



ASX Announcement (ASX: TSC)

10 July 2020

Junior Minerals Exploration Incentive – Successful application for 2020/21 Income year

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- **Twenty Seven Co. has been successful in its application for participation in the Federal Government's Junior Minerals Exploration Incentive Scheme (JMEI) for the 2020/21 income year.**
 - **2020/21 JMEI credits are only available to new Twenty Seven Co. shares (Shares) issued between 1 July 2020 and 30 June 2021 (Eligibility Period).**
 - **The JMEI credits will be applied by the ATO to income tax assessed for the year ended 30 June 2021.**
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Twenty Seven Co. Limited (ASX: TSC) ("Twenty Seven Co." or "the Company") has been advised by the Australian Taxation Office (**ATO**) that its application to participate in the Junior Minerals Exploration Incentive (**JMEI**) scheme for the 2020/21 income year has been accepted.

The JMEI Scheme

The JMEI applies to Australian residents who acquire new shares in a greenfields minerals explorer before the end of an income year in which the Commissioner has made an exploration credits allocation but on or after the day on which the allocation is made. The shares must be equity interests for the purposes of the debt and equity tax rules.

Australian resident shareholders that are issued with exploration credits will generally be entitled to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies).

The exploration credit that can be issued to an investor is limited to the amount paid by the investor to acquire the new shares multiplied by the corporate tax rate. Exploration credits must be issued in proportion to each eligible investor's investment so streaming of exploration credits to particular investors is not permitted.

Twenty Seven Co's participation in the scheme

This is Twenty Seven Co's second year of participating in the JMEI Scheme, with the ATO confirming that Twenty Seven Co. been successful in its application for \$1,005,000 JMEI credits for the 2020/21 year. Only those shareholders (**Eligible Shareholders**) who acquire new Twenty Seven Co shares between 1 July 2020 and 30 June 2021 (**Eligibility Period**) are entitled to receive JMEI credits.

Investors should be aware that Twenty Seven Co cannot guarantee that Eligible Shareholders will receive the maximum number of JMEI credits available as the actual number of JMEI credits received by each Eligible Shareholder for the 2020/21 income year will be dependent on a number of factors including:

- the total number of new Twenty Seven Co. shares issued between 1 July 2020 and 30 June 2021;
- the actual amount of allowable exploration incurred by Twenty Seven Co. in the 2020/21 financial year;
- Twenty Seven Co's tax losses for the 2020/21 financial year, and
- each shareholder's individual financial circumstance.

Receiving a JMEI credit could have tax consequences, therefore, all Eligible Shareholders are encouraged to seek their own independent advice before making a decision on whether to exercise options or participate in any offer to acquire new Shares in the Company.

Eligible Shareholders will be notified by the Company of their JMEI credit entitlement in the approved form once Twenty Seven Co has lodged its 2020/21 tax return, and these JMEI credits will apply to income tax assessed for the year ended 30 June 2021.

For further information about the JMEI refer to the Australian Taxation Office website (click [here](#)).

The Board of Twenty Seven Co. Limited authorised this announcement to be given to the ASX.

For further information please contact:

Damien Connor
Company Secretary
Twenty Seven Co. Limited
Tel: (08) 8274 2127
dconnor@twentysevensco.com.au
www.twentysevensco.com.au

About Twenty Seven Co. Limited

Twenty Seven Co. (ASX: TSC) is an ASX-listed explorer. In brief, TSC's Australian assets are 100% owned and comprise two tenure groupings detailed briefly as follows:

WA assets: TSC's Rover project is located TSC's near Sandstone in a base metals and gold mineral-rich area associated with mafic and ultramafic rocks. Historically the area is underexplored and is currently undergoing a resurgence in exploration.

NSW assets:

- The Midas Project is prospective for iron oxide copper gold (IOCG) and is located 40km NE of Broken Hill.

TSC owns 33% of the Mundi Mundi Project (MMP) through a binding MOU with Peel Far West Pty Ltd (a subsidiary of Peel Mining; PEX) and private group New Zinc Resources Pty Ltd (NZR). This enlarged MMP area which is highly prospective for IOCG / Broken Hill Type lead-zinc-silver mineralisation, comprises TSC's Perseus tenement (EL8778) plus contiguous ground from PEX (EL8877) and NZR (EL8729)..