ore stockpiles, with haulage expected to start in mid-May 2024. Oxide ore will be transported by road train to the Cloncurry Operations Hub's heap leach. Sulphide ore will be transported to a nearby concentrator for toll treatment under TNC's toll-milling agreement with Glencore International AG¹ (Glencore).
- The CCP currently incorporates the Great Australia Mine Reserve³ (includes Great Australia Mine [GAM], Taipan and Orphan Shear deposits) and the Wallace North Reserve⁴ totalling 4.7Mt grading 0.80% Cu and 0.13g/t Au containing 37.5kt of copper and 20.0koz of gold (see Figure 1) at a strip ratio of 4.2².
- The CCP restart plan confirms positive project economics including mine revenue of A\$367M with free cash flow of A\$111M, and a pre-tax NPV₁₀ of A\$88M over a 4.6 year mine life, at USD\$8,500/t Cu price and USD\$1,850/oz Au price (0.7 A\$:USD exchange rate)².

COMMENT

True North Copper's Managing Director, Marty Costello said:

"This is an exciting and transformative phase for TNC. Thanks to the hard work of our Mining Operations Team we are prepared and ready to deliver on our Cloncurry Copper Project Mining Restart Plan with mining commencing at Wallace North in early Q4 FY24.

CCP project economics confirm a robust mining operation that is low risk and low-cost. Projected mine revenue is A\$367M with a free cash flow of A\$111M.

Our plans to develop Mt Oxide into our next mine continue as we finalise the Vero mineral resource re-estimation and optimisation study."

