

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.**

This document comprises an admission document prepared in accordance with the AIM Rules for Companies. It does not constitute a prospectus for the purposes of the Financial Services and Markets Act 2000, has not been drawn up in accordance with the Prospectus Regulation Rules ("PR Rules") and has not been approved by, or filed with, the UK Financial Conduct Authority ("FCA").

The Ordinary Shares are at the date of this document admitted to the Official List of the FCA (Standard Segment) and to the London Stock Exchange's Main Market for listed securities. Application has been made for the cancellation of such admissions and an application will be made for the whole of the ordinary share capital of the Company in issue and to be issued pursuant to the Placing and the Adviser Shares, to be admitted to trading on AIM ("Admission"). It is expected that cancellation of the admission to the Official List (Standard Segment) and to the LSE's Main Market will become effective on or around 8:00 a.m. on 2 June 2020. It is expected that Admission will become effective and that trading in the Ordinary Shares will commence on AIM at 8.00 a.m. on 2 June 2020.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Financial Conduct Authority.**

**A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.**

**Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The Nominated Adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule two to the AIM Rules for Nominated Advisers.**

**The London Stock Exchange has not itself examined or approved the contents of this document.**

**It is expected that dealings in the Ordinary Shares will commence trading on AIM on 2 June 2020. The Ordinary Shares will not be dealt in on any other recognised investment exchange and no other such application has been made.**

**The Directors and the Company, whose names appear on page 11, accept responsibility for the information contained in this document and for compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts, and does not omit anything likely to affect the import of such information.**

This document should be read in its entirety and, in particular, the section headed "Risk Factors" in Part 3 of this document.

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## **Trident Resources Plc**

(to be renamed Trident Royalties Plc)

*(Incorporated in England & Wales with registered number 11328666)*

### **Placing of 80,000,000 new Ordinary Shares at 20 pence per share and Admission to trading on AIM**

#### **Grant Thornton UK LLP**

Nominated Adviser

#### **Tamesis Partners LLP**

AIM Broker, Joint Bookrunner  
and Financial Adviser

#### **Ashanti Capital Pty Limited**

Joint Bookrunner and  
Financial Adviser

#### **Azure Capital Securities Pty Limited**

Joint Bookrunner and  
Financial Adviser

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Upon Admission, the Ordinary Shares being issued pursuant to the Placing and the Adviser Shares will rank *pari passu* in all respects with the existing issued Ordinary Shares of the Company and will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company.

Grant Thornton UK LLP ("Grant Thornton"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for the Company and no one else in connection with the Admission. It will not regard any other person (whether or not a recipient of this document) as a client in relation to the Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Grant Thornton or for the Placing and Admission or any transaction or arrangement referred to in this document. Grant Thornton has not authorised the contents of any part of this document for the purposes of the PR Rules, the AIM Rules for Companies, or otherwise. Grant Thornton's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person. No representation or warranty,

express or implied, is made by Grant Thornton as to, and no liability whatsoever is accepted by Grant Thornton in respect of, any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued).

Tamesis Partners LLP, ("**Tamesis Partners**") which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for the Company and no one else in connection with the Placing. It will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Tamesis Partners or for the Placing and Admission or any transaction or arrangement referred to in this document. Tamesis Partners has not authorised the contents of any part of this document for the purposes of the PR Rules, the AIM Rules for Companies, or otherwise.

Ashanti Capital Pty Limited, ("**Ashanti Capital**") which is authorised and regulated by the Australian Securities and Investments Commission ("**ASIC**") in Australia, is acting exclusively for the Company and no-one else in connection with the Placing. It will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Ashanti Capital or for the Placing and Admission or any transaction or arrangement referred to in this document. Ashanti Capital has not authorised the contents of any part of this document for the purposes of the PR Rules, the AIM Rules for Companies, or otherwise.

Azure Capital Securities Pty Limited, ("**Azure Capital**") which is authorised and regulated by the ASIC in Australia, is acting exclusively for the Company and no one else in connection with the Placing. It will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Azure Capital or for the Placing and Admission or any transaction or arrangement referred to in this document. Azure Capital has not authorised the contents of any part of this document for the purposes of the PR Rules, the AIM Rules for Companies, or otherwise.

