



**TRUENORTH**  
COPPER

# Our Mission. Copper And Cobalt, Produced Responsibly





# ACKNOWLEDGEMENT OF COUNTRY

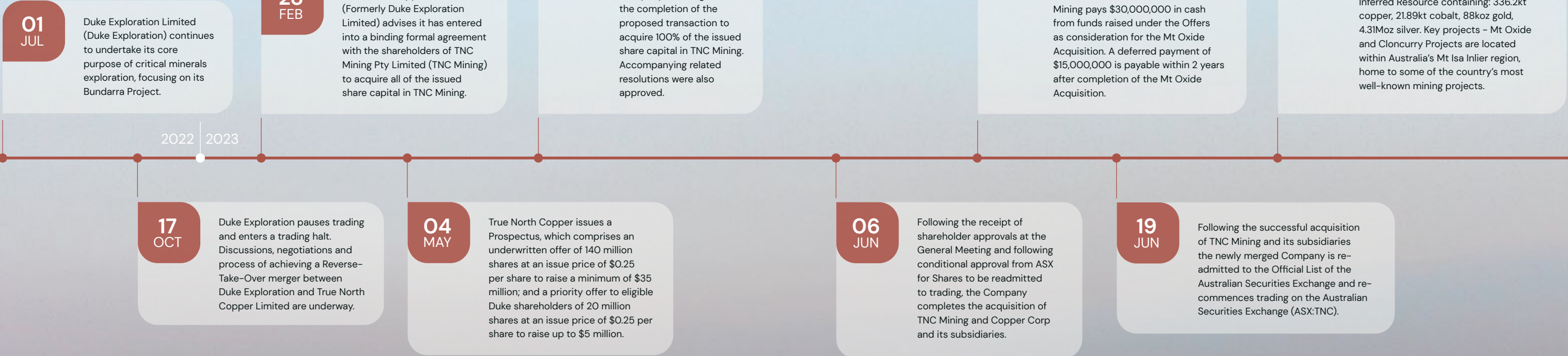
True North Copper respectfully acknowledges the Traditional Custodians of the land on which we work – the Mitakoodi, Kalkadoon and Gimuy Walubara Yidinji people. We pay our respect to all the Mitakoodi, Kalkadoon and Gimuy Walubara Yidinji elders past, present and emerging.

We acknowledge the Traditional Custodians of Country throughout Australia and their many language groups which make up the rich diverse cultures.

We recognise their continuing connection to land, waters and culture and ongoing strength and resilience in sustaining the world's oldest living culture and acknowledge they never ceded sovereignty.

We pay our respects to their elders past, present and emerging, who carry deep knowledge of this land, and as a team commit to being open to receive this knowledge and incorporate it in the work we do.





# FY2023 HIGHLIGHTS & PRIORITIES

## ASX:TNC TRUE NORTH COPPER LISTS ON THE AUSTRALIAN STOCK EXCHANGE

True North Copper is the only copper listing in 2023.

## MT OXIDE PROJECT

TNC's 100% owned Mt Oxide Project is highly prospective and underexplored. During FY23 TNC commenced its exploration program of Mt Oxide – an initial diamond drilling program at the Vero Resource.

Assay results (announced July 2023) from the first drillhole (MOXD217) returned phenomenal results, intersecting 66.5m at 4.95% Cu. A further three holes (MOXD218, MOXD219 and MOXD221) returned assay results (announced August 2023) confirming the Vero Resource hosts large-scale, high-grade copper-cobalt-silver mineralisation.

Assay results will continue to be returned throughout Q4 2023. A re-estimated Vero Mineral Resource will be delivered Q1 2024.

For further information about True North Copper's Resource and Reserve summaries please go to pages 95 to 98 of this report.

## CLONCURRY PROJECT

### Great Australia Mine

An initial JORC 2012 Reserve Statement was prepared by MEC Mining for the Great Australia Mine (GAM) and estimates a reserve of 4.0 million tonnes of ore at 0.74% copper and 0.08g/t gold.

The Great Australia Mine Initial Reserve Statement relates to three identified resources at the Great Australia Mine: Orphan Shear, Great Australia and Taipan (it does not include the Wallace Complex or Mt Norma Mine).

Drilling and IP results commenced FY23 with results (announced in July 2023) revealing significant extension and resource growth potential.

An Advanced Grade Control program commenced FY23 on the Greater Australia Resource and by 30 September 2023 incorporated 132 holes over 9126 meters. The Advanced Grade Control program allows the refinement of mine design and production schedules with a high degree of accuracy.

GAM mining restart studies completion and accompanying mining commencement decision are expected in Q4 2023.

## Wallace Complex (Wallace North, Wallace South, Wallace East)

Resource extension drilling and Induced Polarisation (IP) surveying commenced FY23 at the Wallace North Resource, with results (announced October 2023) identifying multiple open zones of high-grade copper and gold mineralisation including intercepts of 6m @ 12.99g/t Au and 10m @ 2.22% Cu.

Wallace North Maiden Ore Reserve is expected Q1 2024.

## COPPER SULPHATE PRODUCTION STARTS

TNC started refurbishing its copper sulphate crystallisation plant in FY23 with the plant fully operational and copper sulphate production commencing July 2023. Initial production is estimated at 12,000 tonnes of copper sulphate crystal production per annum.

TNC has an exclusive offtake agreement with Kanins International for the life of copper sulphate production from all Queensland sites for the life of copper sulphate production. TNC is paid (100% LME price + premium) for the copper content of each bag. Each bag carries up to 1.25 tonnes of product.

## TRUE NORTH COPPER – RAPIDLY GROWING

True North Copper is experiencing rapid growth. When TNC first debuted on the ASX (19 June 2023), it had less than 20 employees, with this number growing to more than 50 employees by the end of September 2023. TNC anticipates growing to more than 80 once full-scale mining commences, which is estimated to be Q1 2024.



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# CHAIRMAN'S LETTER



Dear Shareholders,

Welcome to all new and previous shareholders to the inaugural annual report from True North Copper. Your company has changed significantly over the year moving from being a small copper explorer with activities in central Queensland to a producer of copper sulphate crystals in NW Queensland and a well-defined pathway to becoming a significant copper producer in the future. The lead up to this transition was long and complex and is worth recapping in some detail.

Your company began the year progressing a detailed and extensive exploration program over the Bundarra Pluton in central Queensland. Over 30,000 metres of drilling and 22,000 soil samples were completed over the highly prospective pluton. Strong evidence of a well mineralised copper system was established from all the exploration activity supported by the maiden Resource at Mt Flora, outlined in the previous year. However, with funds running down combined with a difficult equity market your Board decided to look for a transaction that could lead to near term production and cash flow.

Several opportunities were examined in detail through September and October 2022, in late October 2022 your Directors placed the company (Duke Exploration) into voluntary suspension on the ASX pending the announcement of a significant transaction. In late November 2022, Duke Exploration agreed to acquire True North Copper assets in NW Queensland by way of a Reverse Takeover (RTO) and made the announcement to the ASX and shareholders. Following a detailed due diligence program from both companies and the recognition and advice from the ASX that a full IPO process would be required a binding agreement was signed between the companies at the end of February. It must be said that your Board had initially thought that the whole process of the RTO would have been significantly quicker than what actually transpired. I would like to thank shareholders for their patience as Duke remained in voluntary suspension for several months.

Once shareholders became aware of the high quality of the assets being acquired and of the near term production potential from the assets, support for the transaction was overwhelming with shareholders voting positively for the transaction in May. With a change of name, your company began trading as True North Copper on the ASX in late June. Your company is well placed for the future with copper

sulphate production underway from leaching oxide copper ores and mining studies advanced on a restart of production from the Great Australia mine at Cloncurry. Recent extremely good drilling results from the Vero deposit at Mt Oxide confirm the longer term potential for mining in the future.

In what is a difficult time to recruit good quality people your company through the leadership of Marty Costello our Managing Director has recruited a team that will be able to deliver on our growth opportunities.

I would like to welcome our recently appointed Director, Jane Seawright, to the Board. Jane brings a wide range of knowledge and experience to the Board and I am certain will make a valuable contribution as the company grows. Following an internal review of the Board, I can confirm that I will remain as Chairman of the Board.

In conclusion, I would personally like to thank both Toko Kapea, the former Chairman and Philip Condon, the former Managing Director of Duke for their contribution to the company and ensuring that the merger of the two companies was successfully achieved.

True North Copper is well placed to deliver copper, a key transitional metal, to the market over the coming years and I will look forward to keeping our shareholders fully informed on our progress.

Yours sincerely,

Ian McAleese



# MANAGING DIRECTOR'S LETTER

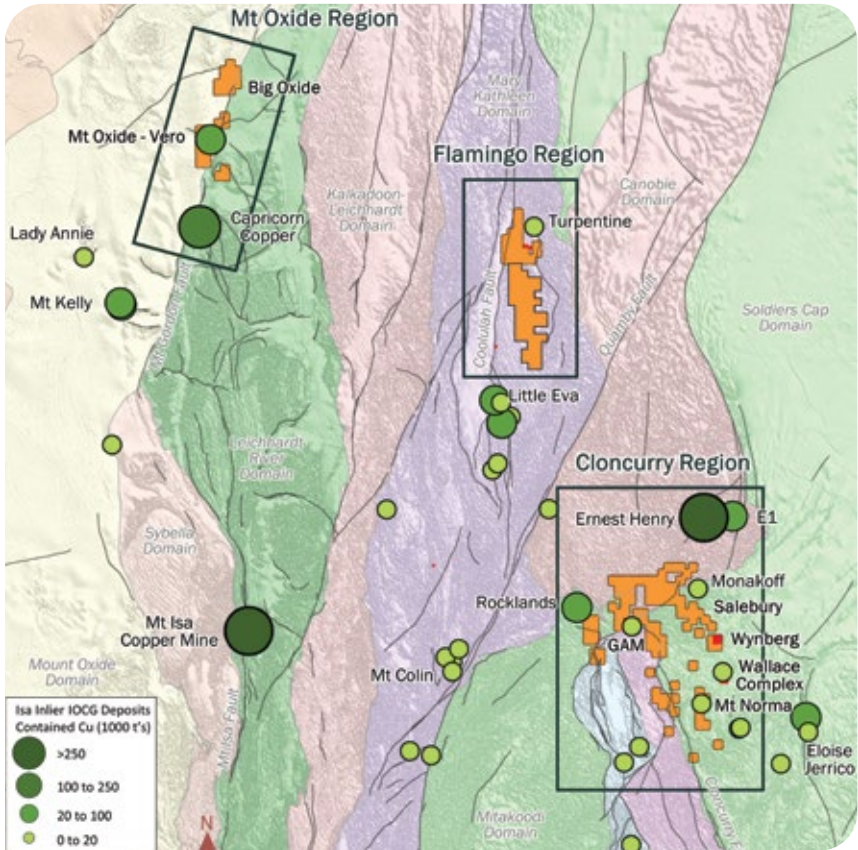
True North Copper listed on the ASX on the 19 June 2023 and we present this annual report during a trajectory of rapid growth.

We are committed to being Australia's next copper producer. Thanks to our discovery and production strategies, and strong results so far, I'm confident TNC will realise copper sulphide production at our Cloncurry Project in the near future.

We commenced copper sulphate production in July 2023, with an estimated initial production of 12,000 tonnes of copper sulphate crystal production per annum. Our exclusive offtake agreement with Kanins International for the life of copper sulphate production from all Queensland sites also ensures a steady and positive associated cashflow during this intensive discovery period.

Our recent ASX listing (the only copper listing on the ASX during the 2023 financial year), marked a significant step in our journey to becoming one of Australia's critical minerals powerhouses.

During June 2023 we used funds from our offering and capitalised on the acquisition of the Mt Oxide copper-cobalt-silver project. Our Mt Oxide Project is a phenomenally mineralised system and we are on track to provide a re-estimation of the Vero Resource based on the results from our 2023 diamond drilling program.



This figure shows the approximate location of True North Copper's projects, resources and exploration targets.



Our continuous exploration endeavours, particularly at Mt Oxide's Vero Resource, aim to further bolster our resource base. Our discovery and production programs and strategies, at both our Mt Oxide and Cloncurry Projects positions TNC, and by extension our shareholders, to be strategically placed to harness the global economic forces driving an imminent global energy shift.

I would recognize our expansion and accomplishments are a direct result of the collective efforts, skills, and experience of our people. We are steadfast in our commitment to fostering a workplace environment that is not only safe but also supportive and inclusive.

As the Managing Director of a new company, I and all the people who make up True North Copper have been provided with a unique opportunity: to collaboratively shape an organisation's culture with every team member. Together, we've laid the foundation of a culture that values its people and their every contribution, ensuring that our collective efforts drive us forward. This shared origin story isn't just about where we began; it's about the positive journey we embark on together, every day.

I also believe our responsible operations extend beyond our mining operations; it's deeply embedded in our commitment to all our stakeholders and communities. From our investors—ranging from institutions to individual shareholders... to the north Queensland local communities that have welcomed us, we understand the trust they've placed in us. We are striving to responsibly provide value to all our stakeholders. I hope this integrity and value is apparent to everyone who connects with True North Copper.

Grade Control			Mining Reserve	Current Life of Mine
Taipan Great Australia Wallace North			Advanced Grade Control Drilling Financial Analysis Mining Studies	Decision to Mine
Wallace South	Wynberg	Mt Norma	Infill & Extensional Drilling Resource Estimation Metallurgical test work	Measured/ Indication & Inferred resource Defined
Salebury	The Greater Australian	Wallace East	Infill & Extensional Drilling	Inferred Resource Defined
Notlor	Winston Churchill	Wallace South Down plunge	Sally	Economic Drill Intercept
Flamingo Region	Salebury Mineral System	Mt Norma Ironstone System	Geochemical Sampling Geological Mapping Geophysical Surveys	Drill Target Defined
Bix Oxide District	Rocklands District	Notlor District	Geophysics Reprocessing Remote Sensing Interpretation Data Compilation Structural fabric Interpretation	Anomaly Defined / Concept Developed & Lease Acquired

This figure represents the development pipeline across True North Copper's resources and exploration targets



# CLONCURRY PROJECT



The Cloncurry Project incorporates a number of 100% owned resources and is centred around the Great Australia Mine complex and its associated infrastructure.

Approximately 90% of the Cloncurry Project's 2012 JORC defined resources are situated on granted mining leases for which TNC has all necessary approvals in place.

The project's global JORC 2012 compliant resources include 99,540 tonnes of copper, 79,500 ounces of gold and 1,860 tonnes of cobalt.

## GREAT AUSTRALIA MINE

The Great Australia Mine is permitted for compliant, sustainable copper oxide and sulphide production.

In June FY23 TNC finalised a JORC 2012 compliant Initial Reserve Statement for the Great Australia Mine that estimates a reserve of 4.0 million tonnes of ore at 0.74% copper and 0.08g/t gold.

Mining restart studies for the Great Australia Mine and a mining recommencement decision are expected in Q4 2023.

### Exploration and development highlights

During FY23 TNC began a drilling and exploration program across the Great Aust Mineralisation ralia Mine Resource which resulted in extending the structurally controlled, down-dip feeder to mineralisation located beneath the Great Australia Mine Pit, with notable intersections of copper mineralisation.

An IP Survey conducted over the Greater Australian Target identified four high-order IP chargeability anomalies, with compelling targets for future drill testing.

## CLONCURRY PROJECT – MULTIPLE EXPLORATION TARGETS

The Cloncurry Project offers high-quality exploration targets on granted mining leases including:

### Wallace Complex

#### Wallace North and South Resources and Wallace East Target

The Wallace Complex is an undeveloped project within trucking distance to the Great Australia Mine, with significant exploration potential and multiple high-grade intersections, including:

12.7 metres at 3.47% copper and 1.82 g/t gold from 37.3 metres

15.9 metres at 2.45% copper and 1.98 g/t gold from 68.1 metres

19 metres at 2.09% copper and 0.74 g/t gold from 29 metres.

During FY23 an exploration program focusing on resource infill and extension drilling commenced across Wallace North.

A Maiden Ore Reserve for Wallace North is expected to be finalised in Q1 2024.

#### Notlor – Advanced Exploration Target

Notlor is an advanced exploration prospect with significant copper intersections along a 2 kilometre trend approximately 9 kilometres from the Great Australia Mine Complex.

#### Mt Norma Resource

Mt Norma is located 40 kilometres by road from the Great Australia Mine Complex. Its total combined inferred and indicated resources are 0.09 million tonnes at 1.76% copper, as well as an insitu stockpile comprising 0.07 million tonnes at 2.08% copper.



### Infrastructure and adjacent community

TNC's Cloncurry Project is located near the Cloncurry township. It also benefits from rail connectivity, sealed roads and affordable grid power.

### Copper Sulphate Production

During FY23 TNC commenced the refurbishment of its solvent extraction and copper sulphate crystallisation plant.

Copper sulphate production restarted July 2023 and TNC has entered into an exclusive offtake agreement with Kanins International for its copper sulphate production in Queensland.

For further information about True North Copper's Resource and Reserve summaries please go to pages 95 to 98 of this report.



### Mining restart and copper sulphide production – Great Australia Mine

True North Copper is focused on the restart of mining at the Great Australia Mine.

Q4 2023 – GAM mining restart studies finalised.

Q1 2024 – Copper sulphide production commences at GAM.

### Wallace Compex – Wallace North reserve development

Q4 2023 – Wallace North resource upgrade

Q1 2024 – Wallace North Maiden Reserve delivered

### Greater Australia Target Drilling Program

Q2 2024 – Drilling program across the Greater Australian Target to define additional copper mineralisation and further test the hypothesis of a deep feeder to the Great Australia Mine Complex Copper System commences.

### Exploration programs across resources and advanced exploration targets

Q3 – Q4 2024 exploration programs commence across

- | Notlor Advanced Exploration Target
- | Tanbah Advanced Exploration Target
- | Salebury Resource (2004 JORC)

### Copper sulphate production

Q4 2023 – Daily production will increase until targeted daily capacity of 25 bags per day is achieved.





# MT. OXIDE PROJECT

Highly prospective and underexplored, Mt Oxide hosts extensive corridors, including the 11-kilometre copper-cobalt-lead-zinc Mt Oxide corridor and the 8-kilometre lead-zinc (copper-cobalt) Big Oxide corridor.

Both corridors offer multiple targets for resource expansion. Additionally, the

project has considerable development potential. It is open along-strike, in both directions, and to-depth.

TNC is rapidly advancing its knowledge of the Mt Oxide Project's phenomenally mineralised system and using this information to develop mining studies and find new discoveries.



This figure shows the visually impressive copper mineralisation, from the end of drill core, from drillhole MOXD217 (250.18m), it provides also a close-up of covellite, bornite, and pyrite mineralisation.



## ABOUT THE MT OXIDE PROJECT

Consists of three exploration permits about 140km north of Mt Isa in Queensland and 24km north of the Capricorn Copper Mine owned by 29Metals Ltd (ASX: 29M), and situated within the Mt Isa Inlier, specifically in the Western Succession part of the belt.

Features significantly sized, high-grade copper with cobalt and silver mineralisation.

Part of the Mt Oxide Project is the Vero Resource. The Vero Resource contains a 15.98Mt at 1.43% copper and 6.91g/t gold combined Measured, Indicated and Inferred Resource and a separate 9.15Mt at 0.23% cobalt total combined Measured, Indicated and Inferred Resource.

The Vero Resource has undergone more than 110,000 metres of historical drilling which has helped TNC confirm its prospectivity and potential with a high degree of confidence.

Mt Oxide benefits from the presence of an existing exploration camp as well as proximity to the Capricorn Copper Mine's processing plant and power grid.

## 2023 DISCOVERY PROGRAM AND RESULTS

Since 2011 there has been no field work conducted over the Mt Oxide Project. During FY23 TNC commenced an initial 12-hole diamond drilling program at Mt Oxide designed to confirm historical high-grade intersections and test the depth and strike extensions to the existing Vero Resource.

TNC has had tremendous outcomes from the first five holes. These drill results not only returned superb grades but also showcase the expanding nature of the Vero high-grade ore body.

