Focus on Copper/Gold Resource Growth

True North Copper Ltd

Market Developments: the macro backdrop for TNC has turned more favourable with the copper price rallying to in excess of US$15,700/t (LME, early August 2026), well above even our most bullish US$11,500/t scenario (envisaged in December 2025). In parallel, M&A activity has intensified in the region where TNC is active.

Strategy: Since the beginning of 2026, TNC has undergone a significant strategic transformation from a near-term producer attempting a mine restart to a more disciplined copper growth company. Thanks to the outstanding discovery at Aquila, management has shifted capital allocation away from near-term production towards expanding the Mt Oxide mineral resource, improving project economics and simplifying its asset portfolio at the CCP, while systematically advancing regional exploration. This strategy reduces operational risk and is likely to add shareholder value faster in the short to medium term.

Mt Oxide Project: continued drilling success at Aquila, new IP-generated targets and Queensland Government funding have reinforced Mt Oxide's potential to become a **district-scale copper project**. The discovery has been extended materially: interpreted strike has grown from ~900m at initiation to over 1.8km by July 2026 with 40–60m true widths and remains open along strike and at depth. First diamond holes of the 2026 program (reported ~28th July 2026) intersected broad Cu-Co-Ag mineralisation, e.g. 35m @ 0.82% Cu, including 4.0m @ 4.08% Cu. 2026 follow-up drilling is actively underway at Mt Oxide to confirm the geophysical extensions of Aquila, test the system along strike and at depth, and improve TNC's understanding of the geometry and controls on mineralisation. Exploration is also continuing at nearby prospects aiming to build a larger mineralised system around Vero and unlock the broader potential of the Mt Oxide Project. The results so far comfort our previous and now updated valuation assumptions.

Cloncurry Copper Project: the major positive development is management's decision to undertake a right-sized PFS with optimised mine sequencing, improved economics and reduced capital intensity. The acquisition of the Renegade Exploration Ltd (ASX: RNX) interest in the Carpentaria JV simplifies ownership, increases attributable resources and offers greater operational flexibility.

Highly Strategic Locations confirmed by M&A Activity: both key assets are well located close to infrastructure including sulphide ore processing plants: the CCP is on the Barkly-Flinders Highway and Mt Isa-Townsville railway and close to the Rocklands, Ernest Henry and Eloise processing plants. The Mt Oxide Project can access grid power and could see its future mining inventory be processed at the Capricorn Copper plant (40 km away).

Strong Institutional Support: the combination of Tembo Capital, Regal Funds Management, Glencore Australia and Nebari Natural Resources represents in excess of 42% of the share register and a strong endorsement of the company strategy and its management. The key interest of some of those funds in the upside potential of Mt Oxide is being validated.

Management Team with a Successful Track Record of Mine Development: Paul Cronin was the Co-Founder and former Managing Director and CEO of Adriatic Metals. Under Mr Cronin's tenure, Adriatic Metals advanced from maiden mineral resource to production in less than 5 years, becoming one of Europe's most successful mining companies. Andrew Mooney has managed or delivered major copper and gold projects (Prominent Hill, West Musgrave and Carrapateena Expansion) for OZ Minerals, BHP and MMG.

Mt Oxide + CCP valuations: For Mt Oxide, based on exploration success and geophysical targets, we see now a tripling (vs 2.5x previously) of the current MRE. Using a market multiple of $190/t, we value Mt Oxide at $125m. Using a US$13,500/t copper price (>US$15,700/t currently) and 70% risk discount, we value CCP at $62m.

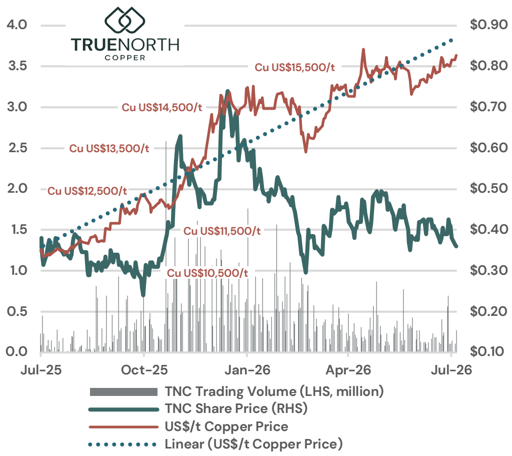
TNC valuation: Our TNC valuation amounts to $196 million or $0.98 per share. In a macro context highly favorable to copper with intense M&A activity (Hammer Metals - ASX: HMX, Carnaby Resources – ASX CNB), the proven exploration strategy at Mt Oxide will deliver shareholder value through on-going drilling. Adding the medium-term development option at the CCP, **the combination of TNC assets offers a compelling investment proposition in its own right as well as being very attractive to ambitious producers** such as 29 Metals (ASX: 29M), AIC Mines (ASX: A1M) and Evolution Mining (ASX: EVN) operating in the region.

Recommendation	**SPEC. BUY**
Price Target	**$0.98**
Share Price	**$0.36**
TSR	**172%**

Company Profile

Market Capitalisation	$55.9m
Enterprise Value	$48.8m
Shares on Issue	155.4m
Free Float	50%
Avg Daily Volume (3-month)	246k
52-Week Range	$0.22 - $0.76

Price Performance



Company Overview

True North Copper Limited is an active copper-gold exploration and development company with land holdings in Northwest Queensland. TNC tenure across its Cloncurry and Mt Oxide projects is located in the Mt Isa Inlier, which is home to a number of world-class mining projects focusing on copper.

Top Shareholders

Tembo Capital	24.5%
Regal Funds Management	6.5%
Glencore Australia	6.3%
Nebari Natural Resources	5.3%
TNC Board & Executive	3.5%
Top 20	70.6%

Key Catalysts

Mt Oxide drilling results	H2 2026
Mongoose-Taipan MRE update	Q4 2026
CCP PFS & ore reserves	Q4 2026
CCP Final Investment Decision	2027
Aquila/Mt Oxide MRE	2027 tbc

EVOLUTION CAPITAL

True North Copper Ltd (ASX: TNC) Financial Summary
Base Case: Cloncurry Copper Project with Cu @ US$13,500/t

Key metrics

Market Information	Unit	Value
Number of Issued Shares	million	155.383
Performance Rights	million	2.450
Performance Rights	million	2.000
Warrants	million	0.464
Fully Diluted	million	160.297
Share Price	A$	0.36
12 month High-Low	A$	0.22 - 0.76
Market Capitalisation	A$m	55.9
Cash (30-Jun-26)	A$m	7.1
Debt (30-Jun-26)	A$m	0.0
Enterprise Value	A$m	48.8

Queensland Copper-Gold M&A Transactions		Price A$m	CuEq t	$/t CuEq
27-Jul-26	Carnaby Resources (ASX: CNB) to be acquired by Evolution Mining (ASX: EVN)	213	440,500	$484/t
11-Jun-26	Hammer Metals (ASX: HMX) to be acquired by Larvotto Resources (ASX: LRV)	61.2	530,000	$115/t
		Average		$300/t

Financing Assumptions			Unit	Value
Equity raising in FY2027	40 m @	$0.40	A$m	16.0
Number of shares post equity raising			x	200.3

Mineral Resources

	Mt	Cu %	Ag g/t	Cu kt	Au koz
Cloncurry Copper	16.73	0.75	0.17	125.7	91.3
		Co %	Ag g/t	Co kt	Ag moz
		0.01		1.86	0.05

	Mt	Cu %	Ag g/t	Cu kt	Ag moz
Mt Oxide Cu-Ag (Vero)	15.03	1.46	10.59	220	5.13
	Mt	Co %		Co kt	
Mt Oxide Co	9.15	0.2		21.2	

	Mt		Au g/t		Au koz
Wallace-Wynberg	0.91		2.50		72.0

Mining Inventory	Tonnes	Cu %	Au g/t	Cu kt	Au koz
60% of MRE assumed					
Cloncurry Copper	10.0	0.75	0.17	75.4	54.8

CCP Post Tax Net Present Value @ 10% discount rate and Internal Rate of Return

Copper	US$/t	$12,000	$13,500	$14,500	$15,500
Gold	US$/oz	$3,800	$4,000	$4,250	$4,500
Copper	A$/t	$18,462	$20,769	$22,308	$23,846
Gold	A$/oz	$5,846	$6,154	$6,538	$6,923
FX A$/US$	0.70	0.70	0.70	0.70	0.70
NPV		$123	$207	$256	$305
IRR		143%	230%	292%	353%

TNC Sum of the Parts Valuation	NPV (A$m)	Risk Factor	A$m	Per Share
Mt Oxide Project (Vero Cu metal x 3.0 x $190/t)			$125.4	$0.63
CCP (30% risked NPV)	$207	30%	$62.2	$0.31
Regional exploration upside			$10.0	$0.05
Bundarra Project sale			$1.5	$0.01
Exploration and development costs			($10.0)	($0.05)
Payment to Perilya in Q4 2026			($7.5)	($0.04)
Cash (30-Jun-26)			$7.1	$0.04
Capital raising in FY2027			$16.0	$0.08
Corporate costs			($8.3)	($0.04)
12-month Valuation/Price Target			$196.4	$0.98