**An investment in the Company involves a significant degree of risk and may not be suitable for all recipients of this document. A prospective investor should consider carefully whether an investment in the Company is suitable for him in the light of his personal circumstances and the financial resources available to him. Your attention is drawn to the section entitled 'Risk Factors' in Part 3 of this document.**

Prospective investors should rely only on the information contained in this document. No person has been authorised to give any information or to make any representations other than as contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by any of the Company, the Directors, Grant Thornton UK LLP, Tamesis Partners, Ashanti Capital or Azure Capital (Tamesis Partners, Ashanti Capital and Azure Capital being together, the "**Joint Bookrunners**").

### **Information not contained in this document**

No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised. Neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct as of any time subsequent to the date hereof.

## IMPORTANT INFORMATION

### General

This document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for, securities in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for publication or distribution in or into the United States, Australia, New Zealand, South Africa or Japan, nor in any country or territory where to do so may contravene local securities laws or regulations. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions.

### NOTICE TO OVERSEAS INVESTORS

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or to subscribe for, Ordinary Shares in any jurisdiction in which such an offer or solicitation is unlawful and this document is not to be forwarded, distributed, mailed or otherwise transmitted in or into Australia, Canada, the Republic of South Africa and Japan and their respective territories and possessions (together, the “**Prohibited Territories**”) or to any national, resident or citizen of the Prohibited Territories or to any corporation, partnership or other entity created or organised under the laws thereof, or to any persons in any other country outside the United Kingdom, where such distribution, forwarding or transmission may lead to a breach of any legal or regulatory requirement.

This document is not to be forwarded, distributed, mailed or otherwise in or into the United States, its territories or possessions, subject to certain limited exceptions. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. The issue of the Ordinary Shares has not been and will not be registered under the applicable security laws of the Prohibited Territories and, unless an exemption under such laws is available, the Ordinary Shares may not be offered for sale or subscription or sold or subscribed directly or indirectly within the Prohibited Territories for the account or benefit of any national, resident or citizen of the Prohibited Territories.

The issue of the Ordinary Shares has not and will not be registered under the United States Securities Act of 1933, as amended (the “**US Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered for sale or subscription or sold or subscribed directly or indirectly within the United States except pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act. There will be no public offering of the Ordinary Shares in the United States.

Persons into whose possession this document comes are required by the Company and the Joint Bookrunners to inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the Ordinary Shares to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such Ordinary Shares by any person in any circumstances in which such offer or solicitation is unlawful.

### NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

This document is being distributed in the United Kingdom where it is directed only at persons who are “**qualified investors**” within the meaning of the Prospectus Regulation and who are (i) persons having professional experience in matters relating to investments, i.e., investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**FPO**”); (ii) high net-worth companies, unincorporated associations and other bodies within the meaning of Article 49 of the FPO; (iii) members of the company in accordance with Article 43 of the FPO; and (iv) persons to whom it is otherwise lawful to distribute it without any obligation to issue a prospectus approved by competent regulators. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other

class of person and in any event, no person of any other description under any circumstance should rely on or act upon the contents of this document.

## **NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA AND UNITED KINGDOM**

In relation to each member state of the European Economic Area (“**EEA**”) and the United Kingdom (each, a “**Relevant State**”), no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant State, except that the Company may make an offer of Ordinary Shares to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “**an offer to the public**” in relation to any offer of Ordinary Shares in any Relevant State means a communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129.

## **NOTICE TO ALL PROSPECTIVE INVESTORS**

Investors should rely only on the information in this document. No person has been authorised to give any information or to make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors, Grant Thornton, Tamesis Partners, Azure Capital or Ashanti Capital. No representation or warranty, express or implied, is made by Grant Thornton, Tamesis Partners, Azure Capital or Ashanti Capital or any selling agent as to the accuracy or completeness of such information, and nothing contained in this document is, or shall be relied upon as, a promise or representation by Grant Thornton, Tamesis Partners, Azure Capital or Ashanti Capital or any selling agent as to the past, present or future. Neither the delivery of this document nor any sale made under this document shall, under any circumstance, create any implication that there has been no change in the business or affairs of the Company and/or its Group since the date hereof or that the information contained herein is correct as of any time subsequent to the earlier of the date hereof and any earlier specified date with respect to such information.

The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person regarding the Placing or the Company and its Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

As required by the AIM Rules for Companies, the Company will update the information provided in this document by means of a supplement to it if a significant new factor that may affect the evaluation by prospective investors of the Placing occurs prior to Admission or if it is noted that this document contains any mistake or substantial inaccuracy. This document and any supplement thereto will be made public in accordance with the AIM Rules for Companies.