TNC's initial drillhole - MOXD217 - had an estimated true width of nearly 50m at 4.95% copper. Further results include an intersection of 7.65% copper over 4m downhole and continue to demonstrate the high-grade nature of copper mineralisation in the area and further extension of the Vero Resource's high-grade ore body.

For further information about True North Copper's Resource and Reserve summaries please go to pages 95 to 98 of this report.



Developing and mining the Mt Oxide Project, as quickly and efficiently as possible, is a core critical priority for TNC.

The first round of TNC's diamond drilling program was completed in October 2023 with a total of 3,955 meters of diamond drilling undertaken.

Existing results reveal phenomenal mineralisation.

TNC is currently awaiting further assay results.

TNC is focused on key strategic future priorities across the Mt Oxide Project including:

**Q4 2023** – Receive remaining assay results from the initial Vero Diamond Drilling Program. Undertake analysis of these results.

**Q4 2023** – Continue scoping and feasibility studies focusing on the Vero Resource.

**Q4 2023** – Undertake airborne geophysical surveying across key exploration targets across Mt Oxide Project.

**Q4 2023** – Undertake extensive mapping program focusing on prospective analysis.

**Q1 2024** – Re-estimation of the Vero Resource.

**Q4 2023 – Q2 2024** – Mt Oxide is an extensive exploration land package that is underexplored. TNC will develop further exploration programs across key exploration targets.

**Q2 2024 – Q4 2024** – Commence further exploration programs across identified exploration targets across Mt Oxide Project.





# PEOPLE & CULTURE

During FY23 TNC has been actively engaged in recruiting and structuring its growing workforce. This will continue to be a main focus in this significant growth period.

When TNC first debuted on the ASX (19 June 2023), it had less than 20 employees, with this number growing to more than 50 employees by the end of September 2023. TNC anticipates growing to more than 80 once full-scale mining commences, which is estimated to be Q1 2024.

## FUTURE PRIORITIES

Developing policies and strategies that:

- Facilitate the recruitment of high-calibre people that reflect the diversity of the communities TNC operates within.
- Incentivise people to live locally and/or within Far North Queensland.
- Create a safe, supportive and welcoming workplace that respects and rewards people's contributions.
- Make sure real-life is recognised and help create flexible, responsible and empathetic working practices from day-one.

# SAFETY

At the end of FY23 TNC had zero Lost Time Injuries and zero at the end of 30 September 2023.

Safety is not just a priority for TNC but it is also a core value that guides every decision the company makes. As TNC moves forward it will continue to invest in safety initiatives, technology and training measures. Investments that reflect TNC's commitment to creating a safe workplace and reducing the risk of incidents.

## SAFETY INITIATIVES

TNC is working throughout Q3-Q4 of 2023 and beyond to achieve a number of safety initiatives including:

### Transition to INX InControl Integration

TNC's transition to the INX InControl system is another part of its safety enhancement efforts and strategy to achieve best practice across safety protocols and procedures and ensure a secure and compliant work environment.

### Fair and Just Culture / Reporting Culture

TNC is diligently working on the implementation of what it has termed as a Fair and Just Culture, fostering a reporting culture that encourages individuals to report safety concerns without the fear of reprisal. This initiative underscores TNC's dedication to continuous improvement in safety practices.

### Back to Basics (Site-Based Initiative)

TNC's Back to Basics initiative is centered around the fundamental aspects of mining safety. It places a heightened focus on core elements such as Personal Protective Equipment (PPE), Safe Work Instructions (SWI) compliance, pre-start checks, "Take 5" risk assessments, and adherence to established procedures. This initiative reaffirms the Company's commitment to the foundational principles of safety in mining operations.





# ENVIRONMENTAL, SOCIAL & GOVERNANCE FRAMEWORKS & REPORTING

TNC is committed to the principles of Environmental, Social Governance (ESG) as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations' Sustainable Development Goals. In September 2023, TNC made a commitment to commence reporting on the ESG disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF).

TNC has commenced the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on people, planet, prosperity and principles of governance that organisations can report on regardless of industry or region.

To track disclosure progress and demonstrate sustainability performance against the WEF SCM framework, TNC's uses Socialsuite's ESG reporting disclosure platform. This enables TNC to demonstrate its ongoing commitment to ESG by providing a dedicated solution to track, report, and share ESG disclosures. TNC has started the journey of building robust ESG credentials and plans to release ESG specific updates in the coming months.

TNC plans to assess climate risk through the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The TCFD calls for companies to disclose information on climate-related risks and opportunities around four pillars of governance, strategy, risk management and metrics and targets.

The release of a new globally consistent reporting standard from the International Sustainability Standards Board (ISSB) (who will eventually monitor climate-related disclosures of the TCFD), is also being incorporated into TNC's implementation plan for climate-related risk and opportunity disclosures which will be rolled out over the coming months.



# FINANCIAL REPORT

## SEPTEMBER 2023

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DIRECTORS' REPORT

Your Directors present their report on the Consolidated Entity consisting of True North Copper Limited (“TNC” or “Company”), formerly Duke Exploration Limited, and the entities it controlled (together referred to as the “Consolidated Entity” or “Group”) at the end of, or during, the year ended 30 June 2023.

DIRECTORS

The following persons were directors of True North Copper Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ian McAleese, Independent Non-Executive Chairman

Age: 70  
Appointed: 22 June 2020  
Qualifications: B.Sc, GAICD, MAusIMM

Mr Ian McAleese is an Investor Relations specialist with a geological background and professional investment experience. He has a broad range of experience in the mining industry having recently worked for Whitehaven Coal as GM Investor Relations for over six years. Previously he worked for Queensland Investment Corporation as a Portfolio Manager responsible for the mining section of the portfolio.

Martin Costello Managing Director

Age: 41  
Appointed: 26<sup>th</sup> May 2023

Martin has more than 20 years' professional experience and is recognised as one of Australia's leading project development and sustainability strategists across the resource sector.

Martin co-developed a leading mining advisory business, Northern Resource Consultants which merged with multi-national consulting group SLR Consulting to strengthen their advisory business. During his consulting life, Martin was retained by Evolution Mining over an 8 year period to provide strategic project development, ESG advice to the board and executive management team.

Recently, Martin has held executive and non-executive management roles with a number precious and base metal companies.

Martin holds a Bachelor of Applied Science and Diploma of Applied Science. Martin is a member of a number of professional institutions including the Australian Institute of Mining and Metallurgy.

Paul Frederiks, CFO and Company Secretary

Age: 62  
Appointed: 11 July 2017  
Qualifications: B.Bus. (Acc), FCPA, FGIA, FAICD

Paul Frederiks has extensive experience in public company financial and secretarial management with more than 35 years' experience in the Australian resources sector. He held the position of Company Secretary and Chief Financial Officer of Ross Mining NL for over eight years until 2000 and Company Secretary and Chief Financial officer of Geodynamics Limited for 10 years until 2012 and Company Secretary and CFO of Auzex Resources Limited, then Auzex Exploration Limited and then Explaurum Limited from 2005 until 2019. He also has expertise in ASX listed public company reporting, financial modelling and forecasting, treasury management and hedging, project financing and corporate governance.

Paul established his own consultancy in 2000 providing company financial and secretarial services to both listed and unlisted public companies. In addition to the positions outlined above, he was formerly Company Secretary of Billabong International Limited from 2000 to 2004 and CFO and Company Secretary of Discovery Metals Limited from October 2012 to August 2014.

Tim Dudley: Non Executive Director

Age: 44  
Appointed: 6 June 2023

Mr Dudley has over 20 years of mining and finance experience, including working with investment firms and supporting emerging mining companies. Mr Dudley is a mining engineer who has worked for Anglo American, Shell, and Peabody Mining Services in Australia.

Mr Dudley moved to the UK in 2006 and worked as a mining analyst at Arbutnot Securities and then Collins Stewart (now Canaccord Genuity), eventually leaving as Head of Mining Research in London, where he was responsible for analysing mines and projects globally and providing mining sector research coverage.

Mr Dudley has a Bachelor of Engineering in Mining (Hons.) from the University of Queensland, a Masters of Professional Accounting from the University of Southern Queensland, and has completed an Anglo American Management Development Program at the University of Stellenbosch Business School.

Mr Dudley joined Tembo Capital in 2014. Tembo Capital is a leading mining-focused private equity group which has a strong track record of identifying and supporting emerging resource companies. Mr Dudley was appointed Partner at Tembo Capital in 2021.

Jane Seawright: Independent Non Executive Director

Age: 66  
Appointed: 5 July 2023

Ms Seawright is an experienced corporate and commercial lawyer, corporate governance advisor and business development leader.

For more than 35 years she has advised listed and unlisted companies in corporate governance, capital raising, financing, commercial agreements and arrangements, intellectual property and commercialisation. She has a track record of success in leading and supporting boards and management through periods of growth and significant change.

Ms Seawright has substantial board and senior executive experience across a range of environments, including the not-for-profit sector, and specifically in the arts, sport, mining, health and research sectors.

She is currently Chair of TAFE Queensland, a non-industry board member of Racing Queensland and a non-executive director of Netball Australia, Queensland Capacity Network Pty Ltd and The Australian Festival of Chamber Music, where she is the Deputy Chair. Jane is also a Conduct Commissioner for Cricket Australia and an inaugural Member of the National Sports Tribunal.

Ms Seawright holds a Bachelor of Laws (Hons), Bachelor of Arts, and a Master of Business. She is a Fellow of the Australian Institute of Company Directors, admitted as a Legal Practitioner of the Supreme Court of Queensland, and a member of the Queensland Law Society.

Toko Kapea, Independent Non-Executive Director (Former)

Age: 56  
Appointed: 11 July 2017  
Resigned: 26 May 2023  
Qualifications: BA, LLB

Mr Toko Kapea is a Wellington (New Zealand) based director, commercial lawyer and consultant. Toko is a director of Tuia Group Limited and a partner in Tuia Legal. He is a director of Television New Zealand (the state-owned broadcaster). He was previously chairman of Bathurst Resources Ltd (NZ's largest coal mining company and also ASX listed) from May 2013 to June 2021. He has held legal roles in-house at Meridian Energy, Bank of New Zealand, St. George Bank NZ and ANZ. Mr Kapea was also an independent committee member of the Banjima Direct Benefits Trust in Perth, Western Australia.



Philip Condon, Managing Director (Former)

Age: 58  
Appointed: 26 April 2021  
Resigned: 31 March 2023  
Qualifications: BE (mech), MBA

Philip Condon's career of 35 years spans across primary, secondary, and tertiary industry, from hands on site-based roles through to the corporate board rooms of several private and public listed (Toronto, London, Australia) companies.

Philip's past roles and responsibilities have included precious metals and base metals mining operations, mine project development/construction and mineral exploration at senior corporate management (CEO, President, Non-Exec Directorships), project management, engineering, and operations management, in Australia, Asia, Middle East and Africa.

DIRECTOR INTERESTS IN THE SHARES AND OPTIONS OF THE CONSOLIDATED ENTITY

As at the date of this report, the interests of the Directors in the shares and options of True North Copper Limited are shown in the table below:

Director	Fully Paid Ordinary Shares	Options
Ian McAleese	296,362	708,952
Martin Costello	8,576,928	2,700,000
Tim Dudley	-	-
Paul Frederiks	961,590	1,135,807
Jane Seawright	-	-

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2023 and the number of meetings attended by each Director.

	Directors Meetings	
	Meetings attended	Eligible to attend
Ian McAleese	15	15
Martin Costello	4	4
Paul Frederiks	15	15
Tim Dudley	3	3
Jane Seawright	-	-
Toko Kapea	13	13
Philip Condon	9	9

CORPORATE STRUCTURE

True North Copper Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office is Level 9, Citi Central Tower, 46-48 Sheridan Street, Cairns QLD 4870. It was incorporated on 26 April 2006.

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.

REVIEW OF OPERATIONS

During the year, the Company was engaged in mineral exploration for metals in Australia. A review of the Company's operations, including information on exploration activity and results thereof, financial position, strategies and projects of the Company during the year ended 30 June 2023 is provided in this Financial Report. The Company's financial position, financial performance and use of funds information for the financial year is provided in the financial statements that follow this Directors' Report.

As an exploration and development entity, the Company has no operating revenue or earnings and consequently the Company's performance cannot be gauged by reference to those measures. Instead, the Directors consider the Company's performance based on the success of exploration activity, acquisition of additional prospective mineral interests and, in general, the value added to the Company's mineral portfolio during the course of the financial year.

Whilst performance can be gauged by reference to market capitalisation, that measure is also subject to numerous external factors. These external factors can be specific to the Company, generic to the mining industry and generic to the stock market as a whole and the Board and management would only be able to control a small number of these factors.

The Company's business strategy for the financial year ahead and, in the foreseeable future, is to focus on exploration, evaluation and development activity on the Company's newly acquired suite of projects in the Cloncurry region of North Queensland, identify and assess new mineral project opportunities and review development strategies where individual projects have reached a stage that allows for such an assessment. Due to the inherently risky nature of the Company's activities, the Directors are unable to comment on the likely results or success of these strategies.

Corporate

In the 12 months to June 2023, True North Copper Limited has made considerable progress. The key achievements and progress made during the period were as follows:

- On 28 February 2023, True North Copper Limited (Formerly Duke Exploration Limited) (TNC or Company) advised that it had entered into a binding formal agreement with the shareholders of TNC Mining Pty Limited (TNC Mining) to acquire all of the issued share capital in TNC Mining. TNC Mining holds a portfolio of advanced copper and gold assets within the world class copper belt of the Mt Isa Inliers.
- On 4 May 2023, TNC issued a Prospectus, which comprised an underwritten offer of 140 million shares at an issue price of \$0.25 per share to raise a minimum of \$35 million; and a priority offer to eligible Duke shareholders of 20 million shares at an issue price of \$0.25 per share to raise up to \$5 million.
- On 26 May 2023, shareholders voted to approve a significant change to the nature and scale of activities of the Company resulting from the completion of the proposed transaction to acquire 100% of the issued share capital in TNC Mining. Accompanying related resolutions also approved by shareholders at the same time comprised:
  - Approval of a consolidation of existing Duke Exploration share capital on a ratio of 2.269375974 to 1;
  - Approval to issue 263,234,428 shares to the shareholders of TNC Mining and Copper Corp in consideration for the proposed transaction.
  - Approval of the issue of shares under the Prospectus;
  - Approval to allow directors to participate in the Prospectus offer;
  - Approval to change the name of the Company from Duke Exploration Limited to True North Copper Limited;



- Approval to replace the Company's Constitution;
- Approval to increase the total Aggregate remuneration of non-executive directors to \$450,000 per annum;
- Approval for the appointment of directors Martin Costello and Tim Dudley;
- Approval to adopt a new Employee Securities Incentive Plan;
- Approval to issue Performance Options to Directors; and
- Approval to issue shares to Global Ore Advisory Pty Limited for technical services provided.
- On 6 June 2023 following the receipt of shareholder approvals at the General Meeting and following conditional approval from ASX for Shares to be readmitted to trading, the Company completed the acquisition of TNC Mining and Copper Corp and its subsidiaries.
  - A total of 149,388,400 Shares were issued to successful applicants under the Prospectus Offers, raising \$37,347,100 (before costs);
  - The TNC Mining acquisition and the Copper Corp acquisition completed successfully, and the Company issued a total of 247,234,428 Shares to the shareholders of TNC Mining and 16,000,000 shares to the shareholders of Copper Corp; and
  - 2,571,429 Shares were issued to Global Ore Advisory Pty Limited (as a nominee of Global Ore Discovery Pty Ltd).
- On 6 June 2023, TNC Mining a subsidiary of True North Copper Limited had completed the Acquisition of Exploration Assets at Mt Oxide. The Mt Oxide Project complements the existing Cloncurry Project and comprises three exploration permits located approximately 140km North of Mt Isa in Queensland. TNC Mining paid \$30,000,000 in cash from funds raised under the Offers as consideration for the Mt Oxide Acquisition. As outlined in the Prospectus, a deferred payment of \$15,000,000 is payable within 2 years after completion of the Mt Oxide Acquisition, which the Company expects to fund through a combination of debt and equity to be raised at a later date, during the second year after completion.
- Following the successful acquisition of TNC Mining and its subsidiaries the newly merged Company was re-admitted to the Official List of the Australian Securities Exchange and re-commenced trading on the Australian Securities Exchange on 19 June 2023.

### Post Take Over

The Company aims to be Australia's next copper producer via its Queensland-based portfolio of copper and cobalt assets. TNC expects first sales from copper sulphate production in Q3 CY 23 with copper concentrate production anticipated to restart immediately following completion of a restart study due Q4 CY23 (subject to technical studies confirming the financial viability of the project and further financing if required for capex/opex requirements). TNC's project portfolio includes the Cloncurry Hub, a package consolidated from various vendors centred around the Great Australia Mine Complex and associated infrastructure currently on care and maintenance, and its recently acquired Mt Oxide Project, which was held by Perilya Limited since the mid-1980s.

### Highlights

- Refurbishment of the SX plant at the Great Australia Complex (part of the Cloncurry Hub) was recently completed on budget and commissioning is underway.
- Grade control and exploration drilling at Great Australia and Mt Oxide started in May and is on-going.
- Mining restart studies for open pit mining of copper sulphide orebodies at Great Australia Mine is expected Q3 CY23.
- The Company conducted in May 2023 a two hole resource extension diamond drilling program near its Great Australia Resource, located on TNC's 100% owned Cloncurry Project. Drilling across both holes (GAD014 and GAD015) encountered large zones of visible copper sulphide mineralisation of the Great Australia Resource dipping towards the Greater Australian Target area.

- On 27 June 2023 followed by another announcement on 4 July 2023 the Company announced it had finalised a JORC 2012 compliant Initial Reserve Statement for the Great Australia Mine, part of its 100% owned Cloncurry Project in Queensland, as it progresses mining restart studies for the project.

### FINANCIAL RESULTS

#### Loss for the period

During the financial period the Consolidated Entity's incurred a loss of \$34,046,523 (2022: \$3,711,592)

#### Revenue

The Consolidated Entity's generated \$1,492,504 in revenue from an agreement with Tombola Tenements Pty Ltd to provide gold processing plant facilities available to the hirer for processing their gold ore stockpile. The gold processing plant facilities were sold during the period.

No other material revenues were generated during the year.

#### Expenses

The Consolidated Entity's expenses during the year were as follows:

Employee expenses	783,708
Consultant and advisory expenses	1,764,865
Fuel expenses	421,995
Consumable expenses	320,302
Environmental compliance expenses	803,309
Contractor expenses	1,680,105
Movement in environmental rehabilitation provisions	(457,499)
Administration and corporate compliance expenses	2,877,765
Listing expense arising on deemed acquisition	7,219,715
Exploration expenditure – Mt Oxide	11,929,435
Exploration expenditure – CopperCorp	8,091,810
Finance costs	98,695
Depreciation and amortisation	143,011
Share based payments	48,386
Impairment of receivables	239,204
<b>Total expenses</b>	<b>35,964,806</b>

The following expenses directly arose from the True North Copper transaction and the acquisitions of Mt Oxide and CopperCorp.

Listing expense arising on deemed acquisition	7,219,715
Exploration expenditure – Mt Oxide	11,929,435
Exploration expenditure – CopperCorp	8,091,810
	<b>27,240,960</b>

These are considered one-off in nature and will not be incurred moving forward.

#### Liquidity and Financing

As at 30 June 2023 the Consolidated Entity had cash reserves of \$3,491,460 and net current liabilities of \$9,880,559.

The Consolidated Entity requires further capital to fund future exploration and development activity and meet other necessary corporate expenditure.

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



the following conditions:

- The ability to generate revenue from copper sulphate production at its Cloncurry project in a manner that generates sufficient operating cash inflows;
- The successful exploration and subsequent exploitation of the Consolidated Entity's tenements;
- Continued support from its major shareholder, including an assumption that the working capital loan will be converted to equity;
- Continued support from Dyda Property Management, including extending the terms of repayment on the short-term working capital facility;
- The ability of the consolidated entity to raise sufficient capital as and when necessary

ENVIRONMENTAL REGULATION AND PERFORMANCE

True North Copper Limited is committed to the effective environmental management of all its exploration and development activities. The Company recognises that its field exploration is a temporary land use and is associated with a range of potential environmental impacts. Prior to commencement of operations, site planning must recognise these potential impacts and lead to the development of effective strategies for their control. During operations, the successful implementation of these strategies is a principal objective of site management. Following decommissioning, the site must be left in a safe and stable state, with all disturbed land successfully rehabilitated to an agreed standard.