Financial Statements

Financial Year ending 30 June

Profit & Loss (A$m)	2025A	2026F	2027F	2028F	2029F
Revenue	18.0	0.7	0.0	0.0	222.9
Operating Costs	(13.1)	(1.2)	0.0	0.0	(135.8)
Royalties	0.0	0.0	0.0	0.0	(11.1)
Overhead Costs	(9.7)	(4.2)	(4.3)	(4.4)	(4.5)
Other Income/Costs	(12.6)	0.0	0.0	0.0	0.0
EBITDA	**(17.4)**	**(4.7)**	**(4.3)**	**(4.4)**	**71.5**
Depreciation	(4.3)	(4.3)	8.3	10.0	14.2
Net Interest	(6.7)	(0.4)	(1.8)	(1.8)	(4.8)
Tax and Other	0.0	0.0	0.0	0.0	0.0
Profit	**(28.4)**	**(9.4)**	**2.2**	**3.8**	**80.9**

Cash Flow (A$m)	2025A	2026F	2027F	2028F	2029F
Net Profit	(28.4)	(9.4)	2.2	3.8	80.9
+/- Adjustments	4.1	4.7	(6.5)	(8.2)	(9.3)
+/- Working Capital	(0.3)	(0.8)	0.8	0.0	(29.1)
+/- Other	5.1	7.8	(6.9)	0.0	(11.1)
Cash Flow from Operations	**(19.4)**	**2.3**	**(10.4)**	**(4.4)**	**31.3**
Net Capital Expenditure	(5.3)	(12.0)	(9.0)	(25.0)	(8.4)
Cash Flow from Investing	**(5.3)**	**(12.0)**	**(9.0)**	**(25.0)**	**(8.4)**
Net proceeds from Debt	(28.6)	(7.9)	(1.8)	23.2	(4.8)
Changes in Share Capital	53.1	12.5	16.0	10.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Other Financing Casfhlow	(2.4)	(0.6)	(1.0)	(0.6)	0.0
Cash Flow from Financing	**22.1**	**4.0**	**13.2**	**32.6**	**(4.8)**
Net Cash Change	**(2.7)**	**(5.7)**	**(6.2)**	**3.2**	**18.1**

Balance Sheet (A$m)	2025A	2026F	2027F	2028F	2029F
Cash	12.8	7.1	0.9	4.1	22.2
Other Current Assets	2.7	2.3	0.0	0.0	68.1
Total Current Assets	**15.5**	**9.4**	**0.9**	**4.1**	**90.3**
Property, Plant & Equipment	3.8	(2.6)	14.7	49.7	72.3
Exploration, Evaluation & Dev.	47.3	61.5	61.5	61.5	61.5
Non-Current Assets	32.1	32.1	32.1	32.1	32.1
Total Non-Current Assets	**83.2**	**90.9**	**108.3**	**143.3**	**165.8**
Total Assets	**98.7**	**100.3**	**109.2**	**147.4**	**256.2**
Equity	161.5	173.4	188.5	197.9	197.9
Reserves	3.8	3.8	3.8	3.8	3.8
Retained Earnings	(91.2)	(100.6)	(98.4)	(94.6)	(13.7)
Total Equity	**74.1**	**76.6**	**93.9**	**107.1**	**187.9**
Current Debt	0.0	0.0	0.0	0.0	0.0
Account Payables	1.6	0.7	0.0	0.0	27.9
Other Liabilities	0.2	7.7	0.0	0.0	0.0
Total Current Liabilities	**1.8**	**8.4**	**0.0**	**0.0**	**27.9**
Lease Liabilities	7.5	0.0	0.0	0.0	0.0
Non-current Debt	15.3	15.3	15.3	40.3	40.3
Total Non-current Liabilities	**22.8**	**15.3**	**15.3**	**40.3**	**40.3**
Total Liabilities	**24.6**	**23.7**	**15.3**	**40.3**	**68.2**
Total Equity + Liabilities	**98.7**	**100.3**	**109.2**	**147.4**	**256.2**

Profitability indicators	2025A	2026F	2027F	2028F	2029F
EBITDA margin			0.0%	0.0%	32.1%
Liquidity	**2025A**	**2026F**	**2027F**	**2028F**	**2029F**
Quick Ratio	0.9	1.5	0.0	0.0	2.0
Current Ratio	1.7	3.2	0.0	0.0	2.4
Capital structure	**2025A**	**2026F**	**2027F**	**2028F**	**2029F**
Equity ratio	1.6	1.7	1.7	1.3	0.8
Debt / Assets	0.2	0.2	0.1	0.3	0.2
Debt / EBITDA	-0.9	-3.3	-3.6	-9.2	0.6
DSCR	0.0	0.0	0.0	-0.9	14.8

Source: Evolution Capital estimates

CONTENTS

All currencies are in Australian dollars unless otherwise specified.

1. TNC Valuation

Mt Oxide Valuation

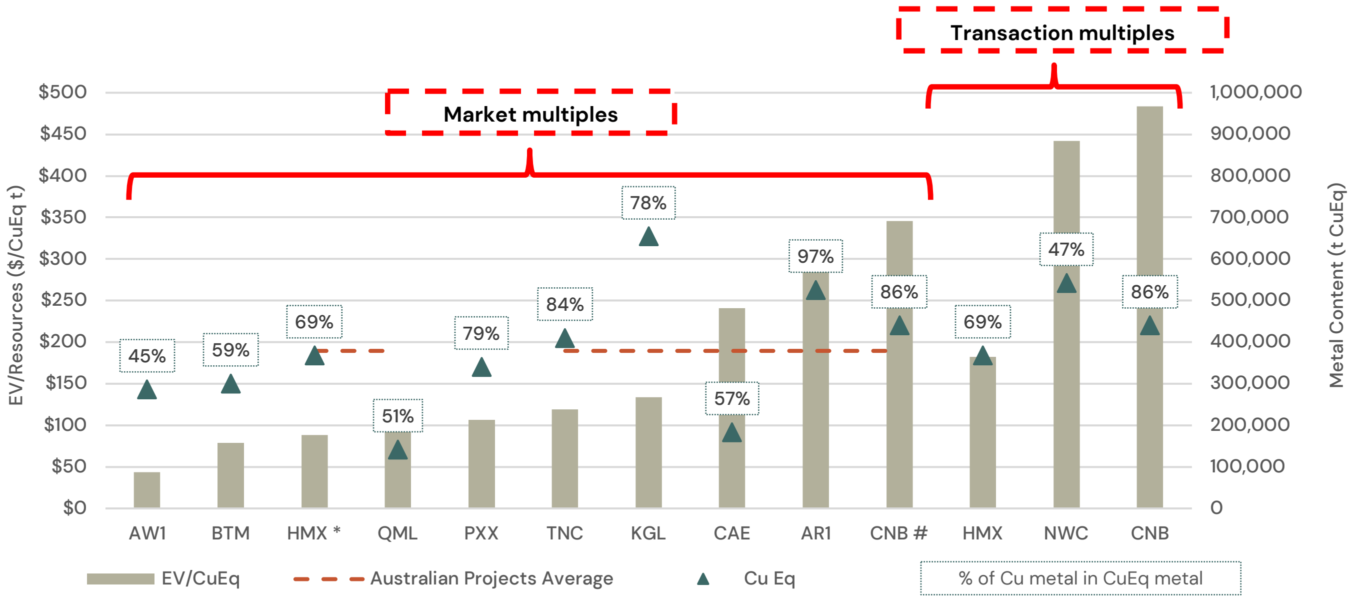
Figure 1.1 summarises the Enterprise Value/Resource multiple and metal content for some copper development companies listed on the ASX. Copper equivalent was calculated using the following metal prices:

- copper US$14,000/t
- lead US$1,800/t
- zinc US$3,500/t
- gold US$4,000/oz
- silver US$50/oz

Metallurgical recoveries were not considered, unless Cu Equivalent were provided by the companies.

The combination of the Aquila discovery and the prospectivity along the Dorman Fault and Mt Gordon Fault Zone where 1.8km of strike has been confirmed with well-defined geophysical targets, offers multiple opportunities to replicate the Aquila discovery. We assumed that drilling results will lead to the delineation of a mineral resource about three times the size at similar grade to the Vero MRE.

Figure 1.1 – Copper Developers – Peer Comparison



Source: ASX, Evolution Capital research
*Notes: * Market multiple for HMX is based on the VWAP for the month of May (prior to the take-over announcement). # Market multiple for CNB is based on the 30-day VWAP prior to the take-over announcement.*

Applying the average EV/Resource multiple for Australian projects of $190/t CuEq to a copper metal contained for Mt Oxide increased by 3.0x leads to a value of $125.4 million.