The contents of this document are not to be construed as legal, financial, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial, business or tax advice in relation to any purchase or proposed purchase of Ordinary Shares. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of an investment in Ordinary Shares for an indefinite period of time.

This document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Directors, Grant Thornton, Tamesis Partners, Azure Capital or Ashanti Capital or any of their directors, officers, representatives or advisers that any recipient of this document should subscribe for or purchase any of the Placing Shares.

Prior to making any decision as to whether to subscribe for or purchase any Ordinary Shares, prospective investors should read the entirety of this document and, in particular, the section headed "Risk Factors" in Part 3 of this document.

Investors should ensure that they read the whole of this document and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination (or the examination of the prospective investor's lawyers, financial advisers or tax advisers) of the Company and the terms of this document, including the risks involved. Any decision to purchase Ordinary Shares should be based solely on this document and the prospective investor's (or such prospective investor's lawyers, financial advisers or tax advisers) own examination of the Company.

### **Mineral Resources and Ore Reserves Disclosure**

In respect of the Koolyanobbing Iron Ore Royalty Acquisition, the disclosure and information in relation to the Mineral Resources and Ore Reserves in respect of the Koolyanobbing Operation has been extracted from the public disclosures of Mineral Resources Limited which it has stated have been prepared in accordance with the JORC Code (2012). The JORC Code (2012) sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves and has been drawn up by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia.

Where information has been sourced in respect of Mineral Resources and Ore Reserves in respect of the Koolyanobbing Operation, this information has been accurately reproduced from such public disclosure. So far as the Company and the Directors are aware and are able to ascertain from information published by Mineral Resources Limited in such statements of Minerals Resources and Ore Reserves in respect of the Koolyanobbing Operation, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The technical information contained in this document has been read and approved by Mr Nick O'Reilly (MSc, DIC, MAusIMM, FGS), who is a qualified geologist and qualified to act as the Competent Person under the AIM Rules – Note for Mining and Oil & Gas Companies. Mr O'Reilly is a Principal consultant working for Mining Analyst Consulting Ltd which has been retained by the Company to provide technical support.

### **Forward-looking statements**

All statements, other than statements of historical facts, included in this document, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to dividends or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance, achievements of or dividends paid by the Company to be materially different from actual results, performance or achievements, or dividend payments expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and income flows and the environment in which the Company will operate in the future.

These forward-looking statements speak only as of the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.

Prospective investors should read the risk factors set out in Part 3 of this document for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document may not occur.

#### **NO INCORPORATION OF WEBSITE INFORMATION**

The contents of the Company's website, any website mentioned in this document or any website directly or indirectly linked to these websites have not been verified and do not form part of this document and prospective investors should not rely on such information.

#### **CURRENCIES**

Unless otherwise indicated in this document, all references to "pounds Sterling" or "£" are to the lawful currency of the UK.

Unless otherwise indicated in this document, all references to "US dollars" or "US\$" are to the lawful currency of the United States of America.

Unless otherwise indicated in this document, all references to "Australian dollars" or "A\$" are to the lawful currency of Australia.

The following exchange rates have been used throughout this document for information extracted from the 2019 Accounts:

US\$: £0.762544

For all other financial information, unless otherwise indicated, the following exchange rates have been used:

US\$: £0.82025, being the exchange rate at the Latest Practicable Date.

£1: A\$1.86291 being the exchange rate at the Latest Practicable Date.

Unless otherwise indicated, the financial information contained in this document has been expressed in US\$. The Group has presented the 2019 Accounts in US\$ and will present its financial statements in US\$ going forward.

#### **PRESENTATION OF FINANCIAL INFORMATION**

Certain financial and statistical information contained in this document has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

#### **PRESENTATION OF MARKET AND OTHER DATA**

Market and economic data used throughout this document is sourced from various independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

#### **GOVERNING LAW**

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales.