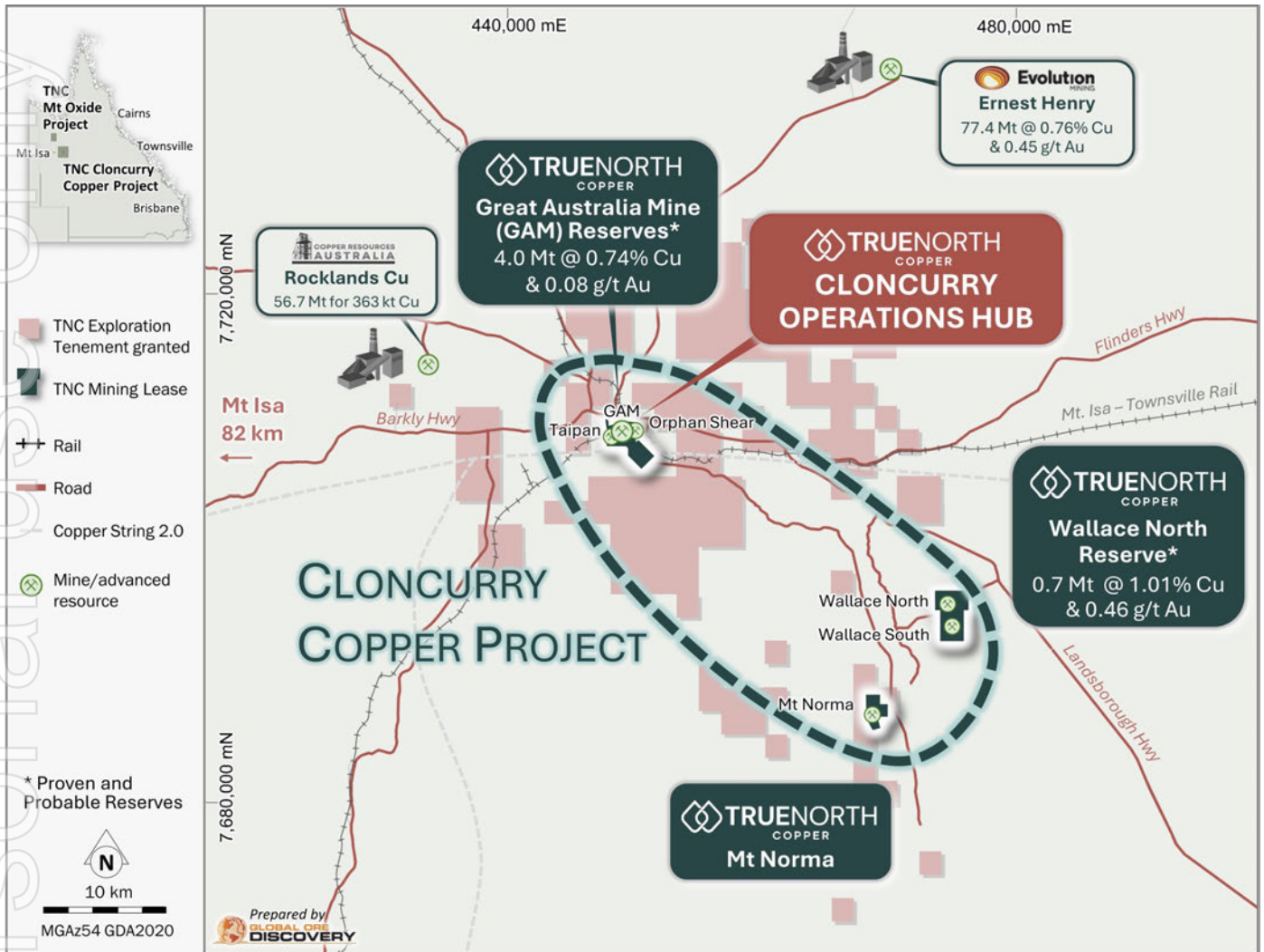


Figure 1. TNC's Cloncurry Copper Project (including current reserves) *see References 3 & 4.