CCP Valuation

We have adjusted our model for the Cloncurry Copper Project (CCP) by increasing the mining inventory in line with the increase in mineral resources and adjusted some other key parameters as follows:

- Mining inventory: 60% of the MRE 16.7 million tonnes at 0.75% Cu and 0.17g/t Au or 10.0 Mt at the same grades
- Strip ratio: 5.3:1 as disclosed in 4th December 2025 ASX announcement
- Ore haulage to Rocklands treatment plant with 2.5 mtpa capacity
- Capital expenditure: $20m (+ $5m working capital)
- Recoveries: 85% for Cu and 85% for Au

- Mining cost: $5/t mined
- Ore haulage cost: $16/t ore
- Processing cost: $40/t ore
- G&A cost: $3/t ore
- Concentrate grade: 20% Cu
- Concentrate transport: $150/wmt (and 8% moisture)
- Payabilities: 96.5% for Cu and 96% for Au
- TC/RC: US$60/dmt and US6¢/lb payable Cu
- Queensland State Government royalty: 5%
- Closure/rehabilitation costs: $5 million
- Tax losses: $35.3 million (TNC 2025 Annual Report)

Using various updated metal prices and foreign exchange assumptions, Table 1.1 summarises the post tax net present value and internal rate of return of the CCP.

Table 1.1 - Cloncurry Copper Project Post-Tax NPV and IRR

		Low Case	Base Case	Upside Case 1	Upside Case 2
Copper (US$/t)		$12,000	$13,500	$14,500	$15,500
Gold (US$/oz)		$3,800	$4,000	$4,250	$4,500
Copper (A$/t)		$18,462	$20,769	$22,308	$23,846
Gold (A$/oz)		$5,846	$6,154	$6,538	$6,923
	0.74	$79	$167	$218	$264
	0.72	$100	$189	$237	$284
A$/US$	**0.70**	$123	Post Tax $207	NPV $256	$305
	0.68	$146	$227	$277	$326
	0.65	$184	$258	$310	$361
	0.74	100%	185%	244%	302%
	0.72	121%	207%	267%	327%
A$/US$	**0.70**	143%	Post Tax 230%	IRR 292%	353%
	0.68	165%	255%	318%	381%
	0.65	202%	294%	360%	426%

Source: Evolution Capital estimates

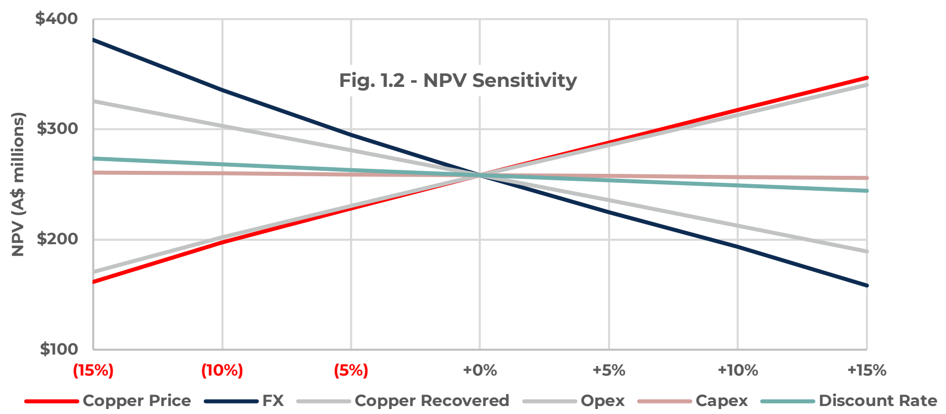
As expected, the valuation is highly leveraged to the metal prices.

In all scenarios, the IRR is excellent, thanks to the very low initial capital expenditure.

Thanks to the tax losses, the tax burden is postponed towards the later years and its effect is limited overall.

CCP Valuation Sensitivity

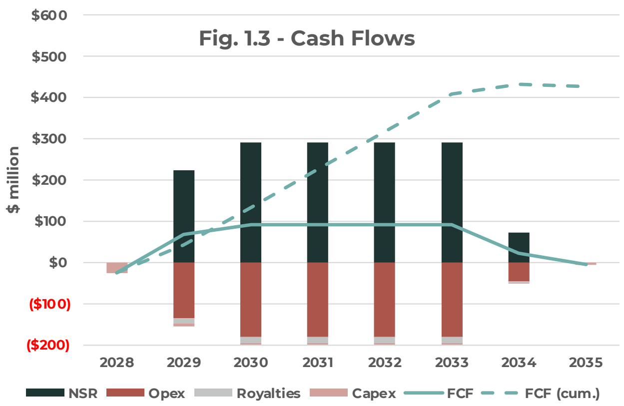
As shown in Figure 1.2 – NPV Sensitivity, the CCP NPV is most sensitive to copper price, copper recovered and the exchange rate. This is typically the case for most mining projects. In all cases, the NPV remains well above $100 million delivering robust profitability.

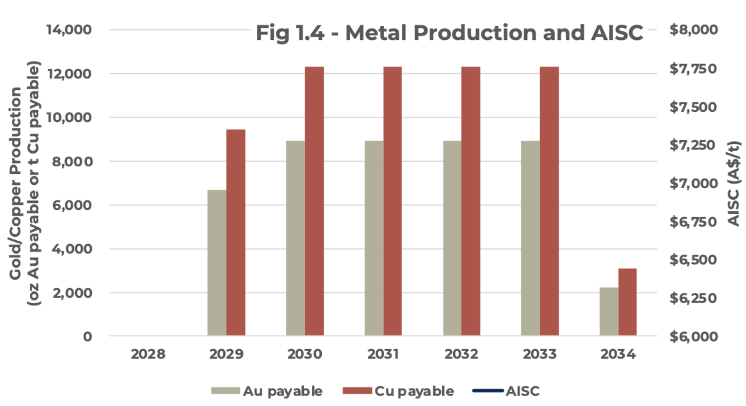


Source: Evolution Capital research

CCP Cash Flows and Metal Production

Figure 1.3 and Figure 1.4 summarises the cash flows and metal production from the Cloncurry Copper Project.





Source: Evolution Capital research

TNC Sum of the Parts Valuation

To derive our sum of the parts valuation, we have considered a total number of shares equal to 200.3 million including an equity capital raising in FY2027: 40 million shares at $0.40 for $16.0 million.

The capital expenditure and working capital for the restart of mining operations at the CCP is assumed to be funded by a $10 million equity raising and a $25 million debt financing in the form of a pre-payment.

In 12-month time, TNC should have a MRE for Aquila and we expect the discovery of another deposit. For the CCP, we have maintained our risk factor to 30% (or risk discount of 70%) in consideration of the pre-feasibility studies still pending as well as completion and commissioning risks.

Table 1.2 summarises the sum of the parts valuation for TNC.

Table 1.2 – TNC Sum of the Parts Valuation

Asset	NPV	Risk Factor	Preferred	Per Share
Mt Oxide Project (Vero Cu metal x 3.0 x $190/t)			$125.4m	$0.63
Cloncurry Copper Project (30% risked-NPV)	$113-$305m	30%	$62.2m	$0.31
Regional exploration upside			$10.0m	$0.05
Bundarra project sale			$1.5m	$0.01
Exploration and development costs			($10.0m)	($0.05)
Payment to Perilya in Dec 2026			($7.5m)	($0.04)
Cash (30-Jun-26)			$7.1m	$0.04
FY2027 capital raising			$16.0m	$0.08
Corporate costs			($8.3m)	($0.04)
12-month Valuation/Price Target			**$196.4m**	$0.98

Source: Evolution Capital estimates

TNC Possible Transaction Value

Should TNC be the subject of a take-over, we derived an offer value using the average transaction multiples between the Carnaby Resources/Evolution Mining transaction ($484/t) and the Hammer Metals/Larvotto Resources transaction ($115/t). In some way, those two transactions reflect the portfolio mix of TNC (project in development + exploration assets). Based on the current mineral resources, this results in a transaction value for TNC in the order of $123 million or more than twice the current market value.

2. Recent M&A Activity

Evolution Mining to acquire Carnaby Resources

On 27th July 2026, Evolution Mining (ASX: EVN) announced it has agreed a ~$213m scheme to acquire 100% of Carnaby Resources (ASX: CNB) — Carnaby holders receive $0.77/share (0.0682 EVN shares each). This represents a transaction multiple of $484/t CuEq or an increase of about 40% compared to the market multiple prior to this announcement.

The deal folds Carnaby's Greater Duchess copper-gold project (29.2Mt @ 1.3% Cu, 0.2g/t Au Resource containing 440,500 CuEq tonnes; 8.4Mt @ 1.7% Cu, 0.3g/t Au Reserve), near Cloncurry, into Evolution's existing Ernest Henry operation — the same processing hub identified as a potential toll-treatment option for TNC. Completion is targeted mid-November 2026, subject to Carnaby shareholder, court and ACCC approval.