#### **INFORMATION TO DISTRIBUTORS**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and

any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares the subject of the Placing are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS<sup>(1)(2)</sup>

<b>Event</b>	<b>Time and/or date</b>
Publication of this document	27 May 2020
Cancellation of listing on the Official List (Standard Segment) and trading on the LSE's Main Market for Listed Securities	8.00 am on 2 June 2020
Admission effective and commencement of dealings in Ordinary Shares (including the Placing Shares) on AIM	8.00 am on 2 June 2020
CREST accounts expected to be credited in respect of Placing Shares	2 June 2020
Despatch of share certificates for Placing Shares in certificated form (where applicable)	by 16 June 2020

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### Notes

1. References to times in this document are to London time unless otherwise stated.
2. The times and dates set out in the expected timetable of principal events above and mentioned throughout this document may be adjusted by the Company in which event the Company will make an appropriate announcement to a Regulatory Information Service giving details of any revised dates and the details of the new times and dates will be notified to the London Stock Exchange and, where appropriate, Shareholders. Shareholders may not receive any further written communication.

## KEY STATISTICS

Number of Existing Ordinary Shares in issue prior to the Placing	22,000,000
Placing Price	20 pence
Number of Placing Shares being issued pursuant to the Placing	80,000,000
Number of Adviser Shares	1,500,000
Enlarged Share Capital	103,500,000
Placing Shares as a percentage of Enlarged Share Capital	77.3%
Number of options in issue pursuant to the grant of the Options	3,125,000
Market Capitalisation at the Placing Price	£20.7 million
Gross proceeds of the Placing	£16,000,000
Estimated net proceeds of the Placing (after expenses)	£14,870,000
ISIN	GB00BF7J2535
SEDOL	BF7J253
Trading symbol for Ordinary Shares on AIM	TRR

## DIRECTORS, SECRETARY AND ADVISERS

Directors	James Edward Trutch Kelly ( <i>Non-executive Chairman</i> ) Adam Forrest Davidson ( <i>CEO</i> ) Mark Roderick Potter ( <i>Non-executive Director</i> ) Albert (AI) Carlisle Gourley ( <i>Non-executive Director</i> )
Registered Address	2 Stone Buildings Lincoln's Inn London England WC2A 3TH
Company Secretary	Sam Quinn 2 Stone Buildings Lincoln's Inn London England WC2A 3TH
Nominated Adviser	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG
AIM Broker, Bookrunner and Financial Adviser	Tamesis Partners LLP 125 Old Broad Street London EC2N 1AR
Joint Bookrunner and Financial Adviser	Ashanti Capital Pty Limited Level 2, 44A Kings Park Road West Perth WA 6005 Australia
Joint Bookrunner and Financial Adviser	Azure Capital Securities Pty Limited Level 46, 108 St Georges Terrace Perth WA 6000 Australia
UK Reporting Accountant and Independent Auditor to the Company	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD
Legal Advisers to the Company as to English Law	Bryan Cave Leighton Paisner LLP Grovenors House 5 Laurence Pountney Hill London EC4R 0BR
Legal Advisers to the Company as to Australian Law	Corrs Chambers Westgarth Level 6 Brookfield Place Tower 2 123 St Georges Terrace Perth WA 6000 Australia
Legal Advisers to the Nominated Adviser and Joint Bookrunner	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Registrar	Neville Registrars Neville House Steelpark Road Halesowen B62 8HD
Company website	<a href="http://www.tridentroyalties.com">www.tridentroyalties.com</a>

## **PART 1**

### **INFORMATION RELATING TO THE COMPANY**

#### **1. INTRODUCTION**

Trident is a growth-focused diversified mining royalty and streaming company aiming to provide investors with exposure to a mix of base and precious metals, bulk materials (excluding thermal coal) and battery metals. Trident's board of directors considers mining royalty and stream assets to represent an attractive opportunity for Shareholders and new investors, as they provide exposure to commodity prices with a typically lower risk profile than mining equities, allowing participation in growth from mine development and exploration expenditure, without the associated cost or dilution to the holder of the royalty or stream.

Trident was originally incorporated on 25 April 2018. The Company was admitted to trading on the Standard Segment of the Official List on 1 October 2018, having raised gross proceeds of £4 million through a placing to institutional and other investors. The Company's aim on listing was to acquire a controlling interest in a company or business by way of a reverse takeover under the Listing Rules. Given the experience of the Directors and that of the Company's advisers, the Company expected to focus on acquiring assets or businesses in the mining sector.

Having evaluated a number of acquisition opportunities and in response to continuing developments in the mining sector and mining finance landscape, the Directors concluded that the Company was well positioned to capitalise on the opportunity to acquire and consolidate a portfolio of mining royalty and stream assets, which would likely deliver strong returns to Shareholders in the long term.