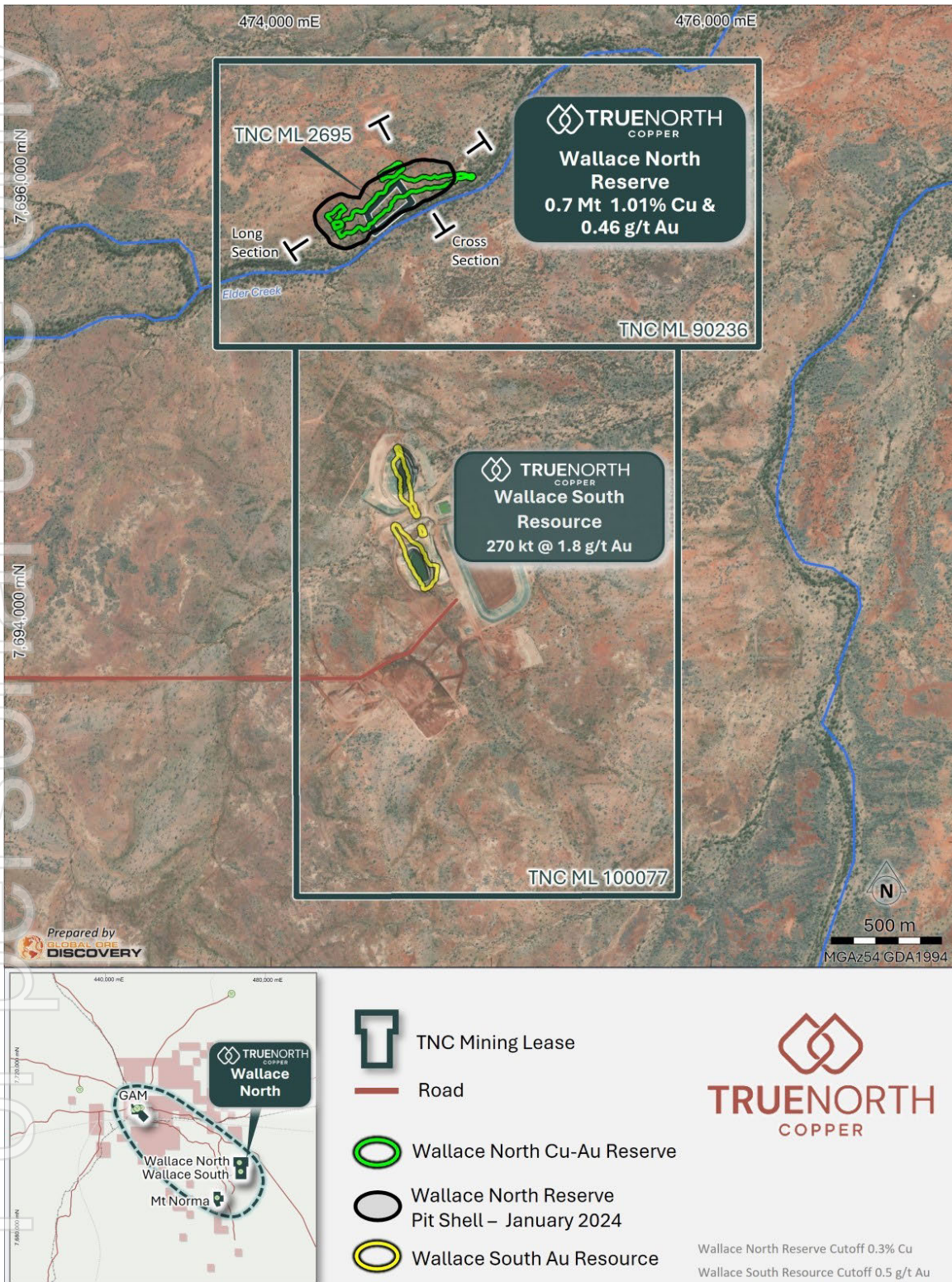


Figure 2. Wallace North copper reserve and pit crest. The Wallace South Gold resource is included for reference.

Cloncurry Copper Project Mining Restart

- Wallace North is located 35km from Cloncurry and is serviced by existing access roads and haulage routes. Environmental permitting and landholder agreements are in place.
- The project is mine ready and survey set-out to the mine footprint occurred this month (March 2024) (once access was gained following suitable access conditions post rainfall events).
- TNC has finalised agreements with a number of mining services contractors. Explosives have been supplied to TNC's existing magazines in preparation for mining at Wallace North.
- Separate mining fleets are being mobilised for Wallace North and GAM mining operations. However, both fleets are supported from TNC's Cloncurry Operations Hub.
- Detailed mine scheduling has been undertaken by Proactive Mining Consultants. Australian Mine Design Pty Ltd (AMDAD) prepared the data required for mining operations.
- TNC's Mining Operations Team is engaged and trained, ready to commence mining.
- Mining rates at commencement are planned at 300ktpa total movement with ore mining volumes increasing over the initial three months.
- Oxide quantities delivered to the Cloncurry Operations Hub are immediately crushed and stacked for leaching.
- Sulphide ore delivery to the toll treatment ROM pad expected to commence during Q4 FY24.
- TNC is paid 70% of the value of the copper metal content present in the ore delivered to the toll treatment ROM pad. Payment occurs three business days post delivery to the ROM pad. Final payment is achieved upon concentrate production¹.



Figure 3. Wallace North Project in preparation for mining (foreground) with Wallace South pits located in the background. Image taken Tuesday 20 March 2024.



Figures 4 & 5. Equipment mobilising to Wallace North in preparation for mining, images taken Tuesday 20 March 2024.

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REFERENCES

1. TNC ASX Announcement, 23 January 2024, TNC secures Glencore partnership for Cloncurry Copper Project.
2. TNC ASX Announcement, 15 February 2024, Mining Restart Study – Positive Cloncurry Project Economics.
3. TNC ASX Announcement, 4 July 2023, Initial Ore Reserve for Great Australia Mine – Updated.
4. TNC ASX Announcement, 6 February 2024, TNC reports Wallace North Maiden Ore Reserve.

All ASX Announcements are available on the Company's website (www.truenorthcopper.com.au) and the ASX website (www.asx.com.au) under the Company's ticker code "TNC".

AUTHORISATION

This announcement has been approved for issue by Marty Costello, Managing Director.

DISCLAIMER REGARDING FORWARD LOOKING STATEMENTS

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

JORC AND PREVIOUS DISCLOSURE

The information in this release that relates to Mineral Resource and Ore Reserve Estimates for Great Australia, Orphan Shear, Taipan, Mt Norma, Wallace North and Wallace South is based on information previously disclosed in the following Company ASX Announcements:

- 28 February 2023, Acquisition of the True North Copper Assets
- 4 July 2023, Initial Ore Reserve for Great Australia Mine – Updated
- 19 January 2024, TNC increases Wallace North Resource
- 6 February 2024, TNC reports Wallace North Maiden Ore Reserve
- 15 February 2024, Mining Restart Study – Positive Cloncurry Project Economics

All these ASX Announcements are available on the Company's website (www.truenorthcopper.com.au) and the ASX website (www.asx.com.au) under the Company's ticker code "TNC".

The Company confirms that it is not aware of any new information as at the date of this release that materially affects the information included in this release 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 release that relates to a production target for the CCP and forecast financial information derived from the production target is based on information previously disclosed in the Company's 15 February 2024 announcement, Mining Restart Study: Positive Cloncurry Project Economics. 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 15 February 2024 continue to apply and have not materially changed.

CONTACT DETAILS

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