Our take: a major producer is now paying a premium to consolidate advanced copper-gold ounces in the immediate Cloncurry district — supportive of the thesis that TNC's CCP resource sits in a highly sought-after corridor;

Larvotto Resources to acquire Hammer Metals

On 11th June 2026, Larvotto Resources (ASX: LRV) announced it has agreed an all-scrip scheme to acquire Hammer Metals (ASX: HMX) — a Mt Isa-district copper explorer whose Kalman project and satellite deposits (Overlander, Jubilee, Lakeview) host a combined ~530,000t CuEq JORC resource — for ~$61.2m (1 LRV share per 22 HMX shares, ~$0.06/HMX share, an 18% premium). Alongside the deal, Larvotto is placing $15m of new shares to Glencore at $1.53/share.

This creates a much larger, better-capitalised Mt Isa copper consolidator directly adjacent to TNC's own tenure, with Glencore — also TNC's largest offtake/processing partner and a ~8.6% TNC shareholder — now strategically invested in a competing regional consolidator. That is a double-edged signal: it validates the district's prospectivity and could presage further M&A or JV interest in TNC's own ground, but it also means TNC is competing for regional attention, drilling contractors and potentially processing capacity with a larger, freshly-funded neighbour.

The implied transaction multiple: ~$61.2m / ~530,000t CuEq ≈ $115/t CuEq.

We note that LRV may revise its offer upwards to match the superior proposal of $0.087 per HMX share received from Austral Resources (ASX: AR1), on 3rd August 2026.

CNB's and HMX's removal from the ASX-listed peer set thins the comparable universe. It also leaves only True North Copper (ASX: TNC) as the remaining significant explorer/developer in the region.

3. True North Copper Strategy

TNC's exploration and evaluation programs are active across three strategic pillars, listed in order of our assessed value (highest first):

GROW – Mount Oxide Project

- exploration and resource drilling designed to build upon the Aquila discovery, including
- follow-up drilling to define its scale and continuity
- and systematic testing of additional high-priority targets along the highly prospective 10 km Mt Gordon structural corridor

These programs aim to rapidly advance Mt Oxide as TNC's flagship growth asset. We see the Aquila discovery potentially tripling the mineral resource estimate for Mt Oxide. Further upside will come from additional discoveries along the Mt Gordon Corridor.

We see Mt Oxide as the main driver of shareholder value in the upcoming 12 months and TNC rightfully has shifted its focus and capital towards progressing exploration on this project.

DEVELOP – Cloncurry Copper Project

- targeted drilling at Wallace North to grow and upgrade the high-grade resource base, alongside
- metallurgical testwork,
- integration of the Mongoose and Taipan deposits into a broader development framework.
- Advancing the Cloncurry Copper Project (CCP) towards a Pre-Feasibility Study (PFS), with encouraging drilling and technical results
- additional evaluation work to assess the underground potential and support future development options at the Cloncurry Copper Project.

DISCOVER – Regional Exploration

- integrated geophysics, mapping and
- follow-up drill-testing to progress new targets across the Mt Isa district, including areas with Tier-1, standalone potential

These programs aim to expand TNC's pipeline of discovery opportunities and support longer-term growth beyond the current resource base.

4. SWOT Analysis

Mt Oxide Project

Strengths

Discovery success: Mt Oxide has become TNC's highest-growth asset during 2026. Mt Oxide is shaping up as a multi-deposit copper district, rather than a single deposit.

Existing large resource inventory: Mt Oxide already hosts approximately 220,000 tonnes of contained copper, 21,000 tonnes of cobalt and 5 million ounces of silver providing substantial optionality for future development.

Government support: H1 2026 announcements include $400,000 and $250,000 grants from the Collaborative Development Program and Collaborative Exploration Initiative respectively. These reduce exploration expenditure while validating government support for the project.

Geophysics-led exploration: recent IP surveys have identified numerous additional targets beyond Aquila. This suggests considerable upside remains.

High-potential copper system in Mt Isa Inlier: region well known for large base-metal deposits, improving exploration success likelihood.

Existing infrastructure and historic workings: reduce early-stage risk and enable lower-cost exploration and development.

Weaknesses

Earlier-stage resource definition: unlike Cloncurry, Mt Oxide remains primarily an exploration and resource growth project. No development study yet.

Geological uncertainty: several targets require extensive infill drilling to confirm continuity and mineability.

No established standalone processing plant: development likely requires major capital for processing or tolling arrangements with Capricorn Copper.

Capital requirements: continued drilling and resource expansion require ongoing funding.

Opportunities

Aquila growth: the Aquila discovery remains open. Every successful drill campaign has expanded strike length, mineralised width and exploration potential.

Multi-deposit potential: the recent IP program identified numerous untested anomalies. The project could evolve into several mining centres feeding a future processing hub.

Exploration leverage in strong copper markets: significant valuation re-rating possible with new discoveries at higher Cu prices.

JV or farm-in opportunities: Larger copper producers may seek exposure to Mt Isa Inlier resources.

Legacy waste opportunities: The CDP grant investigating historical mine waste may generate additional copper production, lower-risk processing opportunities and some ESG benefits.

Critical minerals exposure: Mt Oxide's cobalt and silver credits could materially improve project economics.

Threats

Exploration risk: drill results may not convert to mineable reserves; resource extensions may disappoint.

Copper price downturns: early-stage assets are particularly sensitive to price cycles, which affect financing and valuation.

Permitting & stakeholder pressure: although in a mining region, environmental approvals and community expectations remain material risks.

Access to capital: exploration-heavy projects require constant funding; market downturns can stall progress for years.

Cloncurry Copper Project

Strengths

Granted mining leases: Assists in accelerated permitting and development.

Established mining district: Located in Queensland's Cloncurry region with strong mining history, skilled workforce and existing services. Cloncurry remains one of the larger undeveloped copper districts in northwest Queensland.

JORC-compliant resource base: Existing JORC resources across Wallace North, Great Australia Mine and associated deposits provide a solid foundation for future mine planning and financing.

By-product credits possible: Silver, gold or cobalt could enhance project economics. At this time, only gold has been considered.

Strategy shifted towards optimisation rather than rapid restart: TNC's management decided to integrate additional mineral resources to enhance scale and project economics, optimise mine sequencing and reduce capital intensity

This represents a much lower-risk approach than the previous production restart strategy.

Project consolidation: the acquisition of Renegade Exploration (ASX: RNX) interest in the Carpentaria Joint Venture significantly simplifies ownership.

Benefits include greater operational flexibility, unified exploration strategy, increased attributable resources, reduced JV complexity.

Existing infrastructure: compared with many junior copper developers, Cloncurry benefits from nearby roads, power, workforce, processing infrastructure increasing feasibility of quicker development.

Existing mining leases: facilitating a near-term production pathway.

Weaknesses

Previous production failure: the failed 2024 production restart remains an overhang. Investors may continue questioning operating assumptions, execution capability and capital allocation discipline.

Relatively modest reserve confidence: while resources are sizable, converting these into economically mineable reserves remains a key task of the ongoing PFS.

Economic sensitivity: the project still requires robust copper prices, tight operating cost control and improved mine scheduling to produce attractive returns.

Processing complexity: variable ore types (oxide vs sulphide) may require flexible or multi-stage processing flowsheets.

Capital intensity for restart/development: requires meaningful capex for mining fleet (unless a contractor is used), plant refurbishment and working capital.

Operational integration challenge: achieving consistent mining + processing performance can be difficult for mid-cap developers.

Opportunities

Favourable long-term copper demand: driven by electrification, renewables and EV infrastructure.

Higher copper prices: over the last six months, copper prices have increased by about 30%. Those could improve project economics significantly

Potential fast-track to production: leveraging granted tenure and regional infrastructure.

Resource expansion potential: numerous infill drilling and step-outs could upgrade resources and extend mine life.

Strategic/critical minerals alignment: Copper + cobalt potential may attract strategic partners or structured offtake deals.

Threats

Copper price volatility: significant impact on project NPV; marginal zones may become uneconomic.

Delays in completing the PFS

Execution risk: mining contractors, cost overruns, supply chain disruptions and ramp-up challenges.

Inflation in labour, fuel and reagents: Queensland mining regions are sensitive to cost up-cycles.

Competition for skilled labour in northwest Queensland

Funding constraints: recent corporate financial distress means capital raising could be dilutive or delayed.

Environmental/Permitting changes: Increasing ESG scrutiny could tighten operating conditions or increase compliance costs.

Regional Exploration

Strengths

Large land package: TNC controls an extensive tenure position across the Mt Isa Inlier. This provides exposure to multiple exploration concepts.

Proven exploration methodology: Management continues employing geophysics, geochemistry and structural interpretation to generate drill-ready targets.

Wynberg progress: the 2026 Wynberg update highlighted additional copper-gold exploration potential beyond the current project portfolio.

Weaknesses

Early-stage assets: most regional targets have no defined mineral resources.