The Company has an Environmental Policy in place that explains the site requirements to achieve these objectives including operating in accordance with a site environmental management plan and identification and management of environmental risk and liability. The Company's activities are subject to compliance with various laws including State and Commonwealth laws relating to the protection of the environment and aboriginal culture and heritage, native title and exploration for minerals. At the time of writing, the Company was not in breach of any environmental regulations regarding any field work undertaken on its exploration tenements.

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year, the Company completed a Reverse Takeover Transaction whereby it acquired all of the issued share capital in TNC Mining Pty Ltd. The Company announced this transaction on 28 February 2023 and advised that it had entered into a binding formal agreement with the shareholders of TNC Mining to acquire all of the issued share capital in TNC Mining. TNC Mining holds a portfolio of advanced copper and gold assets within the world class copper belt of the Mt Isa Inliers.

As part of the aforementioned transaction, the Company issued a Prospectus on 4 May 2023, which comprised an underwritten offer of 140 million shares at an issue price of \$0.25 per share to raise a minimum of \$35 million; and a priority offer to eligible Duke shareholders of 20 million shares at an issue price of \$0.25 per share to raise up to \$5 million.

On 26 May 2023, shareholders voted to approve the aforementioned transaction via a suite of related resolutions that included a significant change to the nature and scale of activities of the Company.

The acquisition of TNC Mining resulted in TNC Mining shareholders holding a controlling interest in TNC after the transaction. This transaction did not meet the definition of a business combination in AASB 3 Business Combinations. The transaction has therefore been accounted in accordance with AASB 2 Share-based Payment and has been accounted for as a continuation of the financial statements of TNC Mining together with a deemed issue of shares. The deemed issue of shares is, in effect, a share-based payment transaction whereby TNC Mining is deemed to have received the net assets of TNC, together with the listing status of TNC.

Because the financial statements represents a continuation of the financial statements of TNC Mining, the

principles and guidance on the preparation and presentation of the financial statements in a reverse acquisition set out in AASB 3 have been applied as follows:

- fair value adjustments arising at acquisition were made to TNC's assets and liabilities, not those of TNC Mining.
- the equity structure (the number and type of equity instruments issued) at the date of the acquisition reflects the equity structure of TNC, including the equity instruments issued to effect the acquisition;
- accumulated losses and other equity balances at acquisition date are those of TNC Mining;
- the results for the year ended 30 June 2023 comprise the consolidated results for TNC Mining together with the results of the wider TNC group from 6 June 2023;
- the comparative results represent the consolidated results of TNC Mining only;
- the cost of the acquisition, and amount recognised as contributed equity to affect the transaction, is based on the deemed number of shares that TNC Mining would have needed to issue to give the shareholders of TNC the same shareholding percentage in the Combined Entity that results from the transaction; and
- a share-based payment transaction arises whereby TNC Mining is deemed to have issued shares in exchange for the net assets of TNC together with the listing status of TNC. The listing status does not qualify for recognition as an intangible asset and the relevant cost has therefore been expensed as a listing expense.

For further information on this transaction, refer to the Review of Operations above.

LIKELY DEVELOPMENTS AND FUTURE OPERATIONS

The activities of the Company will be focussed on progressing re-commencement of Mining at the Great Australia Mine at Cloncurry in North Queensland during the 2023 -2024 financial year. The Company continues to monitor market conditions and respond to significant changes in circumstances as and when they may arise such as reduced scope of works, pausing part/all drilling, etc. In addition the Company will be strategically opportunistic in assessing new opportunities which are presented to the Company or which it becomes aware of in its own right. An advancement of any opportunity could be via outright purchase, farm-in, takeover, merger etc.

The Directors are unable to comment on the likely results from the Company's planned activities in North Queensland due to the speculative nature of such activities.

BUSINESS RISKS

TNC's activities are subject to numerous risks, mostly outside the Board's and management's control. These risks can be specific to TNC, generic to the mining industry and generic to the stock market as a whole. The key risks, expressed in summary form, affecting TNC and its future performance include but are not limited to:

- Exploration Risk
- Future Funding Risk
- Regulatory Risk
- Resource Estimate Risk
- Availability of Equipment and Contractors
- Key Personnel Risk
- Metal Market Conditions and Currency Risk
- Limited Operating History
- Climate-related Risk

This is not an exhaustive list of risks faced by the Company or an investment in it. A discussion on each of these named risk factors is outlined below:

Exploration Risk

The success of TNC depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the TNC's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its



exploration activities. Exploration on TNC's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of TNC and possible relinquishment of the tenements. The exploration costs of the TNC are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect TNC's viability. If the level of operating expenditure required is higher than expected, the financial position of TNC may be adversely affected. TNC may also experience unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

The company intends to mitigate the risk by comprehensive Geological Surveys which includes analysing rock formation, mineralisation patterns and historical data. At the same time the use of advance data analysis and geological modelling techniques will be helpful to identify potential mineral deposits more accurately. The company also intend to spread exploration efforts across various projects in the regions to diversify risk. The use of innovative technologies, such as remote sensing, drones and geophysical surveys will improve and enhance exploration efficiency and accuracy

#### Future Funding Risk

TNC's ongoing activities are expected to require further equity funding in the future and any additional equity funding may be dilutive to shareholders, may be undertaken at lower prices than the current market price. Although the Directors believe that additional capital can be obtained, no assurances can be made, especially given the impact of the COVID-19 pandemic, that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If TNC is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its exploration activities and this could have a material adverse effect on the Group's activities and could affect the Group's ability to continue as a going concern.

Mitigating future funding risk is essential for the sustainability of the group, as exploration and evaluation phase requires significant capital. The company will adopt the following strategies:

- Develop good financial plans and budgets that account for exploration, development and operational expenses and review for accuracy.
- Explore financing agreements such as off-take agreements, working capital facility with financial institutions.
- Evaluate the potential to monetize non-core assets to generate funds for operations.
- Strike a balance between future capital raise when necessary and preserve equity value for shareholders.

#### Regulatory Risk

TNC's operations are subject to various Commonwealth, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that TNC will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, TNC may be curtailed or prohibited from continuing or proceeding with exploration. TNC's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising TNC's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of TNC. It is also possible that, in relation to tenements which the TNC has an interest in or will in the future acquire such an interest in, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of TNC to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected. TNC may also be unable to obtain land access from landowners due to an inability to negotiate an agreed Conduct and Compensation Agreement.

The company will consult/ engage professionals well-versed in various laws to ensure compliance. It will also foster positive relationships with regulatory authorities and address concerns proactively. It will also seek the support of local community which is essential for operations.

#### Resource Estimate Risk

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect TNC's future plans and ultimately its financial performance and value. Copper and gold price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

The resource estimate is currently carried out by professionals and who will verify accuracy and reliability. The group will continue additional drilling programs to refine resource estimates and increase confidence levels and utilize advanced geophysical and geological techniques for more accurate resource assessment.

#### Availability of Equipment and Contractors

In the past two years various equipment and consumables, including drill rigs and drill bits, was in short supply. There was also high demand for contractors providing other services to the mining industry. The COVID-19 pandemic has only served to exacerbate these issues. Consequently, there is a risk that TNC may not be able to source all the equipment and contractors required to fulfil its proposed activities. There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of TNC's activities.

#### Key Personnel Risk

In formulating its exploration programs and business development strategies, TNC relies to a significant extent upon the experience and expertise of the Directors and management. A number of key personnel are important to attaining the business goals of TNC. One or more of these key employees could leave their employment, and this may adversely affect the ability of TNC to conduct its business and, accordingly, affect the financial performance of TNC and its share price. Recruiting and retaining qualified personnel are important to TNC's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong.

To reduce the impact of personnel turnover, company will have a proper succession planning to ensure smooth transition in case of key personnel departures and at the same time invest in ongoing training and development for key personnel to enhance their skills and knowledge. The company will also implement measures to retain top talent such as competitive compensation and positive work environment.

#### Metal Market Conditions and Currency Risk

The copper and cobalt industries are competitive. There can be no assurance that copper, cobalt and gold prices will be such that TNC's existing resource and any future resources can be converted to an economic reserve and mined at a profit. Copper and cobalt prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. These fluctuations were exacerbated by the worldwide spread of the COVID-19 virus and at this stage, forecast recoveries from the impact of the virus are speculative. Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.

The company has in place procedures to monitor the copper prices and also receives a monthly update from institutions on Metals market. The company has signed an off-take arrangement for sale of copper sulphate and will be entering into a long-term contract for sale of copper concentrate. It will endeavour to maintain low production costs to withstand fluctuations in metal prices.

Proper mitigation steps such as forward contracts and treasury management will be implemented at an appropriate time, which will help the company to manage and optimise the cash flow and manage currency exposures efficiently. It will also engage foreign currency desk to seek advice and provide insights and strategies tailored to company's requirement.

#### Limited Operating History

TNC has limited operating history on which it can base an evaluation of its future prospects. If TNC's business model does not prove to be profitable, investors may lose their investment. TNC's historical financial information is of limited value because of the Company's lack of operating history and the emerging nature of its business.



The prospects of TNC must be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

Climate-related Risk

With growing pressure from investors, governments, customers and the community for businesses to assess and reveal their climate-related risks, True North Copper plans to also assess climate risk through the recommendations of the Task Force on Climate-related Financials Disclosures (TCFD). The TCFD calls for companies to disclose information on climate-related risks and opportunities around four pillars of governance, strategy, risk management and metrics and targets. With the recent release of a new globally consistent reporting standard from the International Sustainability Standards Board (ISSB) who will eventually monitor climate-related disclosures of the TCFD, we are monitoring its uptake in Australia and are keen to be leaders in this space. Over the coming months, we will determine our implementation plan for climate-related risk and opportunity disclosures.

INDEMNIFICATION OF OFFICERS OR AUDITOR

The Company has indemnified the directors and executives of the Company for the costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial year, the Company paid a premium in respect of a contract to ensure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

The Company has not indemnified its auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purposes of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

OPTIONS

Details of options issued, exercised and expired during the financial year, and as at the date of this report are set out below (note there has been no movement since 30 June 2023):

Tranche #	Grant Date	Expiry Date	Exercise Price	1 July 2022	Issued	Exercise d	Lapsed	Adjustment <sup>1</sup>	30 June 2023
A	28-May-19	10-Nov-22	\$0.50 <sup>1</sup>	1,497,097	-	-	(1,497,097)		
1	28-May-19	10-Nov-27	\$0.57 <sup>1</sup>	1,250,000	-	-	-	(699,188)	550,81
2	28-May-19	10-Nov-22	\$0.50 <sup>1</sup>	5,555,946	-	-	(1,098,902)	(2,493,048)	1,963,99
3	6-Jun-23	19-Jun-25	\$0.28	-	2,469,746	-	-		2,469,74
4	16-Jun-23	16-Jun-28	\$0.30	-	4,665,000	-	-		4,665,00
5	16-Jun-23	16-Jun-28	\$0.30	-	1,059,000	-	-		1,059,00
6	16-Jun-23	16-Jun-28	\$0.30	-	566,000	-	-		566,00
7	16-Jun-23	16-Jun-28	\$0.30	-	6,975,000	-	-		6,975,00
8	16-Jun-23	16-Jun-28	\$0.30	-	1,335,000	-	-		1,335,00
9	16-Jun-23	16-Jun-28	\$0.30	-	890,000	-	-		890,00
				8,303,043	17,959,746	-	(2,595,999)	(3,192,236)	20,474,55

Notes

1. Option numbers and exercise prices have been adjusted for the 2.269375974:1 consolidation.

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.

EVENTS AFTER REPORTING DATE

On 6 July 2023, the Company announced that it had appointed Jane Seawright as an independent non-executive director of the Company. Ms Seawright holds an Honours degree in Law, an Arts degree and a Master of Business. Her career of 35 years includes private practice as a corporate and commercial lawyer as well as senior executive roles in mining research and health services. Ms Seawright has advised listed and unlisted companies in corporate governance, capital raising, financing, commercial agreements and arrangements, intellectual property and commercialisation.

On 6 July 2023, the Company announced that its first drillhole at Mt Oxide had intersected wide downhole intercepts of visually impressive copper mineralisation at its 100% owned Vero copper-silver resource that contains 15.98 Mt at 1.43% Cu and 6.91 g/t Ag1 total combined Measured, Indicated, and Inferred resource and a separate 9.15 Mt at 0.23% Co1 total combined Measured, Indicated and Inferred resource. This hole is the first of an initial diamond drilling program aimed at increasing confidence and expanding the extent and grade of the resource. The drill program is the first significant on ground exploration undertaken on the Vero Resource since 2012.

On 19 July 2023, the Company announced that Drilling and IP survey results had revealed significant extension and resource growth potential at Great Australia Mine, QLD. IP Survey conducted over the Greater Australian Target identified four high-order IP chargeability anomalies, with compelling targets for future drill testing. This is the first systematic IP survey designed to test the area that lies between the Taipan and Great Australia resource known as the Greater Australian Target. These anomalies exhibit similar IP geophysical signatures to the unmined mineralisation defining the Taipan Resource (5.11Mt @ 0.57% Cu, 0.12g/t Au, 0.01% Co).

On 31 July 2023, the Company announced that it had commenced copper sulphate production at its Cloncurry Project in Queensland, Australia, with its refurbished solvent extraction and copper sulphate crystallisation plant now fully operational. The Company had entered an exclusive offtake agreement with Kanins International for its copper sulphate production in Queensland.

On 31 July 2023, the Company advised that it had secured a short term working capital loan from Tembo Capital Mining Fund III (an associate of major shareholder Tembo Capital Holdings UK Ltd) for \$4,000,000 in late July 2023. This funding was largely to accelerate the exploration drilling work program and augment additional expenditure incurred in commissioning the Solvent Extraction and Crystallization plant. Interest accrues on the principal outstanding under the loan at a rate of 12% per annum. The loan is repayable by 21 January 2024, and may be repaid early without penalty. The loan is unsecured, and the Company has paid a nonrefundable draw down fee of 2% of the total amount of the loan, and an establishment fee of 1% of the total amount of the loan. The term of the loan may be extended by agreement with the lenders, in which case the Company will be required to pay an extension fee of 3% of the total amount of the loan plus any outstanding accrued interest and fees payable.

On 10 August 2023, the Company announced thigh grade copper-cobalt-silver mineralisation from the first drillhole of an initial diamond drilling program at Vero Resources, Mt Oxide with intersects 66.5m at 4.95% Cu.

On 7 September 2023, the company the secured a short-term working capital facility for \$5,000,000 to be drawn in two stages from Dyda Property management at an interest rate of 15% per annum. The loan is secured against mining and exploration tenants. The initial drawdown of \$3,000,000 was actioned on 7 September with the remaining \$2,000,000 scheduled to be drawn in October 2023. The loan is repayable by 7 February 2024.

On 20 September July 2023, the Company announced large-scale high-grade copper, silver, cobalt mineralisation at Vero QLD from a further three holes (MOXD218, MOXD219 and MOXD221) at the Vero Resource with returns up to 7.65% Cu.

There were no other matters or circumstances which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.



REMUNERATION REPORT – AUDITED

Details of Directors and other Key Management – True North Copper Limited

Name	Position	Period of Service
<b>Current Directors</b>		
Ian McAleese	Non-Executive Chairman	Appointed 22 June 2020
Martin Costello	Managing Director	Appointed 26 May 2023
Tim Dudley	Non-Executive Director	Appointed 6 June 2023
Paul Frederiks	Non-Executive Director and Company Secretary	Appointed 11 July 2017
Jane Seawright	Non-Executive Director	Appointed 5 July 2023
<b>Former Directors</b>		
Toko Kapea	Non-Executive Chairman	Appointed 11 July 2017, Resigned 26 May 2023
Philip Condon	Managing Director	Appointed 26 April 2021, Resigned 31 March 2023
<b>Key Management</b>		
Rajesh Padmanabhan	Chief Financial Officer	Appointed 1 November 2022
Peter Brown	Chief Operating Officer	Appointed 1 January 2023

Remuneration Policy

This remuneration report for the financial year ended 30 June 2023 outlines the Director and Executive remuneration arrangements of the Company in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report, key management personnel (KMP) of the company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly and indirectly, including any director (whether executive or otherwise) of the Company, and includes the five executives in the Company receiving the highest remuneration. For the purposes of this report, the term ‘executive’ encompasses the Non-Executive Chairman, Managing Director, General Manager Operations, Non-Executive Directors and Company Secretary of the Company. The information provided in this remuneration report has been audited as required by Section 308 (3C) of the Corporations Act 2001.

Except as detailed in the Remuneration Report, no Director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Company or a related body corporate with a Director, a firm of which a Director is a member or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors and shown in the Remuneration Report, prepared in accordance with the Corporations regulations, or the fixed salary of a full time employee of the Company.

Remuneration Philosophy

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive salaries to attract high calibre executives;
- Links executive rewards to shareholder value through the issue of share options or performance shares;
- Establishes appropriate performance hurdles under its share option scheme through key corporate milestones that are integral to the Company successfully completing its business plan.

The Board collectively develops and assesses the remuneration policy and practices of the Directors, Managing Director (MD) and Senior Executives who report directly to the MD.

Such assessment will incorporate the development of remuneration policies and practices which will enable the Company to attract and retain executives who will create value for shareholders. Executives will be fairly and responsibly rewarded having regard to the performance of the Company, the performance of the executive and

the general market environment.

The Board undertakes its own self-evaluation annually and considers attributes such as the qualitative and quantitative nature of the review, and the mix between total Board review and individual Director review.

Remuneration structure

It is the Company’s objective to provide maximum stakeholder benefit from the retention of a high-quality Board and Executive team by remunerating Directors and other Key Management Personnel fairly and appropriately with reference to relevant employment market conditions.

To assist in achieving this objective, the Board considers the nature and amount of Managing Director’s and Officers’ emoluments alongside the company’s financial and operational performance. The expected outcomes of the remuneration structure are the retention and motivation of key Executives, the attraction of quality management to the Company and performance incentives which allow Executives to share the rewards of the success of the company.

In accordance with best practice corporate governance, the structure of Executive and Non-Executive Director remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level which provides the company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

The Constitution of True North Copper Limited and the ASX Listing Rules specify that the Non-Executive Directors are entitled to remuneration as determined by the Company in a General Meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The maximum aggregate remuneration currently approved by shareholders for Directors’ fees is for a total of \$450,000 per annum.

If a Non-Executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. Non-Executive Directors are entitled to be paid travel and other expenses properly incurred by them in attending Directors or General Meetings of the Company or otherwise in connection with the business of the Company.

Each Non-executive Director receives a fee for being a Director of the Company. No additional committee fees are paid to any Director. The current fee structure is to pay Non-executive Directors a base annual remuneration of \$70,000 per annum including superannuation with the Chairman’s fee (increasing in July 2023) being paid remuneration of \$100,000 per annum. There are no retirement benefits offered to Non-executive Directors other than statutory superannuation.

Non-executive independent Directors are also encouraged by the Board to hold shares in the Company. It is considered good governance for Directors to have a stake in the Company on whose Board he or she sits.

The remuneration of Non-Executive Directors for the year ended 30 June 2023 is detailed in this Remuneration Report.

Variable Remuneration – Share Options

The objective of the True North Copper Option Plan is to retain, motivate and reward Non-Executive Directors in a manner which aligns this element of remuneration with the creation of shareholder wealth.

Variable remuneration is delivered to Non-Executive Directors in the form of share options – the grant of options to Non-Executive Directors is considered from time to time to be prudent due to the small size of the board and their consequent increased responsibilities.