On 25 March 2020, the Company announced that it had entered into a binding agreement in respect of the Koolyanobbing Iron Ore Royalty Acquisition, and its intention to seek admission to trading on AIM in conjunction with the completion of an equity financing.

The Company has a strategy to participate in what the Directors believe is a strong growth market for alternative finance in the mining sector by writing new royalties and streams, as well as consolidation of existing royalties and streams available on attractive terms, taking advantage of gaps in the market under-exploited by other mining royalty and streaming companies.

As announced on 22 May 2020, the Company has conditionally placed 80,000,000 Ordinary Shares at a price of 20 pence per Ordinary Share to raise £16 million (approximately US\$20 million), before expenses. The proceeds of the Placing, together with the Company's existing cash resources will be used to finance the Koolyanobbing Iron Ore Royalty Acquisition and to execute on further opportunities, to satisfy the costs of Admission and for general working capital purposes.

The Company is now seeking to apply for the admission of its issued ordinary share capital to trading on AIM and for the Company to become an AIM Investing Company, which the Directors believe will offer greater flexibility with regard to future corporate transactions and allow the Company to agree and execute new investments and fundraisings in a more cost effective manner than that of a company listed on the Main Market. In conjunction with Admission, the Company has sought cancellation from the standard segment of the Official List and the LSE's Main Market to take effect immediately prior to Admission.

#### **2. MINING ROYALTIES AND STREAMS AND THEIR ATTRACTIVENESS AS AN ASSET CLASS**

While the Directors believe that both royalties and streams constitute attractive investment structures and exhibit similar benefits and risks, they differ in their mechanism of operation.

Royalties and streams are often but not always secured obligations of a company and in certain jurisdictions can be 'attached' or registered directly against the underlying tenements or licences pertaining to a mineral property. The ranking of a royalty or stream in a company's capital structure will vary on a case by case basis but will always rank ahead of equity and often rank ahead of debt, including secured debt where registered as an interest in land.

As mining operations can often comprise a number of underlying tenements or licences, and royalties and streams can be associated with individual tenements or licences, a royalty or stream agreement may cover the production from the whole or part of a mining operation. In addition, royalties or streams may be limited in duration, capped at an aggregate quantum of payment or

production, limited to a selected mineral or minerals (or metal or metals), or pertain only to a specific area (including, on occasion, a specific deposit or resource).

### ***About royalties***

Under a royalty agreement, the holder of a royalty is entitled to receive a payment based on a fixed, sliding-scale or adjusting percentage of minerals, metals or other products produced at a mine or revenues, net proceeds, profits or other financial criteria or reference calculation. No ongoing payment to the owner of the mine is contemplated in a typical royalty agreement. Most royalties are uncapped as to time or quantum of payment, but they may contain buy-back options which can limit the economic participation by a royalty holder.

Royalties can be created in return for the provision of finance to the owner of a mineral property or mining operation, but can also be generated in other ways, including as consideration in a corporate transaction or for the sale of a mineral property or mining operation, as a backstop to a dilution clause in a joint venture arrangement or as an adjunct to a debt or equity financing arrangement.

### ***About streams***

Stream agreements can be distinguished from royalty agreements insofar as the owner of the stream agrees to make ongoing payments during the life of the stream, on a per unit basis, for the mineral products or contained metal delivered (or credited) from a particular mine. The ongoing per unit price is usually fixed at a substantial discount to the mineral or metal prices prevailing at the time the stream agreement is entered into. The right to receive the stream is usually paid for by way of an upfront payment (though this is sometimes structured as a loan). Streams often, though not always, concern the right to a specific by-product of mining operations (e.g. the right to gold in a primary base metals mine).

### ***Royalties and streams represent an attractive investment opportunity***

Trident believes that royalty and stream assets represent an attractive investment opportunity. As royalties and streams typically pay their holders from the production of commodities, irrespective of the cost of achieving such production or its profitability, they provide returns closely correlated to commodity prices without commensurate exposure to operating and other expenses, and therefore have a lower risk profile than mining equities.

Moreover, capital and exploration expenditures by operators often benefit a royalty or stream holder by extending mine lives, increasing production rates and progressing development assets towards production without cost or dilution to the royalty or stream holder.