Exploration consumes capital.

Opportunities

Discovery pipeline: the company has identified several regional targets capable of becoming future resource centres.

District consolidation: Recent consolidation of the Carpentaria Joint Venture demonstrates management's willingness to strengthen district-scale ownership.

Potential partnerships: large exploration success could attract joint venture partners, strategic investors or some major mining companies.

Threats

Greenfield exploration risk.

Drilling may fail to identify economic mineralisation.

Competition for exploration capital across the copper sector.

Overall SWOT Analysis

Area	Assessment
Cloncurry Copper Project	**Moderately Positive**. The emphasis has shifted from rapid production to improving project economics through optimisation and consolidation, which substantially reduces execution risk.
Mt Oxide Project	**Highly Positive.** This is the company's strongest value driver in 2026, with expanding discoveries, government-backed exploration funding, multiple new geophysical targets and increasing evidence of district-scale potential.
Regional Exploration	**Positive Long-term Option**. Exploration continues to build a pipeline of future discoveries, but remains speculative and dependent on drilling success.

Since the beginning of 2026, TNC's announcements suggest a marked transition from a near-term producer attempting a mine restart to a more disciplined copper growth company. Management is prioritising project optimisation at Cloncurry, accelerating resource growth at Mt Oxide, and systematically advancing regional exploration. This strategy reduces operational risk while increasing exposure to exploration upside, although the company remains dependent on continued access to funding until one or more assets reach development or production.

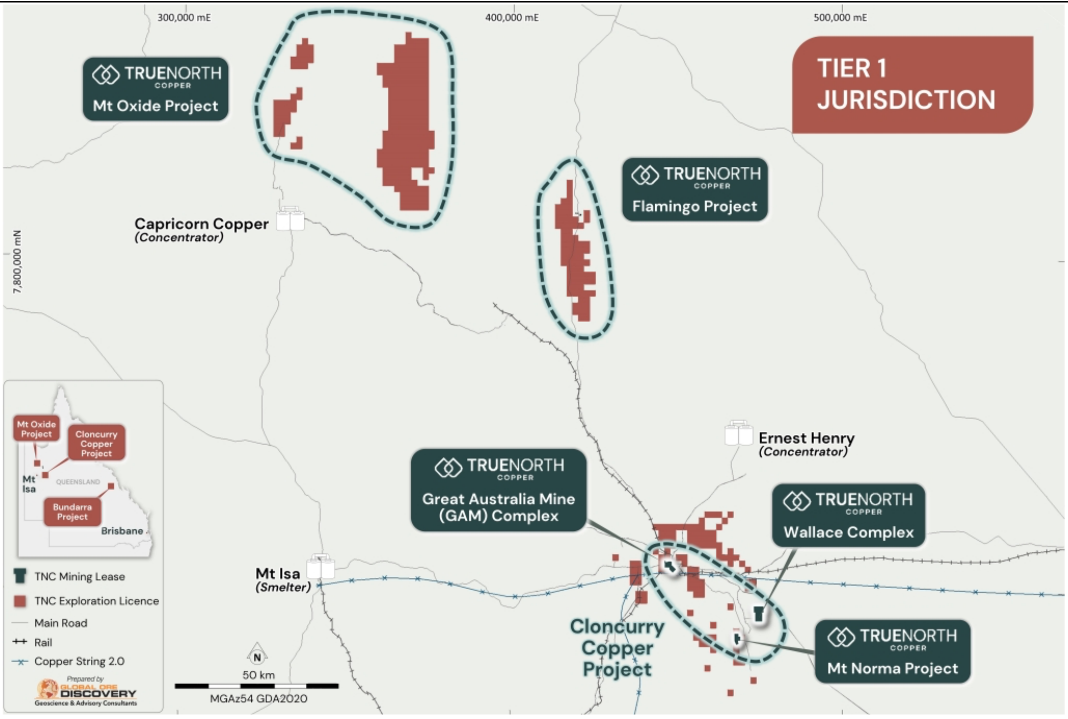
5. Mt Oxide Copper Project

Project Overview

The Mt Oxide Project has established infrastructure, including an exploration camp and proximity to a processing plant and power grid. The project offers excellent copper exploration potential, having no systematic district-scale exploration in the last 20 years, despite being in the Mt Isa Inlier - a world-class copper province.

True North Copper’s immediate Mt Oxide Project exploration and resource development program has focused on making new discoveries to build a district of satellite deposits around the Vero Resource (15.03Mt at 1.46% copper and 10.59 g/t silver (Indicated and Inferred), 9.15 Mt at 0.23% cobalt (Measured, Indicated and Inferred).

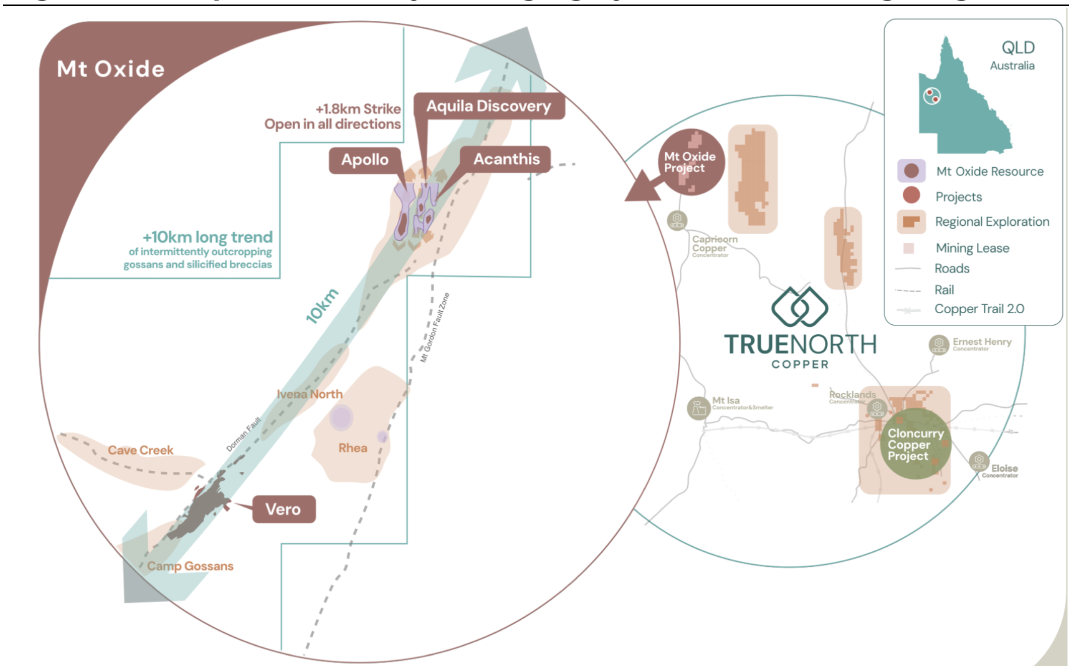
Figure 5.1 – Mt Oxide and other TNC Projects Location



Source: TNC

TNC has applied a systematic 'boots on ground' approach that has included mapping, geochemistry and geophysics to identify, define and prioritise multiple drill ready targets. Targets consist of up to 500m long, +15m wide gossanous breccias with strongly anomalous copper and key geochemical pathfinders (Ag, Co, As, Sb, Bi). These targets are hosted along a 10km long section of a major regional structure that hosts the Vero Resource and lead to the discovery of Aquila.

Figure 5.2 – Aquila Discovery, Emerging Systems and Drilling Targets



Source: TNC

Geology

The Mt Oxide Project is located in the Western Fold Belt of the Mount Isa Inlier, a world-class metallogenic province. The host lithologies for the Mt Oxide (Vero) deposit are the mid-Proterozoic sedimentary units of the McNamara Group, that are known to host other copper deposits such as Esperanza and Mammoth. At the regional scale mineralisation is localised by a +100 km long NS oriented structural corridor, the Mt Gordon Fault Zone which is also a key structural control localising copper-silver-cobalt mineralisation.

Dominant lithologies observed are shale, siltstone, chert, fine to medium grained sandstone, quartzite, dolomite, sandy dolomite and stromatolitic dolomite. Other mapped features include gossans, false gossans. **Outcrop in the area is abundant**.

Dominant structures observed are bed parallel fault and brittle faulting varying from undifferentiated fractures zones to rubble cataclasite. Faults express silica and hematite alteration of variable intensity.

Copper mineralisation at surface is dominated by malachite, azurite, chrysocolla, tenorite, and cuprite. The mineralisation varies from sooty joint coating to fracture fill in breccia and shear zones. Mineralisation typically occurs where two faults interact.

Lithologies observed hosting mineralisation are siltstone, sandstone, dolomitic sandstone and quartzite.

Mineralisation is associated with extensive development of hematite replacement and breccias development.

Mineral Resource

The project includes the Vero Resource, which consists of 15.03Mt at 1.46% copper, 10.59 g/t silver, and 9.15Mt at 0.23% cobalt.