The Company intends to use milestone driven achievements in conjunction with share price growth as performances hurdle for the True North Copper Option Plan. The Company believes this will ensure an alignment between comparative shareholder return and reward for the Non-executive Directors. The Board considers at this stage in the Company’s development, that share price growth itself is an adequate measure of TSR.



A performance hurdle against profit is considered inappropriate as the Company is not generating revenue and will not do so until a project is advanced to a production phase. Due to the long lead times in resource development, the Company considers that shareholder wealth in its current phase is created through share price growth.

The number of share options granted to Non-executive Directors was approved by shareholders at a general meeting held on 26 May 2023.

Executive Director and Senior Management Remuneration

The Company aims to reward Directors and Senior Management with a level and mix of remuneration commensurate with their position and responsibilities within the company and to:

- reward Executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the Managing Director and Senior Management may from time to time be fixed by the Board. As noted above, the Board's policy is to align Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering short-term and long-term incentives.

The level of fixed remuneration is set to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board, and the process consists of a review of companywide and individual performance, relevant comparative remuneration in the market and internal, and where appropriate, external advice on policies and practices. The Board has access to external advice independent of management. No external advice was obtained by the Board during the financial year.

Payment of bonuses, performance and other incentive payments are at the discretion of the Board.

Executive Directors' remuneration and other terms of employment are reviewed annually by the Non-Executive Directors having regard to performance against goals set at the start of the year, relative comparative information and independent expert advice.

The remuneration of the Managing Director and Senior Management for the period ended 30 June 2023 is detailed in this Remuneration Report.

Employment Contracts

It is the Board's policy that employment agreements are entered into with all Directors, Executives and employees. The current employment agreements with the Managing Director has a two-month notice period. All other employment agreements have two-month (or less) notice periods. No current employment contracts contain early termination clauses. All Non-Executive Directors have contracts of employment. None of these contracts have termination benefits.

Managing Director Arrangements

The Company entered into an executive service arrangement with Martin Costello as Managing Director of the Company. The key terms of the arrangement are:

- Ongoing contract – no fixed term;
- The Company must give 12 months' notice to terminate the agreement other than for cause. Mr Costello must give 3 months' notice to terminate the agreement;
- Fee of \$350,000 per annum, exclusive of any statutory superannuation contributions;
- No retirement benefits;
- No termination benefits.

Company Secretary Arrangements

The Company Secretary operates a consultancy business named Blanckensee Consulting Pty Ltd. The Company entered into a Services contract with Blanckensee Consulting Pty Ltd for 24 months with effect from 1 May 2022 for the provision of the services of Paul Frederiks. Under that contract, Blanckensee Consulting is entitled to receive annual fee of \$210,000.-

A cash incentive is offered to Blanckensee Consulting Pty Ltd if the Board of the Company recommends to shareholders acceptance of a takeover bid or scheme of arrangement and the value of the offer is at a premium of at least 20% above the 30 day VWAP price prior to the date the takeover bid or scheme of arrangement was first announced. This cash incentive is equal to \$210,000.

Chief Financial Officer Arrangements

The Company entered into an executive service arrangement with Raj Padmanabhan as Chief Financial Officer of the Company. The key terms of the arrangement are:

- Ongoing contract – no fixed term;
- Either party must give the following notice to terminate the agreement other than for cause:
  - Less than 1 years' service – 1 week notice
  - Between 1 and 3 years' service – 2 weeks' notice
  - Between 3 and 5 years' service - 3 weeks' notice
  - Greater than 5 years' service – 4 weeks' notice
- Salary of \$250,000 per annum, exclusive of any statutory superannuation contributions;
- No retirement benefits;
- No termination benefits.

Chief Operating Officer Arrangements

The Company entered into an executive service arrangement with Peter Brown as Chief Operating Officer of the Company. The key terms of the arrangement are:

- Ongoing contract – no fixed term;
- Either party must give 6 months' notice to terminate the agreement other than for cause;
- Salary of \$380,0000 per annum, exclusive of any statutory superannuation contributions;
- No retirement benefits;
- No termination benefits.



	Short Term Benefits		Post-Employment Benefits	Long Term Benefits	Equity Based Benefits			
June 2023	Salary/ fees	Allowances	Superannuation	Long Service & Annual Leave	Options	Total	Performance Related %	% equity compensation
<b>Current Directors</b>								
Ian McAleese	5,833	-	613	-	1,680	<b>8,126</b>	20.7%	20.7%
Martin Costello	299,167	200	3,063	2,605	7,562	<b>312,597</b>	2.4%	2.4%
Tim Dudley <sup>1 &amp; 2</sup>	5,115	-	-	-	-	<b>5,115</b>	0%	0%
Paul Frederiks	17,500	-	-	-	1,960	<b>19,460</b>	10.1%	10.1%
<b>Former Directors</b>								
Peter Main <sup>3</sup>	90,000	-	-	-	-	<b>90,000</b>	-	-
<b>Key Management</b>								
Rajesh Padmanabhan	158,515	-	16,644	13,443	3,516	<b>192,118</b>	1.8%	1.8%
Peter Brown	209,000	-	21,945	18,000	10,687	<b>259,632</b>	4.1%	4.1%
	<b>785,130</b>	<b>200</b>	<b>42,265</b>	<b>34,048</b>	<b>25,405</b>	<b>887,048</b>		

- Key management personnel engaged by TNC Mining Pty Ltd during the period 1 July 2022 to 30 June 2023; and
- Other Key management personnel engaged by True North Copper Limited for the period 1 June 2023 to 30 June 2023;

	Short Term Benefits	Post-Employment Benefits	Equity Based Benefits				
June 2022	Salary/ fees	Allowances	Superannuation	Options	Total	Performance Related %	% equity compensation
<b>Directors</b>							
Peter Main	-	-	-	-	-	-	-
Martin Costello	-	-	-	-	-	-	-
Tim Dudley	-	-	-	-	-	-	-
	-	-	-	-	-		

No remuneration was paid to Key management personnel during the period 29 July 2021 to 30 June 2022.

	Opening Balance	Acquired	Recognized on appointment	Derecognized on resignation	Share Consolidation	Closing Balance
<b>Current Directors</b>						
Ian McAleese	218,681	200,000	-	-	(122,319)	296,362
Martin Costello	-	8,576,928	-	-	-	8,576,928
Tim Dudley	-	-	-	-	-	-
Paul Frederiks	1,728,334	200,000	-	-	(966,744)	961,590
Jane Seawright	-	-	-	-	-	-
<b>Former Directors</b>						
Toko Kapea	3,064,056	-	-	(3,064,056)	-	-
Philip Condon	113,334	-	-	(113,334)	-	-
<b>Key Management</b>						
Rajesh	-	-	-	-	-	-
Padmanabhan	-	-	-	-	-	-
Peter Brown	-	-	-	-	-	-
	<b>5,124,405</b>	<b>8,976,928</b>	<b>-</b>	<b>(3,177,390)</b>	<b>(1,089,063)</b>	<b>9,834,880</b>

	Opening Balance	Granted as remuneration	Lapsed / derecognized on resignation	Share Consolidation	Closing Balance	Vested and Exercisable
<b>Current Directors</b>						
Ian McAleese	247,253	600,000	-	(138,301)	708,952	108,952
Martin Costello	-	2,700,000	-		2,700,000	-
Tim Dudley <sup>1</sup>	-	-	-		-	-
Paul Frederiks	989,011	700,000	-	(553,204)	1,135,807	435,807
Jane Seawright	-	-	-		-	-
<b>Former Directors</b>						
Toko Kapea	494,505	-	(494,505)		-	-
Philip Condon	1,250,000	-	(1,250,000)		-	-
<b>Key Management</b>						
Rajesh Padmanabhan	-	1,000,000	-		1,000,000	-
Peter Brown	-	3,040,000	-		3,040,000	-
	<b>2,980,769</b>	<b>8,040,000</b>	<b>(1,744,505)</b>	<b>(691,505)</b>	<b>8,584,759</b>	<b>544,759</b>

<sup>1</sup> 2,200,000 Options were granted directly to Tembo Capital Mining GP III Ltd for services performed by Mr Dudley



	Tranche 1	Tranche 4	Tranche 5	Tranche 6	Tranche 7	Tranche 8	Tranche 9	Total
<b>Current Directors</b>								
Ian McAleese	108,952	-	-	-	450,000	90,000	60,000	708,952
Martin Costello	-	-	-	-	2,025,000	405,000	270,000	2,700,000
Tim Dudley <sup>2</sup>	-	-	-	-	-	-	-	-
Paul Frederiks	435,807	-	-	-	525,000	105,000	70,000	1,135,807
Jane Seawright	-	-	-	-	-	-	-	-
<b>Key Management</b>								
Rajesh Padmanabhan	-	750,000	150,000	100,000	-	-	-	1,000,000
Peter Brown	-	2,280,000	456,000	304,000	-	-	-	3,040,000
	544,759	3,030,000	606,000	404,000	3,000,000	600,000	400,000	8,584,759

#### 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 takes into account the exercise price, the underlying share price at the time of issue, the term of the performance right, the underlying share's expected volatility, expected dividends and the risk free interest rate for the expected life of the instrument.

Details of performance rights over ordinary shares in the company provided as remuneration to each director of True North Copper Limited and each of the key management personnel of the parent entity and the Group are set out below. When exercisable, each options is convertible into one ordinary share of True North Copper Limited.

Inputs into pricing model	Tranche 4	Tranche 5	Tranche 6
<b>Grant date</b>	16 June 2023	16 June 2023	16 June 2023
<b>Exercise price</b>	\$0.30	\$0.30	\$0.30
<b>Vesting conditions</b>	2 year's continuous service	6 months of continuous production at the Great Australia Mine and ongoing service up until that date	VWAP of \$0.40 for 10 consecutive trading days and ongoing service up until that date
<b>Underlying share price</b>	\$0.25	\$0.25	\$0.25
<b>Expiry date</b>	16 June 2028	16 June 2028	16 June 2028
<b>Life of the instruments</b>	5 years	5 years	5 years
<b>Volatility</b>	85%	85%	85%
<b>Expected dividends</b>	Nil	Nil	Nil
<b>Risk free interest rate</b>	3.954%	3.954%	3.954%
<b>Pricing model</b>	Black-Scholes-Merton	Black-Scholes-Merton	Monte Carlo Simulation

<sup>2</sup> 2,200,000 Options were granted directly to Tembo Capital Mining GP III Ltd for services performed by Mr Dudley

Inputs into pricing model	Tranche 7	Tranche 8	Tranche 9
<b>Grant date</b>	16 June 2023	16 June 2023	16 June 2023
<b>Exercise price</b>	\$0.30	\$0.30	\$0.30
<b>Vesting conditions</b>	6 months of continuous production at the Great Australia Mine and ongoing service up until that date	VWAP of \$0.50 for 10 consecutive trading days and ongoing service up until that date	VWAP of \$0.75 for 10 consecutive trading days and ongoing service up until that date
<b>Underlying share price</b>	\$0.25	\$0.25	\$0.25
<b>Expiry date</b>	16 June 2028	16 June 2028	16 June 2028
<b>Life of the instruments</b>	5 years	5 years	5 years
<b>Volatility</b>	85%	85%	85%
<b>Expected dividends</b>	Nil	Nil	Nil
<b>Risk free interest rate</b>	3.954%	3.954%	3.954%
<b>Pricing model</b>	Black-Scholes-Merton	Monte Carlo Simulation	Monte Carlo Simulation

The value of options granted, exercised and lapsed in the current year is set out in the below table.

	Value Granted \$	Value Exercised \$	Value lapsed \$
Ian McAleese	98,805	-	-
Martin Costello	444,623	-	-
Tim Dudley <sup>3</sup>	-	-	-
Paul Frederiks	115,273	-	-
Jane Seawright	-	-	-
Rajesh Padmanabhan	165,130	-	-
Peter Brown	501,995	-	-

#### Transactions with related parties

##### Tennant Consolidated Mining Group – Martin Costello is a Director

During the financial year Tennant Consolidated Mining Group loaned funds to TNC Mining. The loan from Tennant Consolidated Mining Group Pty Ltd was unsecured, non-interest bearing and repayable upon demand.

##### Total movements

Tennant Consolidated Mining Group Pty Ltd	2023	2022
Opening balance	5,286,933	-
Proceeds from borrowings	2,035,695	5,286,933
Loan repayment	(6,000,000)	
Offset on sale of gold plant processing plant	(1,000,000)	
Non-cash loan forgiveness	(322,628)	
Balance at end of the year	-	5,286,933

During the financial year TNC Mining sold the Gold Processing plant to Tennant Consolidated Mining Group for \$1,000,000.

<sup>3</sup> Options were granted directly to Tembo Capital Mining GP III Ltd for services performed by Mr Dudley



Bronco Dino Pty ATF Bronco Dino No 3 Trust – Martin Costello is a trustee

During the year Bronco Dino Pty ATF Bronco Dino No 3 Trust provided communication and marketing services totalling \$89,100 (2022: Nil). Of this \$22,000 was unpaid at 30 June 2023 (2022: Nil).

There are no other transactions with related parties.

Loans to related parties

There were no loans given to related parties.

Remuneration Consultants

The Company did not engage any remuneration consultants during the year.

Relationship between remuneration and Group performance

The factors that are considered to affect shareholder return in since listing on the ASX are summarised below:

Measures	2023 \$	2022 \$	2021 \$	2020 \$
Market capitalisation at 30 June (\$M)	106.64	7.69	34.50	NA
Loss for the financial year	34,046,523	1,714,725	1,373,381	430,524
Share price at year end	\$0.231	\$0.073	\$0.365	NA
Key Management Personnel remuneration	893,209	1,375,075	964,596	381,060

Given that the remuneration is commercially reasonable, the link between remuneration, Company performance and shareholder wealth generation is tenuous, particularly in the exploration and development stage of a minerals company. Share prices are subject to the influence of international metal prices and market sentiment towards the sector and increases or decreases may occur independently of executive performance or remuneration.

The Company may issue options to provide an incentive for directors and key management personnel which, it is believed, is in line with industry standards and practice and is also believed to align the interests of directors and key management personnel with those of the Company’s shareholders.

Key management personnel remuneration presented for the comparative periods represents the remuneration paid to key management personnel of True North Copper Limited prior to the TNC Mining acquisition as described in the ‘Significant Changes In The State Of Affairs’ section of this report.

END OF REMUNERATION REPORT

DIVIDENDS

No dividends were paid or declared during the financial year.

ROUNDING

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 dollar.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor’s expertise and experience with the Company and/or the Group are important. Details of the amounts paid or payable to the auditor (BDO Audit Pty Ltd and its associated entities) for non-audit services provided during the year are set out below.

The Board of Directors has considered the position is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the board of directors to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermines the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year, the \$4,532 were paid or payable for Independent limited assurance report services provided by the auditor of the parent entity, its related practices and non-related audit firms.

AUDITOR’S INDEPENDENCE DECLARATION

The Auditor’s Independence Declaration on page 26 forms part of the Directors’ Report.

Signed in accordance with a resolution of the board of directors of True North Copper Limited.

*Ian McAleese*

Ian McAleese  
Chairman  
28 September 2023



## AUDITORS INDEPENDENCE DECLARATION



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

As lead auditor of True North Copper Limited for the year ended 30 June 2023, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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, 28 September 2023

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

## STATEMENT OF COMPREHENSIVE INCOME

### Consolidated Statement of Comprehensive Income For the year ended 30 June 2023

	Note	12 months ending 2023 \$	11 months ending June 2022* \$
Revenue	3	1,496,425	-
Other income	3	421,858	-
Employee expenses	4	(783,708)	(13,350)
Consultant and advisory expenses		(1,764,865)	-
Fuel expenses		(421,995)	-
Consumable expenses		(320,302)	-
Environmental compliance expenses		(803,309)	-
Contractor expenses		(1,680,105)	-
Movement in environmental rehabilitation provisions	16	457,499	-
Administration and corporate compliance expenses		(2,877,765)	(394,243)
Transaction costs – Round Oak Minerals	22	-	(1,093,448)
Listing expense arising on deemed acquisition	19	(7,219,715)	-
Exploration expenditure – Mt Oxide	21	(11,929,435)	-
Exploration expenditure – CopperCorp	20	(8,091,810)	-
Finance costs		(98,695)	(2,210,551)
Depreciation and amortisation		(143,011)	-
Share based payments	24	(48,386)	-
Impairment of receivables	9	(239,204)	-
<b>Loss before income tax</b>		<b>(34,046,523)</b>	<b>(3,711,592)</b>
Income tax	5	-	-
<b>Loss after income tax</b>		<b>(34,046,523)</b>	<b>(3,711,592)</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>(34,046,523)</b>	<b>(3,711,592)</b>
<b>Loss per share</b>		<b>Cents</b>	<b>Cents</b>
Basic and diluted loss per share	7	(18.5)	(3.7)

\* TNC Mining Pty Ltd was incorporated on 29 July 2021. As a result, the comparatives shown cover the period 29 July 2021 to 30 June 2022.

*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 30 June 2023

	Note	2023 \$	Restated 2022* \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	3,491,460	53,439
Trade and other receivables	9	1,854,566	509,568
Other current assets	10	1,395,770	524,443
<b>TOTAL CURRENT ASSETS</b>		<b>6,741,796</b>	<b>1,087,450</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and equipment	11	793,352	200,000
Exploration and evaluation assets	12	67,048,938	21,482,003
Other receivables	9	322,455	-
Right-of-use assets	13	393,209	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>68,557,954</b>	<b>21,682,003</b>
<b>TOTAL ASSETS</b>		<b>75,299,750</b>	<b>22,769,453</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	16,430,935	508,191
Borrowings	15	-	5,286,933
Short-term provisions	16	113,483	3,818
Lease liabilities	13	77,937	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>16,622,355</b>	<b>5,798,942</b>
<b>NON-CURRENT LIABILITIES</b>			
Other payables	14	13,908,435	6,000,000
Long-term provisions	16	14,880,104	14,682,003
Lease liabilities	13	328,274	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>29,116,813</b>	<b>20,682,003</b>
<b>TOTAL LIABILITIES</b>		<b>45,739,168</b>	<b>26,480,945</b>
<b>NET ASSETS</b>		<b>29,560,582</b>	<b>(3,711,492)</b>
<b>EQUITY</b>			
Contributed capital	17	67,025,312	100
Reserves	18	293,385	-
Accumulated losses		(37,758,115)	(3,711,592)
<b>TOTAL EQUITY</b>		<b>29,560,582</b>	<b>(3,711,492)</b>

\* The comparative Statement of Financial Position has been corrected for errors in previous financial statements. Refer to Note 31 for more details.

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 year ended 30 June 2023

	Contributed Capital \$	Accumulated Losses \$	Share Based Payment Reserve \$	Total \$
<b>Balance at 29 July 2021*</b>	100	-	-	100
<b>Comprehensive income</b>				
Loss after income tax	-	(3,711,592)	-	(3,711,592)
Total comprehensive income	-	(3,711,592)	-	(3,711,592)
<b>Balance at 30 June 2022</b>	<b>100</b>	<b>(3,711,592)</b>	<b>-</b>	<b>(3,711,492)</b>
* TNC Mining Pty Ltd was incorporated on 29 July 2021. As a result, the comparatives shown cover the period 29 July 2021 to 30 June 2022.				
<b>Balance at 1 July 2022</b>	100	(3,711,592)	-	(3,711,492)
<b>Transactions with owners in their capacity as owners</b>				
Issue of share capital	69,709,829	-	-	69,709,829
Capital raising costs	(2,684,617)	-	-	(2,684,617)
Share based payments	-	-	293,385	293,385
<b>Total</b>	<b>67,025,212</b>	<b>-</b>	<b>293,385</b>	<b>67,318,597</b>
<b>Comprehensive income</b>				
Loss after income tax	-	(34,046,523)	-	(34,046,523)
Total comprehensive income	-	(34,046,523)	-	(34,046,523)
<b>Balance at 30 June 2023</b>	<b>67,025,312</b>	<b>(37,758,115)</b>	<b>293,385</b>	<b>29,560,582</b>

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 year ended 30 June 2023

	Note	2023 \$	11 months ending June 2022* \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,143,635	-
Payments to suppliers and employees		(6,422,968)	(4,225,383)
Interest received		364	-
Finance costs		(24,094)	(8,211)
Net cash used in operating activities	6	(5,303,063)	(4,233,594)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for plant and equipment		(564,186)	(200,000)
Payments for exploration and evaluation assets		(8,273,033)	(800,000)
Payments for security bonds		(292,955)	-
Payments for Mt Oxide project	21	(31,000,000)	-
Net cash outflow on CopperCorp transaction	20	(74,260)	-
Net cash acquired on True North transaction	19	2,043,308	-
Net cash used in investing activities		(38,161,126)	(1,000,000)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares	17	47,347,100	100
Cost associated with the issue of shares	17	(2,439,618)	-
Proceeds from borrowings	15	8,035,695	5,286,933
Repayment of borrowings	15	(6,000,000)	-
Lease principal payments	13	(40,967)	-
Net cash provided by/(used in) financing activities		46,902,210	5,287,033
Net decrease in cash and cash equivalents held		3,438,021	53,439
Cash and cash equivalents at the beginning of the financial period		53,439	-
<b>Cash and cash equivalents at the end of the financial period</b>		<b>3,491,460</b>	<b>53,439</b>

\* TNC Mining Pty Ltd was incorporated on 29 July 2021. As a result, the comparatives shown cover the period 29 July 2021 to 30 June 2022.

