

ASX Announcement | ASX: TNC

27 May 2024

Completion of Institutional Component of Entitlement Offer and Placement

Highlights

- Successful completion of the institutional component of Accelerated Non-Renounceable Entitlement Offer (**Entitlement Offer**) and Placement raising an aggregate of A\$16.6 million.
- Retail component of Entitlement Offer (A\$7.7 million) anticipated to open on Friday, 31 May 2024.
- The Equity Raising was strongly supported by key stakeholders, including Tembo Capital Management, the Company's largest shareholder (32%) and Nebari Natural Resources, lender to the Company.
- The fully underwritten equity raising, together with existing cash, will fund TNC through to steady state production at the Cloncurry Copper Project (including contingency, working capital, and other corporate expenses), exploration growth strategy and strengthen the Company's financial position.

True North Copper Limited (ASX: TNC) (**TNC** or the **Company**) is pleased to provide an update in relation to its fully underwritten \$24.3 million equity raising announced on 23 May 2024 (**Equity Raising**).

The Equity Raising is being conducted pursuant to a transaction specific prospectus, released to the ASX on 24 May 2024 (**Replacement Prospectus**).

TNC has now successfully closed:

- the institutional component (**Institutional Entitlement Offer**) of the Entitlement Offer, raising a total of A\$9.0 million (before costs) at an offer price of A\$0.056 per New Share (**Offer Price**); and
- the placement to institutional investors (**Placement**), raising a further A\$7.6 million (before costs).

The breakdown of funds raised (subject to settlement occurring) under these components of the Equity Raising, and the number of new fully paid ordinary shares (**New Shares**) to be issues, is set out below:

Equity Raising Component	New Shares to be issued	Funds raised
Institutional Entitlement Offer	161,144,259	A\$9.0 million
Placement	135,237,503	A\$7.6 million
Total	296,381,762	A\$16.6 million

Settlement of the New Shares under the Institutional Entitlement Offer and the Placement is expected to occur on 30 May 2024, with the New Shares expected to be issued and commence trading on 31 May 2024.

TNC's Executive Chairman, Ian McAleese, said: "The proceeds of the Placement and Institutional Entitlement Offer provides True North Copper with strong liquidity to begin mining at the Cloncurry Copper Project (CCP), starting at the high grade Wallace North deposit. TNC's immediate focus is to be Australia's next copper producer and we look forward to updating shareholders over the coming weeks."

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Placement and Institutional Entitlement Offer

A total of 296,381,762 New Shares are expected to be issued under the Placement and the Institutional Entitlement Offer (including as part of the institutional shortfall bookbuild) raising approximately A\$16.6 million, comprising 135,237,503 New Shares under the Placement (A\$7.6 million) and 161,144,259 under the Institutional Entitlement Offer (A\$9 million).

The New Shares issued under the Placement will be issued out of the Company's available placement capacity as follows:

- 84,906,101 New Shares to be issued under the Company's available 15% placement capacity under Listing Rule 7.1 which has been upsize by a 'supersize' placement waiver granted by ASX; and
- 50,331,402 New Shares to be issued under the Company's available 10% placement capacity under Listing Rule 7.1A.

The Placement and Institutional Entitlement Offer were made to eligible institutional investors from Australia, Canada (British Columbia, Ontario and Quebec provinces only), Hong Kong, Singapore, the United States, the United Kingdom, the European Union (excluding Austria), Switzerland, British Virgin Islands, Guernsey and Papua New Guinea. .

Tembo Capital Holdings UK Limited, the Company's largest shareholder (32%), committed to participate up to \$6.0 million through the Institutional Entitlement Offer and Priority Sub-Underwriting of the Retail Entitlement Offer.

Retail Entitlement Offer

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) will raise approximately A\$7.7 million (before costs) in additional funds.

Eligible retail shareholders, being shareholders as at 7:00pm (AEST) on 28 May 2024 who are not eligible institutional shareholders, (**Eligible Retail Shareholders**) will have the opportunity to take up their entitlement to New Shares at the Offer Price, on the terms and conditions outlined in the Replacement Prospectus to be sent to Eligible Retail Shareholders on 31 May 2024 (being the date the Retail Entitlement Offer opens). The Retail Entitlement Offer is expected to close at 5:00pm (AEST) on 12 June 2024.

The Retail Entitlement Offer will also include a top-up facility under which Eligible Retail Shareholders who take up their entitlement in full may also apply for additional New Shares in the Retail Entitlement Offer that were not taken up by other Eligible Retail Shareholders, up to a maximum of 100% of their existing entitlements. There is no guarantee that applicants for additional New Shares in addition to existing entitlements will receive all or any of the additional New Shares applied for. Refer to the Replacement Prospectus for further details.

New Shares under the Retail Entitlement Offer are expected to be issued on 19 June 2024.

Canaccord Genuity (Australia) Limited and Morgans Corporate Limited are acting as Underwriters and Joint Lead Managers to the Equity Raising. The material terms of the Underwriting Agreement, including the fees payable to Canaccord and Morgans consideration for underwriter and lead manager services are set out in the Replacement Prospectus.

Equity Raising Indicative Timetable

Event	Date
Trading Halt and announcement of the Offer	23 May 2024
Placement and Institutional Entitlement Offer opens	23 May 2024
Placement and Institutional Entitlement Offer closes	24 May 2024
Announcement of results of Placement and Institutional Entitlement Offer	27 May 2024
Trading Halt lifted and shares recommence trading on ASX on an ex-entitlement basis	27 May 2024
Record date for Entitlement Offer	7:00pm (AEST) on 28 May 2024

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Event	Date
Settlement of the Placement and Institutional Entitlement Offer	30 May 2024
Retail Entitlement Offer opens Replacement Prospectus and Acceptance Form made available	31 May 2024
Allotment and commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer	31 May 2024
Retail Entitlement Offer closes	5:00pm (AEST) on 12 June 2024
Announce results of the Retail Entitlement Offer	14 June 2024
Settlement of New Shares under the Retail Entitlement Offer	18 June 2024
Allotment of New Shares under the Retail Entitlement Offer	19 June 2024
Commencement of trading of New Shares issued under the Retail Entitlement Offer	20 June 2024

*All dates are indicative and subject to change. The Company reserves the right to alter this timetable at any time.

AUTHORISATION

This announcement has been approved for issue by the True North Copper Limited Board.

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