Table 5.1 – Mt Oxide Vero Mineral Resource

Resource Category	Cut-off (% Cu)	Tonnes (Mt)	Cu (%)	Au (g/t)	Co (%)	Ag (g/t)	Cu (kt)	Au koz	Co (kt)	Ag (Moz)
Mt Oxide – Vero Copper-Silver										
Indicated	0.5	10.74	1.68	-	-	12.48	180	-	-	4.32
Inferred	0.5	4.28	0.92	-	-	5.84	39	-	-	0.81
Mt Oxide Vero Copper-Silver Total		**15.03**	**1.46**	**-**	**-**	**10.59**	**220**	**0.0**	**0.0**	**5.13**

Resource Category	Cut-off (% Co)	Tonnes (Mt)	Co (%)	Co (kt)
Mt Oxide – Vero Cobalt Resource				
Measured	0.1	0.52	0.25	1.3
Indicated	0.1	5.98	0.22	13.4
Inferred	0.1	2.66	0.24	6.5
Mt Oxide – Vero Cobalt Total		**9.15**	**0.23**	**21.2**

Source: TNC

Exploration Strategy

The Aquila discovery has fundamentally reshaped the exploration potential of the Mt Oxide Project, building on the existing high-grade Vero Resource (combined indicated and inferred resource of 15.03Mt @ 1.46% Cu & 10.59g/t Ag) and supporting True North's strategy of developing a substantially larger copper resource base.

Since the initial discovery in 2025, integrated geological mapping, geophysics and drilling have significantly improved the Company's understanding of the Aquila mineral system. Recent geophysical surveys have expanded the interpreted strike of the Aquila target from approximately 0.9km to 1.8km, with strong correlation between the geophysical responses and last year's high-grade drilling results.

This provides increasing confidence in the interpreted extensions of the mineralised system and has refined priority drill targets for ongoing exploration. Initial drilling returned broad zones of shallow copper mineralisation, including

- 145m @ 0.75% Cu including 53m @ 1.18% Cu (MOX232), together with
- 59m @ 1.77% Cu, including 7m @ 7.90% Cu (MOX255), highlighting

both the scale and grade potential of the emerging system.

On 28th July 2026, TNC announced the results from the first three diamond drill holes completed as part of the 2026 drilling program.

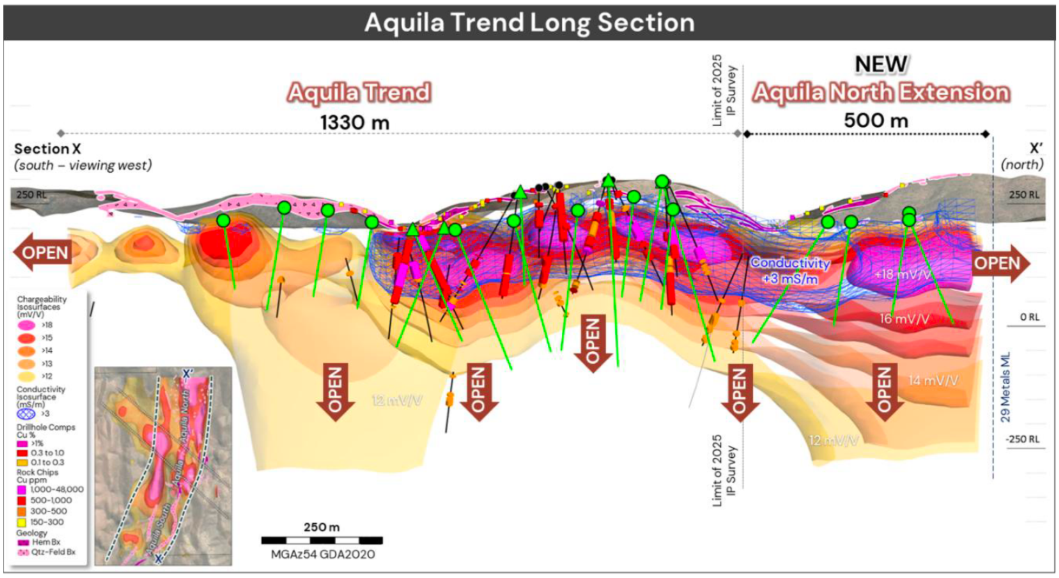
Initial Drilling Highlights:

- Diamond drilling confirmed the continuity of a broad mineralised system with well-developed higher-grade zones, validating the Aquila geological model.
- MOXDD26_001: Intersected 35m @ 0.82% Cu, 0.04% Co and 3.4g/t Ag from 32m, including 9.2m @ 2.21% Cu and 4m @ 4.08% Cu, confirming a broad mineralised zone with a high-grade core.
- MOXDD26_003: Intersected 32m @ 0.70% Cu, 0.06% Co and 7.2g/t Ag from 181m, including 9.4m @ 2.04% Cu, and extended the parallel Acanthis trend by 250m to approximately 500m strike
- MOXDD26_002: Intersected 36m @ 0.34% Cu, 0.09% Co and 1.5g/t Ag from 136m, including 6m @ 0.75% Cu, confirming the eastern extent of the Aquila system.

Diamond drilling has significantly improved geological understanding of the Aquila mineral system, providing a strong foundation for future drilling and technical studies.

Further assay results from Aquila, Aquila North, Apollo and Acanthis are expected over the coming months as TNC continues to grow the broader Mt Oxide Project.

Figure 5.3 – Aquila long section with indicative Phase 1 extension holes



Source: TNC

Exploration Upside

The Vero Resource has excellent resource growth potential being open-to-depth and along-strike in both directions. The Aquila discovery has reached a 1,800m strike so far and is open in all directions.

Located on a major crustal scale structure, the Vero Resource and the Aquila discovery only represent a small part of a much larger district-scale copper mineral system. With 10km of this structure remaining underexplored (see Figure 5.2), discoveries of scale at shallow depths with the same high-grade nature as Vero and Aquila are possible and likely.

New systematic exploration has revealed the true potential of the mineral system, identifying multiple large-scale outcropping mineralised zones with strong geophysical anomalies that are ready for drill testing.

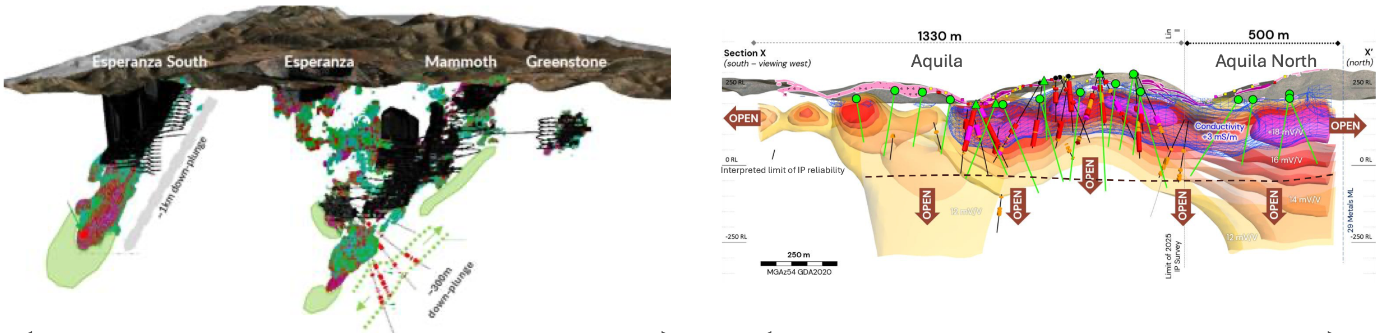
Comparison with the Capricorn Copper Deposit

The Capricorn Copper Deposit is considered a geological comparative to Mt Oxide. Capricorn Copper lies 25 km to the south of Mt Oxide along the **Mt Gordon fault** a major regional structure that **control both deposits**. Mt Oxide mineralisation is comparative to Capricorn Copper in that it is **hosted in a steep structurally controlled zone consisting of Cu-Ag sulphides**. Copper mineralogy is a similar assemblage consisting of **chalcopyrite, bornite, covellite and chalcocite**. Alteration is similar and indicates similar levels of erosion. Host rocks to both deposits are mapped as the same formations.

While there is no certainty that further work at Mt Oxide will lead to achieving the same size, shape, grade or form of the Capricorn Copper deposits, the delineated Vero mineral resource, the Aquila deposit and the prospectivity for additional discoveries have the potential to delineate a mineral resource equivalent to Capricorn Copper: 62.2 million tonnes at 1.8% Cu and 9 g/t Ag.

Figure 5.4 – Aquila Discovery v Capricorn Copper

Capricorn Copper | Aquila



~2 km mineralised trend

- 64Mt copper district from a single discovery
- Supporting a ~25 ktpa copper operation
- 2,300 drill holes completed with 430 km of drilling

~1.8 km mineralised trend

- Discovery confirmed by the first drill campaign
- Open along strike and at depth – undefine scale potential
- Multiple follow-up targets identified

Source: TNC

Established Infrastructure

100km north of the Mt Isa Copper Smelter and 40km by road from 29Metals' Capricorn Copper mine's processing plant and power grid, the Mt Oxide Project benefits from existing infrastructure which can be leveraged for efficient mining and processing operations.