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

## NOTES TO THE FINANCIAL STATEMENTS

### NOTES TO THE FINANCIAL STATEMENTS INDEX

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****Introduction**

This 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.

As a result of the acquisition of TNC Mining Pty Ltd (“TNC Mining”) as discussed in Note 19, this financial report represents a continuation of the financial statements of TNC Mining Pty Ltd (formerly True North Copper Pty Ltd) being the accounting parent entity of the Group. TNC Mining was registered on 29 July 2021. As a result, the comparatives shown cover the period 21 July 2021 to 30 June 2022.

The accounting policies have been consistently applied, unless otherwise stated.

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 Company.

The Company is 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 dollar.

Authorisation of financial report

The financial report was authorised for issue on 28 September 2023.

**Basis of preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. True North Copper Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements of the Consolidated Entity also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical convention, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the notes below.

Key Judgements – exploration & Evaluation assets

The consolidated entity performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of exploratory results performed to balance date.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2023, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 “Exploration for and Evaluation of Mineral Resources”.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Key judgements – environmental rehabilitation provisions**

Provision is made for the anticipated costs of future restoration and rehabilitation of the Consolidated Entity's exploration and evaluations assets. These provisions include future cost estimates associated with reclamation, plant closures, waste site closures, monitoring, demolition, decontamination, water purification and permanent storage of historical residues. These future cost estimates are discounted to their present value. The discount rate used in the calculation of the provision as at 30 June 2023 equalled 4.0% (2022: 4.0%). The expected cash outflows have been discounted over a 5 year period.

The calculation of these provision estimates requires assumptions such as the application of environmental legislation, the scope and timing of planned activities, available technologies, engineering cost estimates and discount rates. A change in any of the assumptions used may have a material impact on the carrying value of mine rehabilitation, restoration and dismantling provisions. Changes to estimated costs are recognised immediately in the Consolidated Statement of Comprehensive Income

**New Accounting Standards**

The accounting policies adopted are consistent with those of the previous financial year. Several other amendments and interpretations applied for the first time during the year, but these changes did not have an impact on the Consolidated Entity's financial statements and hence, have not been disclosed. The Consolidated Entity has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

**New Standards and Interpretations Not Yet Adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods. The Consolidated Entity has decided against early adoption of these standards. The Consolidated Entity has assessed the impact of these new standards and interpretations and does not expect that there would be a material impact on the Consolidated Entity in the current or future reporting periods and on foreseeable future transactions.

**Accounting policies****(a) Financial Instruments**Recognition and initial measurement

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest rate method. Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

**(b) Impairment of Non-Financial Assets**

At the end of each reporting period, the Consolidated Entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with the applicable Standard. Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.



**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(c) 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 deficiency of current assets as at 30 June 2023 of \$9,880,559. The consolidated entity incurred a loss of \$34,046,523 for the year to 30 June 2023 and cash outflows from operating activities of \$5,303,063. The consolidated entity requires further capital to fund future exploration activity and meet other necessary corporate expenditure.

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

- The ability to generate revenue from copper sulphate production at its Cloncurry project in a manner that generates sufficient operating cash inflows;
- The successful exploration and subsequent exploitation of the Consolidated Entity's tenements;
- Continued support from its major shareholder, including an assumption that the working capital loan will be converted to equity;
- Continued support from Dyda Property Management, including extending the terms of repayment on the short-term working capital facility;
- 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.

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, development and operations 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 located in Australia.

**NOTE 3 REVENUES AND OTHER INCOME**

	2023	11 months ending June 2022
	\$	\$
<b>Revenues</b>		
Hire of gold processing plant	1,492,504	-
Other sales	3,921	-
<b>Total revenue</b>	<b>1,496,425</b>	<b>-</b>
On 16 October 2022, TNC Mining Pty Ltd entered an agreement with Tombola Tenements Pty Ltd to provide gold processing plant facilities available to the hirer for processing their gold ore stockpile.		
<b>Other Income</b>		
Forgiveness of debt (refer Note 15)	322,628	-
Gain on sale of gold processing plant	98,866	-
Interest income	364	-
<b>Total other income</b>	<b>421,858</b>	<b>-</b>

**NOTE 4 EXPENSES**

		2023	11 months ending June 2022
		\$	\$
<b>Employee benefits expenses</b>	<b>Note</b>		
Defined contribution superannuation expense		169,143	1,214
Other employee benefits expenses		614,564	12,136
<b>Total employee benefits expenses</b>		<b>783,708</b>	<b>13,350</b>
Employee/director expense – share based payments	21	48,386	-

Contributions to defined contribution plans are expensed when incurred.



**NOTE 5 INCOME TAX****Income tax expense**

The income tax expense for the period comprises current income tax expense and deferred tax expense. Current income tax expense charged to profit or loss is the tax payable on taxable income. A reconciliation of income tax expense/(benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Consolidated Entity's effective income tax rate for the periods ended 30 June 2023 and 30 June 2022 is as follows:

	2023 \$	11 months ending June 2022 \$
Accounting loss before income tax	(34,406,523)	(3,711,592)
Tax at the Australian tax rate of 25.0%	(8,511,631)	(927,898)
Non-deductible/(assessable) items	6,764,831	710,696
Other adjustments - temporary difference not brought to account	(985,961)	(75,380)
Deferred tax assets not brought to account	2,732,261	292,582
<b>Income tax expense/(benefit)</b>	<b>-</b>	<b>-</b>

**Current tax liabilities**

Current tax liabilities are measured at the amounts expected to be paid to the relevant taxation authority. The Consolidated Entity did not have any current tax liabilities at 30 June 2023 (2022: Nil).

**Deferred tax balances**

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses. Deferred tax is calculated at the tax rates expected to apply to the period when the asset is realised or liability is settled. Current and deferred tax is recognised in the statement of comprehensive income except where it relates to items that may be recognised directly in equity, in which case the deferred tax is adjusted directly against equity. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Future income tax benefits in relation to tax losses have not been brought to account at this stage as it is not probable the benefit will be utilised. The temporary differences and tax losses do not expire under current tax legislation. Availability of the tax losses is dependent on satisfying the continuity of ownership test or same business test at the time of use.

<b>Deferred tax assets</b>		
Carry Forward Losses	7,411,354	292,582
Offset Net Deferred Tax Liabilities	(3,372,921)	(75,380)
<b>Deferred tax Asset not recognised</b>	<b>4,038,432</b>	<b>217,202</b>

The tax benefit of the above deferred tax assets will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the company continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the Company and its subsidiaries in utilising benefits.

<b>Deferred Tax Liabilities</b>		
Deferred exploration and evaluation expenditure and other assets	4,188,841	-
Other Deferred tax liabilities/(Deferred tax assets)	(815,920)	75,380
<b>Net Deferred Tax Liabilities not recognised</b>	<b>3,372,921</b>	<b>75,380</b>

**NOTE 5 INCOME TAX (continued)****Goods & Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances GST is recognised as part of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

**NOTE 6 CASH FLOW INFORMATION**

	2023 \$	2022 \$
<b>Cash and Cash Equivalents</b>		
Cash at bank and on hand	3,491,460	53,439

For statement of cash flow presentation purposes cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

**Non-cash Investing and Financing Activities**

Shares issued for True North acquisition (refer Note 19)	11,928,128	-
Shares issued for CopperCorp acquisition (refer Note 20)	4,000,000	-
Options issued to Directors and Employees (refer Note 24)	48,386	-
Options issued to advisors for capital raising services (refer Note 24)	316,658	-
Broker Options issued	244,999	-
Shares issued to consultants for technical services (refer Note 17)	360,000	-
Conversion of loan to share capital (refer Note 17)	6,074,601	-
Offset of borrowings on sale of plant processing plant (refer Note 15)	1,000,000	-
Forgiveness of loan (refer Note 15)	322,628	-

**Reconciliation of cash and non-cash movements in borrowings from financing activities**

<b>Lease liabilities</b>		
Lease liability at beginning of the year	-	-
Non-cash lease additions	447,178	-
Lease principal repayments	(40,967)	-
Lease liability at end of the year	<b>406,211</b>	<b>-</b>

<b>Borrowings</b>		
Borrowings at beginning of the year	5,286,933	-
Cash proceeds from borrowings	8,035,695	5,286,933
Non-cash accrued interest	74,601	-
Non-cash conversion to share capital	(6,074,601)	-
Non-cash offset on sale of gold plant processing plant	(1,000,000)	-
Non-cash loan forgiveness	(322,628)	-
Cash repayments of borrowings	(6,000,000)	-
Borrowings at end of the year	<b>-</b>	<b>5,286,933</b>

**NOTE 6 CASH FLOW INFORMATION (continued)****Reconciliation of cash flows from operations with loss after tax**

	2023 \$	11 months ending June 2022 \$
Loss after income tax	(34,046,523)	(3,711,592)
<i><u>Non-cash items in profit/(loss) after income tax</u></i>		
Depreciation and amortisation	143,011	-
Impairment of receivables	239,204	-
Listing expense arising on deemed acquisition	7,219,715	-
Exploration costs - Mt Oxide transaction	11,929,435	-
Exploration costs - CopperCorp transaction	8,091,810	-
Gain on sale of gold processing plant	(98,866)	-
Accrued interest	74,601	-
Share based payments	48,386	-
Gain on loan forgiveness	(322,628)	-
<i><u>Movements in operating assets and liabilities</u></i>		
Trade and other receivables	(1,482,848)	(509,568)
Other assets	(866,613)	(524,443)
Trade and other payables	4,067,108	512,009
Provisions	(378,855)	-
<b>Net cash used in operating activities</b>	<b>(5,303,063)</b>	<b>(4,233,594)</b>

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the relevant tax authority are presented as operating cash flows included in receipts from customers or payments to suppliers.

**NOTE 7 EARNINGS PER SHARE**

	2023 \$	11 months ending June 2022 \$
<b>Earnings</b>		
Earnings used to calculate basic and diluted EPS	(34,406,522)	(3,711,592)
<b>Weighted average number of shares and options</b>	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares outstanding during the period, used in calculating basic earnings per share	183,886,421	100,000,000
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	183,886,421	100,000,000
Earnings Per Share (basic and diluted) cents	(18.5)	-

Weighted average number of ordinary shares outstanding during the current period has been calculated using:

- The number of ordinary shares outstanding from the beginning of the current period to the acquisition date computed on the basis of the weighted average number of ordinary shares of TNC Mining Pty Ltd (accounting acquirer) outstanding during the period multiplied by the exchange ratio of 247,234,428 TNC Mining Pty Ltd shares to 247,234,428 True North Copper Limited shares; and
- The number of ordinary shares outstanding from the acquisition date to the end of that period being the actual number of ordinary shares of True North Copper Limited (the accounting acquiree) outstanding during the period.

The basic earnings per share for the comparative period before the acquisition date presented in the consolidated financial statements has been calculated using TNC Mining Pty Ltd's historical weighted average number of ordinary shares outstanding multiplied by the exchange ratio of 247,234,428 TNC Mining Pty Ltd shares to 247,234,428 True North Copper Limited shares. The share split of 1:1,000,000 shares has been treated as if it were effective from the start of the comparative period.

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

**NOTE 8 DIVIDENDS**

No dividends were paid during the financial year ended 30 June 2023 (2022: Nil) and no dividend is recommended for the current year.



**NOTE 9      TRADE AND OTHER RECEIVABLES**

	2023 \$	2022 \$
<b>Current</b>		
Trade receivables	502,432	-
Provision for expected credit losses	(239,204)	-
	263,228	-
Accrued interest	13,116	-
GST receivable	1,107,295	356,568
Supplier deposits	5,000	153,000
Other receivables	465,927	-
	<b>1,854,566</b>	<b>509,568</b>
<b>Non-Current</b>		
Security bonds	<b>322,455</b>	-

Trade receivables and contract assets are amounts due from customers for goods sold or services performed in the ordinary course of business and are generally due for settlement within 30 days and therefore are all classified as current. If the Group performs services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised.

If the customer pays consideration or the Group has a right to an amount of consideration that is unconditional before the Group transfers a good or service to the customer, a contract liability is recognised.

Other receivables generally arise from GST and supplier deposits.

**Impairment of trade receivables**

The Group recognised a loss of \$239,204 during the year (2022: \$Nil) in relation to impaired receivables.

Movements during the year – Provision for expected credit loss	2023 \$	2022 \$
Opening balance	-	-
Impaired receivables provided for during the period	239,204	-
Receivables written off during the year as uncollectible	-	-
<b>Closing balance</b>	<b>239,204</b>	<b>-</b>

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

**NOTE 10      OTHER ASSETS**

	2023 \$	2022 \$
Prepayments	<b>1,395,770</b>	<b>524,443</b>

**NOTE 11      PLANT AND EQUIPMENT**

Office equipment at cost	192,726	-
Accumulated depreciation	(30,896)	-
	161,830	-
Plant and equipment at cost	60,833	-
Accumulated depreciation	(22,660)	-
	38,173	-
Motor vehicles at cost	194,773	-
Accumulated depreciation	(13,594)	-
	181,178	-
Buildings and improvements	234,063	-
Accumulated depreciation	(21,892)	-
	212,171	-
Land	200,000	200,000
<b>Total plant and equipment</b>	<b>793,352</b>	<b>200,000</b>

**Movements during the year**

Year ended 30 June 2023	Office Equipmen t	Plant and Equipmen t	Motor Vehicles	Building & Improvements	Land	Total
Balance at 1 July 2022	-	-	-	-	200,000	200,000
Additions	186,594	-	143,529	234,063	-	564,186
Acquisitions	6,132	60,832	51,244	-	-	118,208
Depreciation	(30,896)	(22,660)	(13,594)	(21,892)	-	(89,042)
<b>Balance at 30 June 2023</b>	<b>161,830</b>	<b>38,172</b>	<b>181,179</b>	<b>212,171</b>	<b>200,000</b>	<b>793,352</b>

**NOTE 11 PLANT AND EQUIPMENT (continued)**

Year ended 30 June 2022	Land
Balance at 29 July 2021	-
Additions	200,000
<b>Balance at 30 June 2022</b>	<b>200,000</b>

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The depreciable amount of fixed assets is depreciated over the asset's useful life to the Consolidated Entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

The depreciation rates used for each class of asset is:

Class of Fixed Asset	Depreciation Rates	Depreciation Method
Office equipment	20-40%	Diminishing value
Plant and equipment	30-33%	Diminishing value
Motor vehicles	25%	Diminishing value
Buildings and improvement	20-30%	Diminishing value/straight line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

**NOTE 12 EXPLORATION AND EVALUATION ASSETS**

	2023 \$	Restated 2022 \$
Balance at beginning of the year	21,482,003	-
Additions	10,006,102	-
Additions – Round Oak transaction (refer Note 22)	-	21,482,003
Additions – Mt Oxide transaction (refer Note 21)	32,979,000	-
Acquisition – CopperCorp transaction (refer Note 20)	688,000	-
Acquisition – True North transaction (refer Note 19)	2,704,058	-
Disposals	(810,225)	-
<b>Balance at end of the year</b>	<b>67,048,938</b>	<b>21,482,003</b>

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but does not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

**NOTE 13 LEASES**

The Group leases offices and software. Rental contracts are typically made for fixed periods of 1 to 4 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease Liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases that relate to building premises, the entity's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, making adjustments specific to the lease (e.g., term and security).

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use Assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Low Value Assets

Payments associated with leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Low value assets comprise small items of office equipment.



**NOTE 13 LEASES (continued)**Extension Options

Extension options may be included in building premises leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option. When exercising lease extensions of building premises, the Group considers the following factors:

- any termination and make-good penalties;
- value of leasehold improvements;
- cost of disruption to the business to relocate; and
- availability and cost other suitable properties.

Extension options are only included in the lease term if the lease is reasonably certain to be extended.

As at 30 June 2023, potential future cash outflows of \$608,338 (undiscounted) have not been included in the lease liability because it is not reasonably certain that the leases will be extended.

The lease term is reassessed if an option is exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

	2023	2022
	\$	\$

**Amounts recognised in the Statement of Financial Position****Right-of-use assets**

Building premises	393,209	-
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Additions to the right of use assets during the period were \$447,178 (2022: \$Nil).

**Lease liabilities**

CURRENT		
Leases for building premises	77,937	-

NON-CURRENT		
Leases for building premises	328,274	-

**Amounts recognised in the Statement of Comprehensive Income****Amortisation**

Buildings premises	53,970	-
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**Interest expense on leases (included in finance costs)**

Buildings premises	22,092	-
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**NOTE 13 LEASES (continued)****Amounts recognised in the Statement of Cash Flows**

	2023	2022
	\$	\$
Lease principal repayments - buildings premises	40,967	-
Interest payments - buildings premises	22,092	-
	<b>63,059</b>	<b>-</b>

**NOTE 14 TRADE AND OTHER PAYABLES****Current**

Trade payables	5,416,904	286,483
Other payables and accrued expenses	1,286,712	221,708
Deferred consideration (refer Notes 20 and 22)	9,727,319	-
	<b>16,430,935</b>	<b>508,191</b>

**Non-Current**

Deferred consideration (refer Note 21)	13,908,435	6,000,000
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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.

**NOTE 15 BORROWINGS****Current**

Loan from Tennant Consolidated Mining Group Pty Ltd	-	5,286,933
Tembo Capital Holdings UK Limited	-	-
	<b>-</b>	<b>5,286,933</b>

**Movements during the period****Tennant Consolidated Mining Group Pty Ltd**

Opening balance	5,286,933	-
Proceeds from borrowings	2,035,695	5,286,933
Loan repayment	(6,000,000)	
Offset on sale of gold plant processing plant	(1,000,000)	
Non-cash loan forgiveness	(322,628)	
Balance at end of the year	<b>-</b>	<b>5,286,933</b>

The loan from Tennant Consolidated Mining Group Pty Ltd was unsecured, non-interest bearing and repayable upon demand.

**NOTE 15 BORROWINGS (continued)**

	2023	2022
	\$	\$
<b>Tembo Capital Holdings UK Limited</b>		
Opening balance	-	-
Proceeds from borrowings	6,000,000	-
Accrued interest	74,601	-
Conversion to equity	(6,074,601)	-
Balance at end of the year	-	-

The loan from Tembo Capital Holdings UK Limited incurred interest at 10% per annum. The loan was secured over the project assets over the Company.

**NOTE 16 PROVISIONS****Employee Benefit Provisions**Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

<b>Current</b>		
Employee benefits	113,483	3,818

**Environmental Rehabilitation Provisions**

Provisions are made for the estimated cost of rehabilitation, restoration and dismantling relating to areas disturbed during operations up to the reporting date, but not yet rehabilitated. Provision has been made in full for all the disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows.

<b>Non-Current</b>		<b>Restated</b>
Environmental rehabilitation provisions – Round Oak	14,880,104	14,682,003

**Movements**

Balance at beginning of the year	14,682,003	-
Additions – Round Oak transaction (refer Note 22)	-	14,682,003
Acquisition – CopperCorp transaction (refer Note 20)	655,600	-
Movements in estimated rehabilitation costs	(457,499)	-
Other movements	(32,400)	-
Balance at end of the year	14,880,104	14,682,003

**NOTE 17 CONTRIBUTED CAPITAL**

461,647,356 fully paid ordinary shares (2022: 100)	67,025,312	100
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**Ordinary Shares**

	2023	2022	2023	2022
	\$	\$	#	#
At the beginning of the year	100	-	100	-
Shares issued on incorporation	-	100		100
Share Split (1:1,000,000)			99,999,900	
Loan conversions by Tembo Capital Holdings UK Limited <sup>1</sup>	6,074,601		75,805,854	-
TNC Mining capital raise – February 2023 <sup>2</sup>	10,000,000	-	71,428,574	
Reversal of shares on TNC acquisition <sup>3</sup>	-	-	(247,234,428)	-
TNC shares on issue upon acquisition of TNC Mining	-		46,453,099	
Shares issued to vendors of TNC Mining on acquisition <sup>3</sup>	11,613,384	-	247,234,428	-
Shares issued - public and priority offer <sup>4</sup>	37,347,100	-	149,388,400	-
Shares issued – CopperCorp transaction <sup>5</sup>	4,000,000	-	16,000,000	-
Shares issued – placement <sup>6</sup>	360,000	-	2,571,429	-
Share issue costs	(2,684,617)		-	-
<b>At reporting date</b>	<b>67,025,312</b>	<b>100</b>	<b>461,647,356</b>	<b>100</b>

**Notes**

- On 10 November 2022, TNC Mining entered into a loan agreement with Tembo Capital Holding UK Limited for \$6,000,000:
  - On 16 December 2022 Tembo Capital Holding UK Limited converted \$4,500,000 plus accrued interest of \$38,219 into 64,831,702 shares.
  - On 10 February 2023 Tembo Capital Holding UK Limited converted the remaining \$1,500,000 plus accrued interest of \$36,382 into 10,974,152 shares.
- Placement of share 71,428,574 shares to sophisticated investors.
- Refer Note 19.
- Issue of 149,388,400 shares through the public prospectus and priority offerings.
- Issue of 16,000,000 shares as part consideration to CopperCorp vendors. Refer Note 20.
- Issue of 2,571,429 shares to Global Ore Discovery Pty for technical services provided.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. Ordinary shares do not have a par value.

Issued and paid up capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.



**NOTE 17 CONTRIBUTED CAPITAL (continued)****Options**

Details of options issued, exercised and expired during the financial year, and as at 30 June 2023 are set out below:

Tranche #	Grant Date	Expiry Date	Exercise Price	1 July 2022	Issued	Exercise d	Lapsed	Adjustment <sup>1</sup>	30 June 2023
A	28-May-19	10-Nov-22	\$0.50 <sup>1</sup>	1,497,097	-	-	(1,497,097)	-	-
1	28-May-19	10-Nov-27	\$0.57 <sup>1</sup>	1,250,000	-	-	-	(699,188)	550,812
2	28-May-19	10-Nov-22	\$0.50 <sup>1</sup>	5,555,946	-	-	(1,098,902)	(2,493,048)	1,963,996
3	6-Jun-23	19-Jun-25	\$0.28	-	2,469,746	-	-	-	2,469,746
4	16-Jun-23	16-Jun-28	\$0.30	-	4,665,000	-	-	-	4,665,000
5	16-Jun-23	16-Jun-28	\$0.30	-	1,059,000	-	-	-	1,059,000
6	16-Jun-23	16-Jun-28	\$0.30	-	566,000	-	-	-	566,000
7	16-Jun-23	16-Jun-28	\$0.30	-	6,975,000	-	-	-	6,975,000
8	16-Jun-23	16-Jun-28	\$0.30	-	1,335,000	-	-	-	1,335,000
9	16-Jun-23	16-Jun-28	\$0.30	-	890,000	-	-	-	890,000
				8,303,043	17,959,746	-	(2,595,999)	(3,192,236)	20,474,554

**Notes**

1. Option numbers and exercise prices have been adjusted for the 2.269375974:1 consolidation.

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.

**NOTE 18 RESERVES**

	2023	2022
	\$	\$
Share based payment reserve	293,385	-

The share based payments reserve is used to record the value of share based payments provided to employees as part of their remuneration and to consultants for services provided.

**Movements during the period**

Opening balance	-	-
Share based payments – directors and employees	48,386	-
Share based payments – capital advisors	244,999	-
Balance at end of the year	293,385	-

**NOTE 19 TNC MINING ACQUISITION ACCOUNTING**

On 6 June 2023 the Company announced the completion of the 100% acquisition of TNC Mining Pty Ltd (TNC Mining). The initial consideration paid by TNC to the vendors for the purchase of 100% of TNC Mining was the issue and allotment of 247,234,428 fully paid ordinary TNC shares.

The acquisition of TNC Mining resulted in TNC Mining shareholders holding a controlling interest in TNC after the transaction. This transaction did not meet the definition of a business combination in AASB 3 Business Combinations. The transaction has therefore been accounted in accordance with AASB 2 Share-based Payment and has been accounted for as a continuation of the financial statements of TNC Mining together with a deemed issue of shares. The deemed issue of shares is, in effect, a share-based payment transaction whereby TNC Mining is deemed to have received the net assets of TNC, together with the listing status of TNC.

Because the financial statements represents a continuation of the financial statements of TNC Mining, the principles and guidance on the preparation and presentation of the financial statements in a reverse acquisition set out in AASB 3 have been applied as follows:

- fair value adjustments arising at acquisition were made to TNC's assets and liabilities, not those of TNC Mining.
- the equity structure (the number and type of equity instruments issued) at the date of the acquisition reflects the equity structure of TNC, including the equity instruments issued to effect the acquisition;
- accumulated losses and other equity balances at acquisition date are those of TNC Mining;
- the results for the year ended 30 June 2023 comprise the consolidated results for TNC Mining together with the results of the wider TNC group from 6 June 2023;
- the comparative results represent the consolidated results of TNC Mining only;
- the cost of the acquisition, and amount recognised as contributed equity to affect the transaction, is based on the deemed number of shares that TNC Mining would have needed to issue to give the shareholders of TNC the same shareholding percentage in the Combined Entity that results from the transaction; and
- a share-based payment transaction arises whereby TNC Mining is deemed to have issued shares in exchange for the net assets of TNC together with the listing status of TNC. The listing status does not qualify for recognition as an intangible asset and the relevant cost has therefore been expensed as a listing expense.

The fair value of the deemed number of shares that TNC Mining would have needed to issue is estimated to be \$11,928,128. The fair value of the shares was assessed on the basis of the market value of True North Copper Limited's shares at acquisition date. The fair value of TNC's net assets at acquisition date was \$4,708,413. Deducting this from the deemed consideration results in a listing expense of \$7,219,715.

The value of the transaction is as follows:

	6 June 2023
	\$
<b>Assets and liabilities acquired:</b>	
Cash and cash equivalents	2,043,308
Trade and other receivables	181,352
Other current assets	34,167
Property, plant and equipment	118,207
Exploration and evaluation assets	2,704,058
Trade and other payables	(341,658)
Provisions	(31,021)
<b>Net assets acquired</b>	<b>4,708,413</b>
Fair value of notional shares issued to affect the transaction	11,928,128
<b>Listing expense recognised in statement of comprehensive income</b>	<b>7,219,715</b>

**NOTE 20 COPPERCORP ACQUISITION**

In September 2022, TNC Mining agreed to acquire a 100% interest in CopperCorp Pty Ltd. The Company does not consider that the transaction meets the definition of a business combination in accordance with AASB 3 Business Combinations as CopperCorp is not deemed to be a business for accounting purposes. Therefore, the Company accounted for the transaction as an asset acquisition. The transaction completed on 6 June 2023.

**Consideration**

The agreed purchase consideration was:

Initial cash deposit	100,000
Deferred cash payment - 6 months after completion (6 December 2023)	2,000,000
Deferred cash payment - 12 months after completion (6 June 2024)	2,000,000
16,000,000 TNC shares (issued at \$0.25 per share)	4,000,000
<b>Total consideration</b>	<b>8,100,000</b>

In addition, a further \$2,000,000 consideration will be payable in the event (and within 40 business days after) TNC establishes an Indicated Resource under the JORC Code on the CopperCorp tenements equal to or greater than 20,000 tonnes of copper equivalent metal at a copper grade of 1% per tonne or greater. At this stage there are no reasonable grounds to assume that this milestone will be met and accordingly this amount has not been included as part of the transaction consideration.

**Assets Acquired**

The fair value of CopperCorp assets and liabilities acquired were:

Cash and cash equivalents	25,740
Other assets	48
Exploration and evaluation expenditure	688,000
Trade and other payables	(49,998)
Provision for restoration obligations	(655,600)
<b>Net assets acquired</b>	<b>8,190</b>
Consideration paid and payable	8,100,000
<b>Exploration and evaluation expenditure recognised as an expense</b>	<b>(8,091,810)</b>

The assets and liabilities acquired have been taken at their fair value which has been determined with reliance on the assessed fair market values included in the Technical Specialists Report that was completed and released to the ASX on 26 April 2023 in the Company's Notice of General Meeting.

**Net Cash Outflow**

The net cash flow for the purchase of the CopperCorp Project during the period was:

Cash consideration paid up to settlement date	100,000
Less cash acquired	(25,740)
	<b>74,260</b>

**NOTE 21 MOUNT OXIDE ASSET PURCHASE**

TNC Mining entered agreement with Perilya Limited to acquire its 100% owned Mt Oxide to complement its existing Cloncurry Project in the Mt Isa region. The transaction completed on 7 June 2023.

**Consideration**

The agreed purchase consideration was:

Initial cash deposit	1,000,000
Cash consideration on settlement	30,000,000
Deferred cash payment - \$15,000,000 discounted to present value	13,908,435
<b>Total consideration</b>	<b>44,908,435</b>

The deferred payment of \$15 million will be repaid on the earlier of:

- The second anniversary of the date of completion of the acquisition (6 June 2025); or
- The date that is 10 business days after the grant of a mining lease over an area overlapping a Mount Oxide project tenement

The Company has assumed the earliest payment date of the \$15,000,000 deferred consideration will be the second anniversary of the date of completion of the acquisition and accordingly discounted this amount back to its present value using the 2 year treasury bond rate of 3.85%.

**Assets Acquired**

The fair value of Mount Oxide mineral assets acquired were:

Fair value of mineral assets acquired	32,979,000
Consideration paid and payable	44,908,435
<b>Exploration and evaluation expenditure recognised as an expense</b>	<b>(11,929,435)</b>

The assets acquired have been taken at their fair value which has been determined as per the recent market valuation assessment that was completed and released to the ASX on 26 April 2023 in the Company's Notice of General Meeting.

**NOTE 22 ROUND OAK PURCHASE**

TNC Mining acquired the assets comprising the Cloncurry Project from Round Oak Minerals Pty Ltd (Round Oak) pursuant to an asset sale agreement executed on 31 July 2021 (the Round Oak Asset Sale Agreement). Pursuant to the Round Oak Asset Sale Agreement, TNC Mining holds the Cloncurry assets comprising 6 exploration permits and 6 mining leases located around the township of Cloncurry approximately 100km east of Mt Isa, Queensland.

The acquisition consideration comprised an initial payment of \$800,000 on completion and deferred consideration of:

- \$1,000,000 payable on each occasion production of a Commercially Saleable Quantity of ore is achieved from the area of any of the Tenements acquired from Round Oak; and
- \$2,000,000 on each occasion six months of continuous production of a Commercially Saleable Quantity of ore is achieved from the area of any of the Tenements acquired from Round Oak.



**NOTE 22 ROUND OAK PURCHASE (continued)**

The deferred consideration payments only apply once in relation to each Tenement and the aggregate amount payable must not exceed \$6,000,000. A Commercially Saleable Quantity means any quantity of ore produced for sale after completion from a Tenement acquired from Round Oak once:

- (i) the Tenement has moved from the development phase into the production phase; and
- (ii) revenue generated by TNC or any of its related bodies corporate from production of ore from the relevant Tenement exceeds \$1,000,000.

In addition to the above payments, a royalty of 2% of the net smelter return (being the gross revenue less deductions) is payable to Round Oak. As at reporting date, the company has recognised the full \$6,000,000 payable in current liabilities as it is assumed to be paid within the next 12 months.

**Assets Acquired**

The fair value of the Round Oak assets and liabilities acquired were:

Exploration and evaluation expenditure	21,482,003
Provision for restoration obligations	(14,682,003)
<b>Net assets acquired</b>	<b>6,800,000</b>
Consideration paid and payable	6,800,000

**NOTE 23 PARENT ENTITY INFORMATION**

**2023**  
**\$**                      **2022**  
**\$**

The legal Parent Entity of the Consolidated Entity is True North Copper Limited.

**Parent Entity Financial Information**

Current assets	2,829,977	6,161,090
Non-current assets	27,053,898	12,688,227
<b>Total assets</b>	<b>29,883,875</b>	<b>18,849,317</b>
Current liabilities	323,292	798,165
<b>Total liabilities</b>	<b>323,292</b>	<b>798,165</b>
<b>Net assets</b>	<b>29,560,583</b>	<b>18,051,152</b>
Issued capital	72,959,726	21,270,032
Reserves	1,138,650	754,173
Accumulated losses	(44,537,793)	(3,973,053)
<b>Total equity</b>	<b>29,560,583</b>	<b>18,051,152</b>
Loss after income tax	(40,564,740)	(1,714,725)
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(40,564,740)</b>	<b>(1,714,725)</b>

**Commitments, Contingencies and Guarantees of the Parent Entity**

The Parent 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.

**NOTE 23 PARENT ENTITY INFORMATION (continued)**

**2023**  
**\$**                      **2022**  
**\$**

*Exploration obligations to be undertaken*

Payable within one year	129,171	398,500
Payable between one year and five years	48,329	507,500
Payable after five years	-	790,000
	<b>177,500</b>	<b>1,696,000</b>

The Parent Entity's contingent liabilities are the same as the Consolidated Entity which are detailed in Note 28.

The Parent Entity has no contingent assets or guarantees at balance date.

Controlled Entities of the Parent Entity	Percentage Owned		Country of Incorporation
	2023	2022	
	%	%	
TNC Mining Pty Ltd	100%	-	Australia
CopperCorp Pty Ltd	100%	-	Australia
Northwest Copper Pty Ltd	100%	-	Australia

**Principles of Consolidation**

Subsidiaries are all entities (including structured entities) over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Consolidated Entity. Intercompany transactions, balances and unrealised gains on transactions between Consolidated Entity companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

**NOTE 24 SHARE BASED PAYMENTS****Options**

The Company has granted options to directors, employees and consultants. Each equity-settled option which vests and is exercised converts to an ordinary share in the Company. The options are not quoted on the ASX. Performance rights granted carry no dividend or voting rights.

Details of options issued, exercised and expired during the financial year are set out below:

Tranche #	Grant Date	Expiry Date	Exercise Price	Movements				
				1 July 2022	Issued	Exercised	Lapsed	30 June 2023
3	6-Jun-23	19-Jun-25	\$0.28	-	2,469,746	-	-	2,469,746
4	16-Jun-23	16-Jun-28	\$0.30	-	4,665,000	-	-	4,665,000
5	16-Jun-23	16-Jun-28	\$0.30	-	1,059,000	-	-	1,059,000
6	16-Jun-23	16-Jun-28	\$0.30	-	566,000	-	-	566,000
7	16-Jun-23	16-Jun-28	\$0.30	-	6,975,000	-	-	6,975,000
8	16-Jun-23	16-Jun-28	\$0.30	-	1,335,000	-	-	1,335,000
9	16-Jun-23	16-Jun-28	\$0.30	-	890,000	-	-	890,000
				-	17,959,746	-	-	17,959,746

Tranche 3 options have no vesting conditions and are exercisable at 30 June 2023. No other options have vested or were exercisable at 30 June 2023.

The weighted average remaining contractual life of options outstanding at the end of the year was 4.55 years.

**Option Conditions**

Tranche 3 options were issued to advisors in exchange for capital raising services. The options have no vesting conditions, have an exercise price of \$0.28 and an expiry date of 19 June 2025.

Tranche 4 options vest upon 2 year's continuing service by the recipient. The options have an exercise price of \$0.30 and an expiry date of 16 June 2028.

Tranche 5 options vest upon the Group achieving 6 months of continuous production at the Great Australia Mine and continuing service by the recipient up until that date. The options have an exercise price of \$0.30 and an expiry date of 16 June 2028.

Tranche 6 options vest upon the Company's volume weighted average share price for being at least \$0.40 over a period of 10 consecutive trading days, and continuing service by the recipient up until that date. The options have an exercise price of \$0.30 and an expiry date of 16 June 2028.

Tranche 7 options vest upon the Group achieving 6 months of continuous production at the Great Australia Mine and continuing service by the recipient up until that date. The options have an exercise price of \$0.30 and an expiry date of 16 June 2028.

Tranche 8 options vest upon the Company's volume weighted average share price for being at least \$0.50 over a period of 10 consecutive trading days, and continuing service by the recipient up until that date. The options have an exercise price of \$0.30 and an expiry date of 16 June 2028.

Tranche 8 options vest upon the Company's volume weighted average share price for being at least \$0.75 over a period of 10 consecutive trading days, and continuing service by the recipient up until that date. The options have an exercise price of \$0.30 and an expiry date of 16 June 2028.

**NOTE 24 SHARE BASED PAYMENTS (continued)****Fair value of options granted**

The assessed fair value at the date of grant of performance rights 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 performance right 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 performance rights were calculated using the inputs shown below:

Inputs into pricing model	Tranche 3	Tranche 4	Tranche 5	Tranche 6
Grant date	6 June 2023	16 June 2023	16 June 2023	16 June 2023
Exercise price	\$0.28	\$0.30	\$0.30	\$0.30
Vesting conditions	Nil	2 year's continuous service	6 months continuous production at the Great Australia Mine and ongoing service up until that date	VWAP of \$0.40 for 10 consecutive trading days and ongoing service up until that date
Underlying share price	\$0.25	\$0.25	\$0.25	\$0.25
Expiry date	19 June 2025	16 June 2028	16 June 2028	16 June 2028
Life of the instruments	2.04 years	5 years	5 years	5 years
Volatility	75%	85%	85%	85%
Expected dividends	Nil	Nil	Nil	Nil
Risk free interest rate	3.803%	3.954%	3.954%	3.954%
Pricing model	Black-Scholes-Merton	Black-Scholes-Merton	Black-Scholes-Merton	Monte Carlo Simulation

Inputs into pricing model	Tranche 7	Tranche 8	Tranche 9
Grant date	16 June 2023	16 June 2023	16 June 2023
Exercise price	\$0.30	\$0.30	\$0.30
Vesting conditions	6 months of continuous production at the Great Australia Mine and ongoing service up until that date	VWAP of \$0.50 for 10 consecutive trading days and ongoing service up until that date	VWAP of \$0.75 for 10 consecutive trading days and ongoing service up until that date
Underlying share price	\$0.25	\$0.25	\$0.25
Expiry date	16 June 2028	16 June 2028	16 June 2028
Life of the instruments	5 years	5 years	5 years
Volatility	85%	85%	85%
Expected dividends	Nil	Nil	Nil
Risk free interest rate	3.954%	3.954%	3.954%
Pricing model	Black-Scholes-Merton	Monte Carlo Simulation	Monte Carlo Simulation



**NOTE 24 SHARE BASED PAYMENTS (continued)****Expenses arising from share-based payment transactions**

	2023 \$	2022 \$
Options – employees and directors	<b>48,386</b>	-

**NOTE 25 RELATED PARTY TRANSACTIONS****Key Management Personnel Compensation**

	2023 \$	2022 \$
Short-term benefits	785,330	-
Post-employment benefits	42,265	-
Long-term benefits	34,048	-
Termination benefits	-	-
Share-based payments	25,405	-
	<b>887,048</b>	-

Detailed remuneration disclosures are provided in the remuneration report on pages 15 to 24.