6. Cloncurry Copper Project

Project Overview

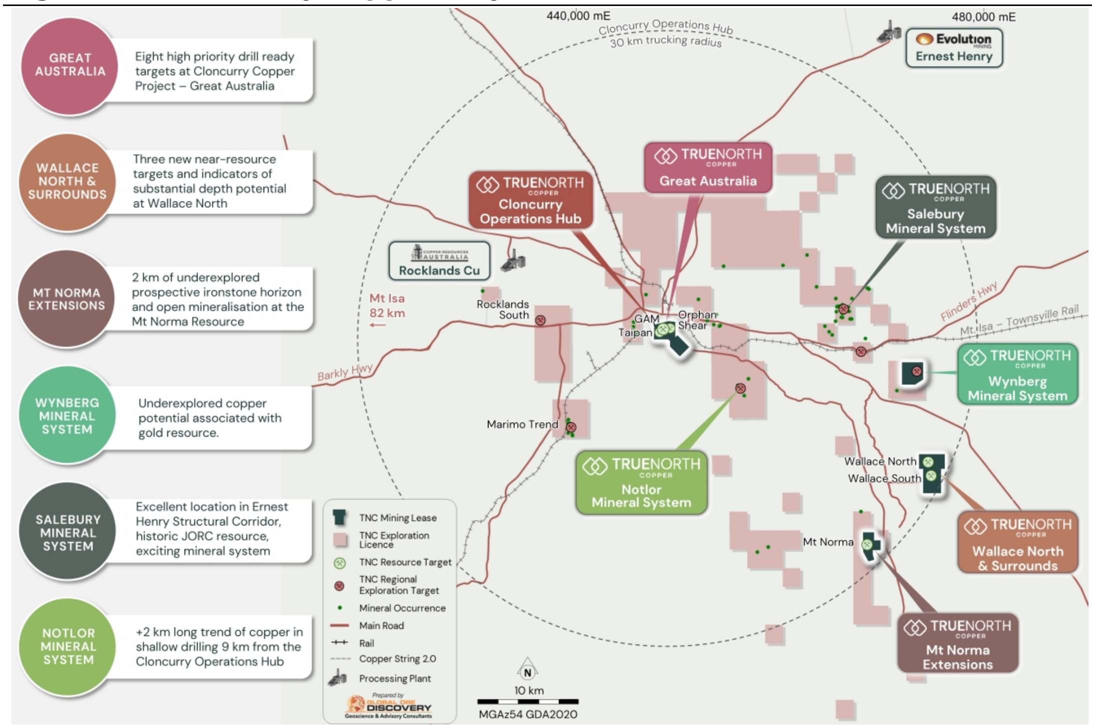
The Cloncurry Copper Project (CCP) is centred around the Great Australia Mine (GAM) Complex (located at Cloncurry in North-West Queensland).

The CCP is supported by extensive existing infrastructure at the Cloncurry Operations Hub (COH), including a 100% owned refurbished Solvent Extraction (SX) plant, flotation plant, crusher, heap leach and tailing facilities (currently in care and maintenance). Mine buildings, site administration facilities, workshops, open pit mine facilities, onsite explosive magazines, site storage, water management systems and existing site power supply are also located at the CCP.

Multiple high-quality exploration targets that have the potential to add significantly to the mining resource base have been identified within the CCP.

True North believes the CCP has the attributes required to become a significant near-term mining hub, contributing to Australia's copper supply and supporting the resources needed to help deliver a global energy transition.

Figure 6.1 – Cloncurry Copper Project Location



Source: TNC

Mineral Resource

The Cloncurry Copper Project has defined JORC 2012 compliant resources on permitted mining tenure. **Approximately 90% of the defined resources** for the Cloncurry Copper Project are located **on granted mining leases with approvals in place**.

The CCP has global JORC 2012 compliant resources containing 125,720 tonnes copper, 91,300 oz gold and 2,000 tonnes cobalt (Indicated and Inferred).

Table 6.1 – Cloncurry Copper Project Mineral Resource

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	0.5	3.68	0.88	0.08	0.03	-	32	9	1	-
Inferred	0.5	1.61	0.83	0.05	0.02	-	13	3	0	
Great Australia Subtotal		5.29	0.86	0.07	0.03	-	46	12	1	
Orphan Shear										
Indicated	0.25	1.01	0.57	0.04	0.04	-	6	1	0	-
Inferred	0.25	0.03	0.28	0.01	0.02	-	0	0	0	-
Orphan Shear Subtotal		1.03	0.56	0.04	0.04	-	6	1	0	-
Taipan										
Indicated	0.25	4.93	0.58	0.13	0.01	-	28	20	0	-
Inferred	0.25	0.28	0.55	0.14	0.01	-	2	1	0	-
Taipan Subtotal		5.21	0.57	0.13	0.02	-	30	21	0	-
Mongoose*										
Inferred	0.25	3.1	0.55	0.07		-	17	7.3	0	-
Mongoose Subtotal		3.1	0.55	0.07		-	17	7.3	0	-
Wallace North										
Indicated	0.3	1.55	1.25	0.71	-	-	19	36	-	-
Inferred	0.3	0.45	1.37	0.95	-	-	6	14	-	-
Wallace North Subtotal		2.00	1.28	0.77	-	-	25	50	-	-
Mt Norma In Situ										
Inferred	0.6	0.09	1.76	-	-	15.46	1.6	-	-	0.05
Mt Norma In Situ Subtotal		0.09	1.76	-	-	15.46	1.6	-	-	0.05
Mt Norma Heap Leach and Stockpile										
Indicated	0.6	0.01	1.13	-	-	-	0.12	-	-	-
Mt Norma Heap Leach and Stockpile Subtotal		0.01	1.13	-	-	-	0.12	-	-	-
Cloncurry Copper-Gold Total		**16.73**	**0.75**	**0.17**	**0.01**	**-**	**125.72**	**91.3**	**2**	**0.05**

Source: TNC

Recent Developments

On 18th June 2026, TNC announced the completion of the acquisition of Renegade Exploration Limited (ASX: RNX) interest in the Carpentaria Joint Venture (CJV).

The acquisition secures an interest in the Mongoose Resource and a portfolio of advanced exploration opportunities immediately adjacent to the Cloncurry Copper Project (CCP), representing an important step in consolidating the broader Great Australia Mine mineral system.

A key opportunity arising from the transaction is the ability to evaluate the Mongoose and Taipan deposits within a broader development framework as part of the CCP Pre-Feasibility Study. Removal of the tenure boundary constraint provides an opportunity for alternative mining and development scenarios that were previously unavailable to TNC.

Key opportunities currently being evaluated include:

- Mongoose Resource growth potential, with drilling completed since the 2023 Mineral Resource Estimate (Figure 1) intersecting:
    - 107m @ 0.51% Cu and 0.09g/t Au including 5m @ 2.09% Cu and 89m @ 0.45% Cu and 0.08g/t Au including 11m @ 1.01% Cu
    - These results are not included in the existing 2023 Mineral Resource and support evaluation of near-resource and down-dip extensions
- CCP PFS optimisation opportunities through integration of the Mongoose and Taipan deposits into a broader development framework.
- Regional exploration upside across the CJV tenure, including the Magazine, and Mongoose West prospects.

Beyond the existing Mongoose Resource, the broader CJV tenure provides TNC with a pipeline of resource growth and exploration opportunities that complement Wallace North and South, Wynberg and the Company's wider Cloncurry exploration portfolio. Together, these assets provide multiple pathways to enhance the scale, development flexibility and long-term value of the Cloncurry Copper Project.

Infrastructure Advantage

True North Copper owns crushing, leaching and processing facilities centrally located proximal to power, seal roads and rail infrastructure – linking the Mt Isa Smelter to the Port of Townsville. Milling and concentrating toll treatment facilities, with spare capacity, are within trucking distance from the resource base located on existing mining leases. For a development scenario, we assumed that the ore will be trucked to the Rocklands concentrator.

Strategic partnerships with Glencore International AG have strengthened TNC's operational platform, ensuring that 100% of the copper concentrate from the Cloncurry assets is processed through Glencore's facilities, delivering logistical efficiencies and economic advantages, including a 20% Queensland State Royalty discount for material processed at the Mt Isa Smelter.

Permitting

The Great Australia Mine (GAM) at Cloncurry is fully permitted for heap leach oxide treatment with underutilised tailing facilities and spare heaps ready to feed the SX plant.

For the sulphide resources, 90% of the defined resources for the Cloncurry Copper Project are located on granted mining leases with approvals in place.

7. Bundarra Project Sold

Transaction Overview

On 20th July 2026, TNC announced the sale of the Bundarra Copper Project to Tec Minerals Pty Ltd.