No remuneration was paid to key management personnel in the prior year.

**Transactions with related parties**Tennant Consolidated Mining Group – Martin Costello is a Director

During the financial year Tennant Consolidated Mining Group loaned funds to TNC Mining. The loan from Tennant Consolidated Mining Group Pty Ltd was unsecured, non-interest bearing and repayable upon demand.

**Movements**

<b>Tennant Consolidated Mining Group Pty Ltd</b>	<b>2023</b>	<b>2022</b>
Opening balance	5,286,933	-
Proceeds from borrowings	2,035,695	5,286,933
Loan repayment	(6,000,000)	
Offset on sale of gold plant processing plant	(1,000,000)	
Non-cash loan forgiveness	(322,628)	
Balance at end of the year	-	<b>5,286,933</b>

During the financial year TNC Mining sold Gold Processing plant to Tennant Consolidated Mining Group for \$1,000,000.

Bronco Dino Pty ATF Bronco Dino No 3 Trust – Martin Costello is a trustee

During the year Bronco Dino Pty ATF Bronco Dino No 3 Trust provided communication and marketing services totalling \$89,100 (2022: Nil). Of this \$22,000 was unpaid at 30 June 2023 (2022: Nil).

There are no other transactions with related parties.

**NOTE 26 FINANCIAL RISK MANAGEMENT**

The Consolidated Entity's financial instruments consist mainly of deposits with banks and accounts receivable and payable. The main risk arising from the financial instruments is credit risk, liquidity risk and foreign exchange risk.

**Financial risk management objectives**

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

**Credit Risk**

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Consolidated Entity incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Consolidated Entity. It arises from exposure to customers as well as through deposits with financial institutions.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. There is no collateral held as security at reporting date. Credit risk is reviewed regularly by the Board.

The Group does not have any material credit risk exposure to any single counterparty, except for its holdings of cash which is held with the Commonwealth Bank.

**Maximum exposure to credit risk**

	2023 \$	2022 \$
<u>Summary exposure</u>		
Cash and cash equivalents	3,491,460	53,439
Trade receivables	263,228	-
Other receivables	1,573,222	509,568
	<b>5,327,910</b>	<b>563,007</b>

**Liquidity risk**

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. Liquidity risk is reviewed regularly by the Board. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash resources are maintained.

**NOTE 26 FINANCIAL RISK MANAGEMENT (continued)****Remaining contractual maturities**

The tables below reflect the contractual maturity of fixed and floating rate financial liabilities. Cash flows for financial liabilities without fixed amount or timing are based on the conditions existing at period end. The amounts disclosed represent undiscounted cash flows. The tables include both interest and principal cash flows and therefore the totals may differ from their carrying amount in the Statement of Financial Position.

30 June 2023	1 year or less \$	1 to 5 years \$	Over 5 years \$	Total \$
Trade payables	5,416,904	-	-	5,416,904
Other payables	1,286,712	-	-	1,286,712
Deferred consideration	9,727,319	15,000,000	-	24,727,319
Lease liabilities	110,532	382,310	-	492,842
	<b>16,541,467</b>	<b>15,382,310</b>	<b>-</b>	<b>31,923,777</b>

30 June 2022	1 year or less \$	1 to 5 years \$	Over 5 years \$	Total \$
Trade payables	286,483	-	-	286,483
Other payables	221,708	-	-	221,708
Deferred consideration	-	6,000,000	-	6,000,000
Borrowings	5,286,933	-	-	5,286,933
	<b>5,795,124</b>	<b>6,000,000</b>	<b>-</b>	<b>11,795,124</b>

**Market Risk**

Market risk arises from the use of interest bearing, tradeable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

**Interest rate risk**

Interest rate risk is managed by constant monitoring of interest rates.

Interest rates over the 12 month period were analysed and a sensitivity determined to show the effect on profit and equity after tax if the interest rates at reporting date had been 200 basis points higher or lower, with all other variables held constant. This level of sensitivity was considered reasonable given the current level of both short-term and long-term Australian interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

Cash term deposits, finance leases and insurance financing have fixed interest rates. All other cash assets and the repaid bank loan have floating interest rates. At 30 June, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax profit and equity would have been affected as follows:

	2023 \$	2022 \$
<u>Impact on profit and equity</u>		
+2.00% (200 basis points)	15,917	1,069
-2.00% (200 basis points)	(15,917)	(1,069)

**NOTE 26 FINANCIAL RISK MANAGEMENT (continued)****Capital Risk Management**

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares and retained earnings of the Group. The Board of Directors monitors the return on capital as well as considers the potential of future dividends to ordinary shareholders. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

**Fair Values**

The fair values of financial assets and financial liabilities approximate their carrying values due to their short term nature. No financial assets or liabilities are readily traded on organised markets in standardised form.

**NOTE 27 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.

<i>Exploration obligations to be undertaken</i>		
Payable within one year	668,006	246,210
Payable between one year and five years	779,470	1,090,247
Payable after five years	-	-
	<b>1,447,476</b>	<b>1,336,4557</b>

<i>Capital expenditure commitments</i>		
Payable within one year	2,570,000	-
Payable between one year and five years	-	-
Payable after five years	-	-
	<b>2,570,000</b>	<b>-</b>

**NOTE 28 CONTINGENT LIABILITIES**

As part of the CopperCorp acquisition (refer Note 20) a further \$2,000,000 consideration will be payable in the event (and within 40 business days after) TNC establishes an Indicated Resource under the JORC Code on the CopperCorp tenements equal to or greater than 20,000 tonnes of copper equivalent metal at a copper grade of 1% per tonne or greater.

As a requirement of Round Oak acquisition in 2022 and CopperCorp in June 2023 to meet statutory requirements for financial assurances in respect of the Cloncurry tenements, TNCM provided bank guarantees for a total amount of \$13,468,875 and comprising:

- \$10,924,199 in relation to Environmental Authority No. EPML00876013;
- \$1,899,077 in relation to Environmental Authority No. EPML00941713
- \$645,600 in relation to Environmental Authority No. EPLM00497413

It was also agreed that some of these amount would be reduced if the financial assurance required in respect of Environmental Authority No. EPML00876013 or Environmental Authority No. EPML00941713 is reduced and on the basis that it is considered unlikely the Buyer will qualify for the Financial Provisioning Scheme. To provide bank guarantees, TNCM entered a financial facility arrangement with Dyda Property Management Pty Ltd. Dyda Property Management have procured two bank guarantees for the above amounts which have been provided by Westpac Banking Corporation to Queensland Treasury, pursuant to the agreement with TNCM.



**NOTE 29 AUDITOR'S REMUNERATION**

	2023 \$	2022 \$
Auditors of the Group – BDO Audit Pty Ltd and related network firms		
Audit and review of financial reports	122,251	-
<b>Total audit services provided by BDO</b>	<b>122,251</b>	<b>-</b>
<b>Non-audit services</b>		
independent limited assurance report	4,352	-
<b>Total non-audit services by BDO</b>	<b>4,532</b>	<b>-</b>
<b>Total services provided by BDO</b>	<b>126,786</b>	<b>-</b>
Other auditors and their related network firms – Stantons International		
Audit and review of financial reports	16,248	20,000
<b>Total audit services provided by other auditors (excluding BDO)</b>	<b>16,248</b>	<b>20,000</b>
Other Services – Stantons International	1,500	-
<b>Total non-audit services – by other auditors (excluding BDO)</b>	<b>1,500</b>	<b>-</b>
<b>Total services (excluding BDO)</b>	<b>17,748</b>	<b>20,000</b>

**NOTE 30 EVENTS AFTER BALANCE DATE**

On 6 July 2023, the Company announced that it had appointed Jane Seawright as an independent non-executive director of the Company. Ms Seawright holds an Honours degree in Law, an Arts degree and a Master of Business. Her career of 35 years includes private practice as a corporate and commercial lawyer as well as senior executive roles in mining research and health services. Ms Seawright has advised listed and unlisted companies in corporate governance, capital raising, financing, commercial agreements and arrangements, intellectual property and commercialisation.

On 6 July 2023, the Company announced that its first drillhole at Mt Oxide had intersected wide downhole intercepts of visually impressive copper mineralisation at its 100% owned Vero copper-silver resource that contains 15.98 Mt at 1.43% Cu and 6.91 g/t Ag1 total combined Measured, Indicated, and Inferred resource and a separate 9.15 Mt at 0.23% Co1 total combined Measured, Indicated and Inferred resource. This hole is the first of an initial diamond drilling program aimed at increasing confidence and expanding the extent and grade of the resource. The drill program is the first significant on ground exploration undertaken on the Vero Resource since 2012.

On 19 July 2023, the Company announced that Drilling and IP survey results had revealed significant extension and resource growth potential at Great Australia Mine, QLD. IP Survey conducted over the Greater Australian Target identified four high-order IP chargeability anomalies, with compelling targets for future drill testing. This is the first systematic IP survey designed to test the area that lies between the Taipan and Great Australia resource known as the Greater Australian Target. These anomalies exhibit similar IP geophysical signatures to the unmined mineralisation defining the Taipan Resource (5.11Mt @ 0.57% Cu, 0.12g/t Au, 0.01% Co)

On 31 July 2023, the Company announced that it had commenced copper sulphate production at its Cloncurry Project in Queensland, Australia, with its refurbished solvent extraction and copper sulphate crystallisation plant now fully operational. The Company had entered an exclusive offtake agreement with Kanins International for its copper sulphate production in Queensland.

**NOTE 30 EVENTS AFTER BALANCE DATE (continued)**

On 31 July 2023, the Company advised that it had secured a short term working capital loan from Tembo Capital Mining Fund III (an associate of major shareholder Tembo Capital Holdings UK Ltd) for \$4,000,000 in late July 2023. This funding was largely to accelerate the exploration drilling work program and augment additional expenditure incurred in commissioning the Solvent Extraction and Crystallization plant. Interest accrues on the principal outstanding under the loan at a rate of 12% per annum. The loan is repayable by 21 January 2024, and may be repaid early without penalty. The loan is unsecured, and the Company has paid a nonrefundable draw down fee of 2% of the total amount of the loan, and an establishment fee of 1% of the total amount of the loan. The term of the loan may be extended by agreement with the lenders, in which case the Company will be required to pay an extension fee of 3% of the total amount of the loan plus any outstanding accrued interest and fees payable.

On 10 August 2023, the Company announced thigh grade copper-cobalt-silver mineralisation from the first drillhole of an initial diamond drilling program at Vero Resources, Mt Oxide with intersects 66.5m at 4.95% Cu.

On 7 September 2023, the Company secured a short-term working capital facility for \$5,000,000 to be drawn in two stages from Dyda Property management at an interest rate of 15% per annum. The loan is secured against mining and exploration tenants. The initial drawdown of \$3,000,000 was actioned on 7 September with the remaining \$2,000,000 scheduled to be drawn in October 2023. The loan is repayable by 7 February 2024.

On 20 September July 2023, the Company announced large-scale high-grade copper, silver, cobalt mineralisation at Vero QLD from a further three holes (MOXD218, MOXD219 and MOXD221) at the Vero Resource with returns up to 7.65% Cu.

There were no other matters or circumstances which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

**NOTE 31 RESTATEMENT OF COMPARATIVE FIGURES**

In the previous financial period, the Statement of Financial Position contained the errors in relation to the Round Oak asset acquisition.

- The provision in relation environmental restoration obligations, estimated at \$14,682,003, was not recognised as a liability upon completion of the transaction; and
- The fair value of exploration and evaluation expenditure was understated by \$14,682,003.

These corrections resulted in an:

- increase to Exploration and Evaluation Assets of \$14,682,003; and
- increase to Provision for restoration obligations of \$14,682,003.

There was no impact to previously reported net assets, equity or loss for the period ending 30 June 2022

**NOTE 31 RESTATEMENT OF COMPARATIVE FIGURES (continued)**

	Previously Reported 2022 \$	Corrections \$	Restated 2022* \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	53,439	-	53,439
Trade and other receivables	509,568	-	509,568
Other current assets	524,443	-	524,443
<b>TOTAL CURRENT ASSETS</b>	<b>1,087,450</b>	<b>-</b>	<b>1,087,450</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	200,000	-	200,000
Exploration and evaluation assets	6,800,000	14,682,003	21,482,003
<b>TOTAL NON-CURRENT ASSETS</b>	<b>7,000,000</b>	<b>14,682,003</b>	<b>21,683,003</b>
<b>TOTAL ASSETS</b>	<b>8,087,450</b>	<b>14,682,003</b>	<b>22,769,453</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	508,191	-	508,191
Borrowings	5,286,933	-	5,286,933
Short-term provisions	3,818	-	3,818
<b>TOTAL CURRENT LIABILITIES</b>	<b>5,798,842</b>	<b>-</b>	<b>5,798,842</b>
<b>NON-CURRENT LIABILITIES</b>			
Other payables	6,000,000	-	6,000,000
Long-term provisions	-	14,682,003	14,682,003
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>6,000,000</b>	<b>14,682,003</b>	<b>20,682,003</b>
<b>TOTAL LIABILITIES</b>	<b>11,798,942</b>	<b>14,682,003</b>	<b>26,480,945</b>
<b>NET ASSETS</b>	<b>(3,711,492)</b>	<b>-</b>	<b>(3,711,492)</b>
<b>EQUITY</b>			
Contributed capital	100	-	100
Accumulated losses	(3,711,592)	-	(3,711,592)
<b>TOTAL EQUITY</b>	<b>(3,711,492)</b>	<b>-</b>	<b>(3,711,492)</b>

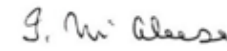
**DIRECTORS' DECLARATION****DIRECTORS' DECLARATION**

In the Directors opinion:

- (a) the attached consolidated financial statements and notes and the remuneration report in the Directors' Report are in accordance with the *Corporations Act 2001* and other mandatory professional reporting requirements, including:
  - (i) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
  - (ii) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- (b) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 1 to the consolidated financial statements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declaration by the Chief Executive Officer and Chief Finance Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.



Ian McAleese  
Chairman  
28 September 2023





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## INDEPENDENT AUDITOR'S REPORT

To the members of True North Copper Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of True North Copper Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to note 31 of the financial report, which describes the effects of a prior period restatement. Our opinion is not modified in respect of this matter.

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### Material uncertainty related 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 opinion is not modified in respect of this matter.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

#### Acquisition of TNC Mining

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in note 19 of the financial report, on 6 June 2023 the Company completed the 100% acquisition of TNC Mining Pty Ltd (TNC Mining). The consideration paid by TNC to the vendors for the purchase of 100% of TNC Mining was the issue and allotment of 247,234,428 fully paid ordinary TNC shares.</p> <p>The accounting for this transaction was a complex matter and required significant auditor effort.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"><li>• Reviewing the sale and purchase agreement including holding discussions with management to understand the key terms and conditions of the transaction.</li><li>• Evaluating management's assessment of the accounting acquirer and whether the transaction constituted a business or asset acquisition.</li><li>• Checking the calculation of the consideration transferred.</li><li>• Checking management's assessment of the fair value of the assets acquired.</li><li>• Checking the calculation of the listing expense.</li><li>• Reviewing the disclosures in the financial statements.</li><li>• Consulting with internal experts on the accounting for the transaction.</li></ul>

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## Valuation of rehabilitation provision

Key audit matter	How the matter was addressed in our audit
<p>Refer to Note 16 of the financial report.</p> <p>The Group has recognised a provision for rehabilitation as at 30 June 2023.</p> <p>The provision for rehabilitation relates to:</p> <ul style="list-style-type: none"> <li>Rehabilitation and rectification of current historical disturbance at Great Australia Mine;</li> <li>Rehabilitation and rectification of current historical disturbance at Wallace; and</li> <li>Rehabilitation and rectification of current historical disturbance at Mt Norma.</li> </ul> <p>The provision for rehabilitation was a key audit matter due to judgement involved in estimating expected costs and timing to rehabilitate disturbed areas in future periods and the amount is material.</p>	<p>Our procedures, amongst others, included:</p> <ul style="list-style-type: none"> <li>Assessing the reasonableness of the methodology and assumptions applied in the rehabilitation calculation, in particular the extent of disturbed areas as at 30 June 2023 and the expected timing of rehabilitation works.</li> <li>Assessing the competency and objectivity of the expert involved in the assessment of the extent of the disturbance.</li> <li>Checking the mathematical accuracy of the provision calculation and agreeing the underlying inputs used within the rehabilitation calculation to external market data where available.</li> <li>Assessing the appropriateness of the disclosures included in the financial statements.</li> </ul>

## Carrying Value of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
<p>Refer to note 12 in the financial report.</p> <p>The Group carries exploration and evaluation assets as at 30 June 2023 in relation to the application of the Group's accounting policy for exploration and evaluation assets.</p> <p>The recoverability of exploration and evaluation assets is a key audit matter due to:</p> <ul style="list-style-type: none"> <li>The significance of the total balance; and</li> <li>The level of procedures undertaken to evaluate management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources ('AASB 6') in light of any indicators of impairment that may be present.</li> </ul>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as license agreements and also considering whether the Group maintains the tenements in good standing.</li> <li>Assessing the basis for continuing to carry the costs, including the status of renewals that had been lodged and obtaining evidence that the licenses remained in force until the renewal process is completed.</li> <li>Enquiring of management with respect to the status of ongoing exploration programs in the respective areas of interest and assessing the Group's cash flow budget for the level of budgeted spend on exploration projects.</li> <li>Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.</li> </ul>

## Other information

The directors are responsible for the other information. The other information comprises the information contained in Financial report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.





If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

#### Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.

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## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 24 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of True North Copper Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

#### BDO Audit Pty Ltd

BDO  


R J Liddell  
Director

Brisbane, 28 September 2023

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A. Corporate Governance

A statement disclosing the extent to which the Company has followed the best practice recommendations set by the ASX Corporate Governance Council during the reporting period can be found on our website – [truenorthcopper.com.au/Statement-of-Corporate-Governance-Practices](https://truenorthcopper.com.au/Statement-of-Corporate-Governance-Practices)

B. Shareholdings

1. Substantial Shareholders

An extract of the Company’s register of substantial shareholders is set out below.

Shareholder	Number of Shares
Tembo Capital Holdings UK Limited	137,264,177
TA Private Capital Security Agent	31,018,260
HSBC Custody Nominees	28,915,037

2. Number of holders in each class of equity securities and the voting rights attached

There are 2,141 holders of ordinary shares. Each shareholder is entitled to one vote per share held.

On a show of hands every shareholder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. There are no voting rights attached to options.

3. Distribution schedule of the number of holders in each class of equity security as at 30 September 2023.

Ordinary Shares

By Class	Holders of Ordinary Shares	No. Of Ordinary Shares	%
1 to 1,000	77	38,571	0.01
1,001 to 5,000	326	978,606	0.21
5,001 to 10,000	221	1,748,464	0.38
10,001 to 100,000	1,153	50,401,807	10.92
100,001 and over	364	408,479,908	88.48
	2,141	461,647,356	100.00

Options

By Class	Holders of Options	No. Of Options	%
1 to 1,000	-	-	-
1,001 to 5,000	-	-	-
5,001 to 10,000	-	-	-
10,001 to 100,000	-	-	-
100,001 and over	23	20,474,554	100.00
	23	461,647,356	100.00

4. Marketable Parcel

As at 30 September 2023 there were 220 shareholders with unmarketable parcel of shares totalling 302,939 shares representing 0.07% of issued capital.