The transaction forms part of True North's strategy to optimise its portfolio, recycle capital and focus investment on its core growth projects at Mt Oxide and the Cloncurry Copper Project, while retaining meaningful exposure to Bundarra's future success through equity ownership and a Net Smelter Return royalty.

Transaction Summary

Key terms of the transaction include:

- Cash consideration of $500,000
- Equity consideration of $1.0 million in shares in the listed entity in Tec Mineral's IPO or reverse takeover.
- Retention of a 1.0% Net Smelter Return (NSR) royalty over future copper production, with Tec Minerals retaining the right to repurchase the royalty for $3.0 million.
- Reimbursement of $26,500 in environmental security deposits.

True North's decision to retain both equity exposure and a 1% Net Smelter Return royalty reflects its belief in the significant exploration upside at Bundarra whilst prioritising capital allocation to its near-term development assets.

Completion is conditional on Tec's IPO/RTO, expected late 2026/early 2027.

8. Directors & Management Team

Paul Cronin, Non-Executive Chairman

Mr Cronin is a highly experienced mining executive and resource finance specialist with 30 years' experience in exploration and mining, corporate finance, investment banking, portfolio management, and commodity trading. He is also Non-Executive Chairman of Taruga Minerals and Non-Executive Director of Black Dragon Gold Corp.

Mr Cronin was the Co-Founder and former Managing Director and CEO of Adriatic Metals. Under Mr Cronin's tenure, Adriatic Metals advanced from maiden mineral resource to production in less than 5 years, becoming one of Europe's most successful mining companies.

Andrew Mooney, CEO & Managing Director

Mr Mooney is an experienced mining executive who has delivered major copper and gold projects for OZ Minerals, BHP and MMG Limited, including delivery of OZ Minerals' growth portfolio and its integration into BHP.

He has held senior roles such as General Manager of the Prominent Hill copper-gold operation and Project Director for the West Musgrave and Carrapateena Expansion Projects, bringing people together to turn complex resources into profitable, investment-ready projects.

Mr Mooney has a proven record in operational turnarounds, ESG and Indigenous engagement, and in optimising capital efficiency to accelerate execution and secure investment. He brings deep experience in strategic planning, major investment decisions and stakeholder engagement at board and executive levels.

Andrew holds a GAICD, an MBA, a Master of Mineral Economics, and dual degrees in Mining Engineering and Applied Geology.

Tim Dudley, Non-Executive Director

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

Tim moved to the UK in 2006 and worked as a mining analyst at Arbuthnot 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.

Tim has a Bachelor of Engineering in Mining (Hons.) from the University of Queensland, a Master 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.

Tim 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. Tim was appointed Partner at Tembo Capital in 2021.

Paul Frederiks, Non-Executive Director

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 2012 to 2014.

Paul is a fellow of CPA Australia, the Australian Institute of Company Directors and the Governance Institute of Australia.

Matthew Porter, Exploration Manager

As announced on 8th July 2026, Matt brings a wealth of experience as an Exploration Manager and has spent the majority of his career (more than 20 years) working in the Mt Isa region, in the Northwest Queensland Minerals Province. Matt has previously worked for Mount Isa Mines, Sandfire Resources and Fetch Metals and is joining TNC as it accelerates exploration at the Mt Oxide Project following recent geophysical surveys that have expanded the interpreted Aquila discovery strike from approximately 1.0km to 1.8km.

9. Investment Risks

TNC's activities are subject to numerous risks, many of which are 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.

Geological Risk

Typical geological risks include uncertainty in ore continuity, mineralization style and grade distribution across deposits at Cloncurry. Visual mineralisation does not guarantee consistent grades at depth or laterally.

Mt Oxide is in a known copper province but has areas with limited systematic drilling historically; geological continuity and true thickness are uncertain in untested zones. Recent drilling has extended strike at Aquila.

There is a possibility that the geological characteristics of the projects, including orebody geometry, mineralisation style, and continuity, may differ materially from the original models. Such discrepancies could adversely impact mine planning, development costs, and overall recoverable metals.

Resource and Reserve Estimation Risk

Mineral resource and reserve estimates are inherently uncertain and based on technical interpretations using available drilling, sampling, and assay data. These estimates, while consistent with industry standards, remain subject to revision as further data becomes available or if economic parameters change. There is a risk that future drilling may materially downgrade existing resource confidence, convert fewer tonnes to reserves, or alter expected grades, directly impacting mine life and project economics.

Commodity Price Risk

True North Copper revenues will primarily come from the sale of copper concentrate (plus possible silver/gold/cobalt credits). The prices of those metals are volatile and influenced by multiple factors beyond TNC's control, such as:

- Global supply–demand dynamics
- Electrification trends (e.g., EVs, renewable infrastructure)
- Geopolitical tensions and trade policy
- Investor sentiment and macroeconomic indicators

A significant and sustained decline in metal prices would directly impact project cash flows, margins, and potentially the viability of the projects.

Foreign Exchange Risk

True North Copper revenues from metal products will be denominated in US dollars, while the company's operational costs are in Australian dollars. As a result, the company is exposed to fluctuations in the USD/AUD exchange rate. A strengthening Australian dollar against the US dollar would reduce translated revenues and margins unless offset by hedging strategies.

Mining Risk

Typical mining risks include geotechnical stability, water inflows, unexpected ground conditions, contractors' execution for open pit/underground methods. With limited geotechnical data thus far, actual mining performance (recovery, dilution) may diverge from forecast. Poor mining performance—whether due to geological surprises, equipment availability or operator productivity—can lead to reduced ore production and higher unit costs, resulting in lower revenue and delayed cash flow.

Processing and Metallurgical Risk

Recoveries for copper (and by-products) depend on ore type (oxide vs sulphide), grindability and the plant flowsheet assumptions. Lower recoveries or higher reagent use increase unit costs and reduce payable metal.

If metal recoveries are below forecast, or plant throughput is constrained, then revenue generation and payback periods will be negatively impacted.

Operational Cost Inflation Risk

Labour, fuel, reagents, power and contract rates in regional Queensland can escalate, especially during boom cycles: unit operating costs rise, margins compress. Small projects are particularly sensitive.

Cost assumptions in feasibility studies are based on prevailing prices for labour, consumables (e.g., acid, diesel), and maintenance. If input costs rise materially—due to inflation, supply chain disruptions, or regulatory change—then the operating margin and free cash flow profile of the project will deteriorate.

Exposure exists to inflation in labour, energy, consumables, transport, and regulatory compliance costs, especially given global commodity cost escalations.

Management, Labour and Skills Risk

The success of the Cloncurry and Mt Oxide projects hinges on TNC's ability to attract and retain a skilled workforce, including experienced mine planners, metallurgists, plant operators, and technical contractors. A shortage of skilled personnel could lead to project delays, safety issues, or higher costs. Management continuity and operational discipline are equally critical to project delivery and performance.

Permitting & Compliance Risk

Cloncurry sits in a well-established mining region but still requires environmental approvals, water licences, and community engagement (native title, council).

Mt Oxide will require environmental approvals, water permits and community engagement; parts of the Mt Isa Inlier have established regulatory pathways but regional stakeholders matter.

Delays, additional mitigation costs or restrictive conditions can alter economics.

Funding & Capital Access 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 that appropriate capital or funding, if and when it is 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 TNC's activities.

Infrastructure & Logistics Risk

Cloncurry benefits from established regional infrastructure (roads, airports, service towns) compared with remote greenfield projects, but local logistics for concentrate haulage, plant power and water still matter.

Mt Oxide benefits from relative proximity to regional infrastructure in the Mt Isa Inlier; nevertheless, concentrate transport, seasonal access and water supply must be secured.

Evolution Capital Ratings System

Recommendation Structure

- **Buy:** The stock is expected to generate a total return of >10% over a 12-month horizon. For stocks classified as 'Speculative', a total return of >30% is expected.
- **Hold:** The stock is expected to generate a total return between -10% and +10% over a 12-month horizon.
- **Sell:** The stock is expected to generate a total return of <-10% over a 12-month horizon.

Risk Qualifier

- **Speculative:** This qualifier is applied to stocks that bear significantly above-average risk. These can be pre-cash flow companies with nil or prospective operations, companies with only forecast cash flows, and/or those with a stressed balance sheet. Investments in these stocks may carry a high level of capital risk and the potential for material loss.

Other Ratings:

- **Under Review (UR):** The rating and price target have been temporarily suppressed due to market events or other short-term reasons to allow the analyst to more fully consider their view.
- **Suspended (S):** Coverage of the stock has been suspended due to market events or other reasons that make coverage impracticable. The previous rating and price target should no longer be relied upon.
- **Not Covered (NC):** Evolution Capital does not cover this company and provides no investment view.

Expected total return represents the upside or downside differential between the current share price and the price target, plus the expected next 12-month dividend yield for the company. Price targets are based on a 12-month time frame.

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