5. Twenty largest holders of each class of quoted equity security

The names of the twenty largest holders of each class of quoted equity security, the number of equity security each holds and the percentage of capital each holds as at 30 September 2023 is as follows:

Position	Holder Name	Holding	% IC
1	TEMBO CAPITAL HOLDINGS UK LIMITED	39,999,999	15.39%
2	HSBC CUSTODY NOMINEES	26,400,751	10.16%
3	CITICORP NOMINEES PTY LIMITED	12,119,732	4.66%
4	UBS NOMINEES PTY LTD	9,124,000	3.51%
5	TRI-STAR E&P PTY LTD	6,000,000	2.31%
6	ALLEGRO CAPITAL NOMINEES PTY LTD <ALLEGRO CAPITAL ACCOUNT>	5,200,000	2.00%
7	TRI-STAR E&P PTY LTD	4,000,000	1.54%
8	MANDERRAH PTY LIMITED <GJJ FAMILY>	3,779,998	1.45%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	3,750,000	1.44%
10	BAROLO TNC CT PTY LTD <BAROLO TNC A/C>	3,399,963	1.31%
11	MR KEIRAN JAMES SLEE	2,994,783	1.15%
12	MISTY GRANGE PTY LTD <BJ&LA WINSOR S/F PENS A/C>	2,990,498	1.15%
13	PALM BEACH NOMINEES PTY LIMITED	2,450,000	0.94%
14	THIRTY-SIXTH VILMAR PTY LTD	2,000,000	0.77%
15	ANGIP NOMINEES PTY LTD <WATTLE SUPERANNUATION A/C>	1,941,616	0.75%
16	BNP PARIBAS NOMS(NZ) LTD <DRP>	1,900,000	0.73%
17	MR TERRY LESLIE GALLAGHER	1,630,404	0.63%
18	CJH HOLDINGS PTY LIMITED	1,619,999	0.62%
19	SAS INVESTMENTS PTY LTD <SHEPHERD SUPER FUND A/C>	1,400,000	0.54%
20	MR EUGENE STEPHEN ILIESCU & MRS JENNIFER MARGARET ILIESCU <ES & JM ILIESCU S/F A/C>	1,279,999	0.49%
Total		133,981,742	51.56%
Total issued capital – selected security class(es)		259,841,450	100.00%



6. Unquoted equity securities

Unquoted equity securities on issue at 30 September 2023 were as follows:

Fully Paid Ordinary Shares

There are 201,805,906 unquoted fully paid ordinary shares on issue as follows:

Number of Shares	Restriction ending	Number of Holders
31,428,622	3 March 2024	202
16,000,000	6 June 2024	50
154,377,284	19 June 2025	8

Options

The are 20,474,554 unquoted options on issue as follows:

Number of Options	Exercise Price	Restriction ending	Expiry date	Number of Holders
1,963,996	57 cents	–	10 Nov 2027	6
550,812	75 cents	–	20 July 2028	1
2,469,746	28 cents	19 June 2025	19 June 2025	2
6,290,000	30 cents	–	16 June 2028	8
9,200,000	30 cents	16 June 2025	16 June 2028	6

Refer to the Remuneration Report for vesting conditions relating to these options.

C. Statement On Use Of Funds

The Company has used its cash at the time of admission in a manner consistent with its business objectives.

TENEMENT DIRECTORY

Schedule of Mining Tenements and Beneficial Interest Held as of 30 June 2023

Holder Name	Tenement	Name	State	Percentage held
TNC MINING PTY LTD	EPM10313	Mount Oxide JV	QLD	100%
TNC MINING PTY LTD	EPM11675	Balaclava	QLD	100%
TNC MINING PTY LTD	EPM12409	Wynberg	QLD	100%
TNC MINING PTY LTD	EPM13137	Coppermine Creek	QLD	100%
TNC MINING PTY LTD	EPM14295	Monakoff West	QLD	100%
TNC MINING PTY LTD	EPM14660	Mount Oxide West #3	QLD	100%
COPPER CORP	EPM15706	Tommy Creek	QLD	100%
NORTH WEST COPPER PTY LTD	EPM15879	Mt Norma	QLD	100%
TNC MINING PTY LTD	EPM16800	Mount Oxide South	QLD	100%
NORTH WEST COPPER PTY LTD	EPM18106	Flamingo West	QLD	100%
TNC MINING PTY LTD	EPM18538	Arthur	QLD	100%
TNC MINING PTY LTD	EPM26371	Kuridala	QLD	100%
TRUE NORTH COPPER LIMITED	EPM26499	Bundarra	QLD	100%
TRUE NORTH COPPER LIMITED	EPM26852	Prairie Creek	QLD	100%
TRUE NORTH COPPER LIMITED	EPM27474	Duania	QLD	100%
TRUE NORTH COPPER LIMITED	EPM27609	Waitara	QLD	100%
NORTH WEST COPPER PTY LTD	EPM27959	Flamingo 2	QLD	100%
NORTH WEST COPPER PTY LTD	EPM28040	Mt Norma West	QLD	100%
COPPER CORP PTY LTD	EPM28089	Winston	QLD	100%
TNC MINING PTY LTD	<b>EPM28648*</b>	Cloncurry HUB-1	QLD	100%
TNC MINING PTY LTD	<b>EPM28649*</b>	Cloncurry HUB-2	QLD	100%
MOUNT OXIDE PTY LTD	MDL2024	Mount Oxide	QLD	100%
TNC MINING PTY LTD	ML100077	Wallace South	QLD	100%
TNC MINING PTY LTD	ML100111	Wynberg	QLD	100%
NORTH WEST COPPER PTY LTD	ML2506	Mount Normal	QLD	100%
COPPER CORP PTY LTD	ML2518	Winston Churchill	QLD	100%
COPPER CORP PTY LTD	ML2535	Sally	QLD	100%
NORTH WEST COPPER PTY LTD	ML2550	Mount Norma NO 2	QLD	100%
NORTH WEST COPPER PTY LTD	ML2551	Mount Norma NO 3	QLD	100%
TNC MINING PTY LTD	ML2695	Kangaroo Rat	QLD	100%
TNC MINING PTY LTD	ML90065	Great Australia	QLD	100%
NORTH WEST COPPER PTY LTD	ML90103	New Snow Ball	QLD	100%
TNC MINING PTY LTD	EPM10313	Mount Oxide JV	QLD	100%
TNC MINING PTY LTD	EPM11675	Balaclava	QLD	100%
TNC MINING PTY LTD	EPM12409	Wynberg	QLD	100%
TNC MINING PTY LTD	EPM13137	Coppermine Creek	QLD	100%
TNC MINING PTY LTD	EPM14295	Monakoff West	QLD	100%

Holder Name	Tenement	Name	State	Percentage held
TNC MINING PTY LTD	EPM14660	Mount Oxide West #3	QLD	100%
COPPER CORP	EPM15706	Tommy Creek	QLD	100%
NORTH WEST COPPER PTY LTD	EPM15879	Mt Norma	QLD	100%
TNC MINING PTY LTD	EPM16800	Mount Oxide South	QLD	100%
NORTH WEST COPPER PTY LTD	EPM18106	Flamingo West	QLD	100%
TNC MINING PTY LTD	EPM18538	Arthur	QLD	100%
TNC MINING PTY LTD	EPM26371	Kuridala	QLD	100%
NORTH WEST COPPER PTY LTD	EPM27959	Flamingo 2	QLD	100%
NORTH WEST COPPER PTY LTD	EPM28040	Mt Norma West	QLD	100%
COPPER CORP PTY LTD	EPM28089	Winston	QLD	100%
TNC MINING PTY LTD	EPM28648*	Cloncurry HUB-1	QLD	100%
TNC MINING PTY LTD	EPM28649*	Cloncurry HUB-2	QLD	100%
MOUNT OXIDE PTY LTD	MDL2024	Mount Oxide	QLD	100%
TNC MINING PTY LTD	ML100077	Wallace South	QLD	100%
TNC MINING PTY LTD	ML100111	Wynberg	QLD	100%
NORTH WEST COPPER PTY LTD	ML2506	Mount Norma	QLD	100%
COPPER CORP PTY LTD	ML2518	Winston Churchill	QLD	100%
COPPER CORP PTY LTD	ML2535	Sally	QLD	100%
NORTH WEST COPPER PTY LTD	ML2550	Mount Norma NO 2	QLD	100%
NORTH WEST COPPER PTY LTD	ML2551	Mount Norma NO 3	QLD	100%
TNC MINING PTY LTD	ML2695	Kangaroo Rat	QLD	100%
TNC MINING PTY LTD	ML90065	Great Australia	QLD	100%
NORTH WEST COPPER PTY LTD	ML90103	New Snow Ball	QLD	100%
NORTH WEST COPPER PTY LTD	ML90104	Mossy's Dream	QLD	100%
TNC MINING PTY LTD	ML90108	Orphan Shear	QLD	100%
NORTH WEST COPPER PTY LTD	ML90172	MT Norma SURROUND 1	QLD	100%
NORTH WEST COPPER PTY LTD	ML90173	MT Norma SURROUND 2	QLD	100%
NORTH WEST COPPER PTY LTD	ML90174	MT Norma SURROUND 3	QLD	100%
NORTH WEST COPPER PTY LTD	ML90175	MT Norma SURROUND 4	QLD	100%
NORTH WEST COPPER PTY LTD	ML90176	MT Norma SURROUND 5	QLD	100%
TNC MINING PTY LTD	ML90236	Wallace	QLD	100%
NORTH WEST COPPER PTY LTD	ML90104	Mossy's Dream	QLD	100%
TNC MINING PTY LTD	ML90108	Orphan Shear	QLD	100%
NORTH WEST COPPER PTY LTD	ML90172	Mount Norma SURROUND 1	QLD	100%
NORTH WEST COPPER PTY LTD	ML90173	Mount Norma SURROUND 2	QLD	100%
NORTH WEST COPPER PTY LTD	ML90174	Mount Norma SURROUND 3	QLD	100%
NORTH WEST COPPER PTY LTD	ML90175	Mount Norma SURROUND 4	QLD	100%
NORTH WEST COPPER PTY LTD	ML90176	Mount Norma SURROUND 5	QLD	100%
TNC MINING PTY LTD	ML90236	Wallace	QLD	100%

## TRUE NORTH COPPER MINERAL RESOURCES AND ORE RESERVES

In accordance with ASX Listing Rule 5.21, the Company reviews and reports its Mineral Resources and Ore Reserves at least annually. The Company undertakes an annual review of its Mineral Resources and any Ore Reserves as required by the JORC Code 2012 Edition and the ASX Listing Rules. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its Mineral Resources or Ore Reserves over the course of the year, the Company promptly reports these changes.

As at 30 June 2023, there were no changes to the Company's reported Mineral Resources or Ore Reserves since their initial release prior to that date (see below for details).

As announced on 17 October 2023, the Company has upgraded its Mineral Resource for Wallace North. Refer to that announcement for further details of this upgrade.

### GOVERNANCE ARRANGEMENTS AND CONTROLS

The Company has ensured that the Mineral Resources and Ore Reserves quoted are subject to good governance arrangements and internal controls. The Mineral Resources and Ore Reserves reported have been generated by internal and external Company geologists, who are experienced in best practice modelling and estimation methods.

The relevant Competent Persons have reviewed all data used in the estimate of the Mineral Resources and Ore Reserves and consider the data to have been collected using appropriate industry standard practices and which, to the most practical degree possible, are representative, unbiased, and collected with appropriate QA/QC practices in place. All Ore Reserves estimates are prepared by Competent Persons using data that they have reviewed and applied appropriate modifying factors. In addition, the Company's management carry out regular reviews and audits of internal processes and external contractors that have been engaged by the Company.



TRUE NORTH COPPER MINERAL RESOURCES

Resource Category	Cut-off (% Cu)	Tonnes (Mt)	Cu (%)	Au (g/t)	Co (%)	Ag (g/t)	Cu kt	Au koz	Co kt	Ag Moz
Great Australia										
Indicated	0.50	3.47	0.89	0.08	0.03	–	31.10	8.93	0.93	–
Inferred	0.50	1.19	0.84	0.04	0.02	–	10.00	1.53	0.20	–
Subtotal		4.66	0.88	0.07	0.02	–	41.10	10.46	1.13	–
Orphan Shear										
Indicated	0.25	1.01	0.57	0.04	0.04	–	5.73	1.29	0.36	–
Inferred	0.25	0.03	0.28	0.01	0.02	–	0.08	0.01	0.01	–
Subtotal		1.03	0.56	0.04	0.04	–	5.79	1.19	0.37	–
Taipan										
Indicated	0.25	4.65	0.58	0.12	0.01	–	26.88	17.94	0.33	–
Inferred	0.25	0.46	0.51	0.14	0.01	–	2.27	2.07	0.04	–
Subtotal		5.11	0.57	0.12	0.01	–	29.15	20.17	0.36	–
Wallace North <sup>1</sup>										
Indicated	0.3	0.36	1.31	0.86	–	–	4.70	9.93	–	–
Inferred	0.3	1.23	1.28	0.95	–	–	15.80	37.70	–	–
Subtotal		1.59	1.29	0.93	–	–	20.50	47.63	–	–
Mt Norma In Situ										
Inferred	0.60	0.09	1.76	–	–	15.46	1.60	–	–	0.05
Subtotal		0.09	1.76	–	–	15.46	1.60	–	–	0.05
Mt Norma Heap Leach & Stockpile										
Indicated	0.60	0.07	2.08	–	–	–	1.39	–	–	–
Subtotal		0.07	2.08	–	–	–	1.39	–	–	–
Cloncurry Copper–Gold Restart Subtotal		12.55	0.79	0.20	0.01	–	99.54	79.45	1.86	0.05
Mt Oxide – Vero Copper–Silver										
Measured	0.50	0.05	1.35	–	–	8.83	0.63	–	–	0.01
Indicated	0.50	11.11	1.61	–	–	9.61	178.85	–	–	3.43
Inferred	0.50	4.82	1.01	–	–	5.18	48.70	–	–	0.82
Mt Oxide Vero Copper–Silver Subtotal		15.98	1.43	–	–	6.91	228.18	–	–	4.26
True North Mt Isa Inlier Total Copper Resource		28.53	1.15	0.09	0.01	–	327.71	79.45	1.86	4.31

Mt Oxide – Vero Cobalt										
Measured	0.1% Co	0.52	–	–	0.25	–	–	–	1.30	–
Indicated	0.1% Co	5.98	–	–	0.22	–	–	–	13.40	–
Inferred	0.1% Co	2.66	–	–	0.24	–	–	–	6.50	–
Mt Oxide Vero Copper–Silver Subtotal		9.15	–	–	0.23	–	–	–	21.20	–

<sup>1</sup> All resources tabulated are as at 30 June 2023 except the Wallace North resource, which was re–estimated on October 17, 2023 as previously disclosed in the Company’s 17 October 2023 ASX Announcement – *TNC Increases Copper, Gold Mineral Resource by 14% at Wallace North, Cloncurry*.  
The Wallace North Resource as at 30 June 2023 totalled 1.39 Mt @ 1.38% Cu and 0.90 g/t Au for contained Cu of 19,180t and Au of 40,220 oz as disclosed in the Company’s Re–compliance Prospectus released to the ASX on 16 June 2023.

Mt Flora										
Inferred	0.2% Cu Eq. <sup>2</sup>	16.00	0.50	–	–	6.90	78.00	–	–	3.60
Total Mt Flora (Bundarra Tenements, Central Queensland)		16.00	0.50	–	–	6.90	78.00	–	–	3.60

<sup>2</sup> Calculations are presented in Duke Exploration Limited announcement to the ASX on 29 June 2021 – *Mt Flora Maiden Inferred Mineral Resource and Drilling Update*.

GREAT AUSTRALIA MINE RESERVE STATEMENT (AS OF 30 JUNE 2023)

Great Australia Mine – Total Reserve			
Resource Category	Tonnes (Mt)	Cu (%)	Au (g/t)
Proved	0.0	0.00	0.00
Probable	4.0	0.74	0.08
Total	4.0	0.74	0.08

COMPRISING

Great Australia Reserve			
Resource Category	Tonnes (Mt)	Cu (%)	Au (g/t)
Proved	0.0	0.00	0.00
Probable	2.3	0.81	0.08
Total	2.3	0.81	0.08

Taipan Reserve			
Resource Category	Tonnes (Mt)	Cu (%)	Au (g/t)
Proved	0.0	0.00	0.00
Probable	0.9	0.70	0.10
Total	0.9	0.70	0.10

Orphan Shear Reserve			
Resource Category	Tonnes (Mt)	Cu (%)	Au (g/t)
Proved	0.0	0.00	0.00
Probable	0.8	0.60	0.03
Total	0.8	0.60	0.03

COMPETENT PERSONS’ STATEMENTS

Mineral Resource and Ore Reserves Statement

The information contained in the resource summary that relates to Mineral Resource Estimates for the Cloncurry Project, the Mt Oxide Project and the Mt Flora Resource (as at 30 June 2023) is based on and fairly represents information announced by the Company on 28 February 2023 (compiled by Mr Steve Rose, Mr Allan Ignacio and Mr Geoff Bullen), 16 June 2023 (compiled by Mr Christopher Speedy) and 29 June 2021 (compiled by Dr Greg Partington).

Messrs Steve Rose, Allan Ignacio, Geoff Bullen, Dr Greg Partington and Christopher Speedy have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (the JORC Code).

Mr Steve Rose is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Ignacio is a Member of the Australian Institute of Geoscientists (MAIG). Mr Bullen is a Member of the AusIMM. Dr Partington is a Member of the AusIMM and MAIG. Mr Rose is a fulltime employee of Rose and Associates. Mr Ignacio is a fulltime employee of Measured Group. Mr Geoff Bullen is a resource geologist at Perilya Limited. Mr Christopher Speedy is a principal geologist at Encompass Mining Ltd. Dr Greg Partington is a director of Kenex Pty Ltd. Mr Christopher Speedy is a Member of the AusIMM, MAIG and RPGeo.

The information contained in the Great Australia Mine reserve statement that relates to Ore Reserves for the Great Australia Mine (as at 30 June 2023), part of the Cloncurry Project, is based on and fairly represents information announced by the Company on 27 June 2023 (and updated on 4 July 2023), compiled by MEC Mining and Mr Christofer Catania, who is a fulltime employee of MEC Mining.

Mr Catania is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Catania has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code).

The Annual Mineral Resources and Ore Reserves Statement disclosed in this report, as a whole, has been approved by Daryl Nunn, who is a fulltime employee of Global Ore Discovery who provide geological consulting services to True North Copper Limited. Mr Nunn has provided his prior written consent as to the form and context in which the Mineral Resources and Ore Reserves Statement appears in this report.

Mr Nunn is a Fellow of the Australian Institute of Geoscientists, (FAIG): #7057. Mr Nunn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking (being the compilation and approval of the Annual Resources and Reserves Statement based on Mineral Resource Estimates and Ore Reserve Estimates approved by the relevant Competent Persons) to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Mr Nunn and Global Ore Discovery hold shares in True North Copper Limited.

JORC and previous disclosure

The information contained in this report that relates to exploration results is based on information previously disclosed in the following Company ASX Announcements:

- 19 July 2023, Great Australia Mine Drilling and IP Survey Results;
- 10 August 2023, TNC intersects 66.5m at 4.95% Cu, Vero first drill hole;
- 20 September 2023, Drilling returns up to 7.65% Copper, Vero Resource;
- 3 October 2023, TNC intercepts 6m @ 12.99g/t Au and 10m @ 2.22% at Wallace North, with multiple high-grade zones; and
- 23 October 2023, Vero Resource, exceptional visual copper mineralisation.

The information contained in this report that relates to the updated Mineral Resource Estimate at Wallace North is based on information previously disclosed in the Company’s 17 October 2023 ASX release “TNC Increases Copper, Gold Mineral Resource by 14% at Wallace North, Cloncurry”.

All of 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.

TRUE NORTH COPPER  
CORPORATE DIRECTORY

ABN 28 119 421 868

Board of Directors

Ian McAleese	Non-Executive Director/Chairman
Marty Costello	Managing Director
Tim Dudley	Non-Executive Director
Paul Frederiks	Non-Executive Director
Jane Seawright	Non-Executive Director

Company Secretary

Paul Frederiks

Board authorisation for release

This Annual Report is authorised for release by True North Copper’s Board of Directors.

Website

truenorthcopper.com.au

Registered & Principal Office

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Cairns QLD 4870  
+61 7 4031 0644  
contact@truenorthcopper.com.au

Share Registry

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

Auditors

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

Country of Incorporation

Australia

Stock Exchange Listing

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







True North Copper Limited | ACN 119 421 868  
[truenorthcopper.com.au](http://truenorthcopper.com.au)