The Directors believe that the acquisition and aggregation of individual royalties and streams has the potential to deliver strong returns for shareholders as assets are acquired on terms reflective of single asset risk compared with the lower risk profile of a diversified, larger scale portfolio, including diversity as to geography (lowering geopolitical risks) and commodity exposure. Producing royalties and streams can deliver strong and predictable cash flows, which can be leveraged through debt to enhance returns to equity and can underpin eventual dividend returns to shareholders.

## **3. STRATEGY**

Trident plans to rapidly establish itself as a diversified mining royalty and streaming company. Once scale has been achieved, the Directors expect strong cash generation to support an attractive dividend policy, providing investors with a desirable mix of inflation protection (through exposure to commodities), capital growth and income.

The key elements of the Company's strategy are:

### **(i) *Constructing a portfolio of royalty and stream assets to broadly reflect the diversity of the global mining sector***

Trident aims to assemble a portfolio of royalty and stream assets to provide investors with exposure to a mix of base and precious metals, bulk materials (excluding thermal coal) and battery metals, differentiating Trident from the majority of its peers which are exclusively, or heavily weighted, to precious metals.

The Company will have a preference for production or near-production assets, but will also seek to acquire royalties over attractive exploration and development assets, thereby providing investors with exposure to assets across the development spectrum.

**(ii) *Acquiring royalties and streams in mining-friendly jurisdictions worldwide***

Trident will seek to acquire royalties and streams across a range of mining-friendly jurisdictions worldwide, while most other royalty and streaming companies have portfolios weighted towards mining assets located in North and South America.

In this regard Trident will leverage the global industry networks of its board, management and adviser team, with a physical presence in North America, the United Kingdom and Australia allowing for easy access to both domestic and neighbouring markets.

**(iii) *Targeting attractive small-to-mid size transactions which are often ignored in a sector dominated by large players***

Although there are a number of existing royalty and streaming companies, the sector continues to be dominated by a relatively small number of larger companies, typically seeking to focus on larger transactions. Competition is comparatively less intense for smaller and mid-size royalty or stream transactions where Trident believes that more attractive rates of return can be earned.

In the secondary market for royalties and streams, vendors are often keen to receive liquid securities from a purchaser in whole or part consideration, enabling the vendor to exchange exposure from a single (royalty or stream) asset or small package of such assets for participation in a larger, more diversified and liquid, publicly traded vehicle. While Trident remains smaller than many of its peers, such a transaction would enable a vendor to retain a relatively large exposure to the asset being sold while participating in the growth of the Company and the anticipated value creation as greater scale, diversity and liquidity is achieved. Furthermore, transacting for share based consideration may enable the Company to acquire larger royalties or packages of royalties at a faster rate than would otherwise be possible using only its cash resources. Trident intends to be mindful of the use of its equity insofar as this form of acquisition currency is given due weight or value by the market.

**(iv) *Active deal-sourcing which, in addition to writing new royalties and streams, will focus on the acquisition of assets held by natural sellers***

The Company intends to build a portfolio of royalties and streams by exploiting opportunities in two distinct parts:

- Providing finance to mining companies in exchange for a newly created royalty or stream (primary royalties or streams); and
- Purchasing existing royalties and streams (secondary royalties and streams) from third-party vendors who have previously acquired or been issued the royalty or stream by other means.

As described in paragraph 4 below, the Directors believe that both sections of the royalty and stream market represent attractive opportunities, driven by continuing developments in the mining sector and the mining finance landscape.

**(v) *Maintaining a low-overhead model which is capable of supporting a larger scale business***

Trident operates a low overhead model, currently with only two full time-executives and outsourced services such as its financial reporting function. One of the advantages of the Company's strategy is that it can be scaled very efficiently, with limited additional operating expenses required in order to deliver significantly higher revenues. The Directors anticipate that in the first twelve months following Admission, total operating expenditure (excluding the costs of the Admission and Placing, any deal related costs or costs associated with performance related bonus payments) will be approximately US\$1 million.

**(vi) *Leveraging the experience of management, the Directors and Trident's adviser team, all of whom have deep industry connections and strong transactional experience***

Collectively the board, wider management team and advisory team share a wealth of experience in the natural resources sector, with deep industry knowledge, contacts, transactional experience and expertise across multiple commodities and jurisdictions.

Having a pool of advisers situated in strategic geographical locations not only provides a larger network of contacts and relationships for Trident to leverage in seeking out potential investment opportunities, but also allows the Company exposure to institutional investors across a range of markets globally, providing greater access to capital to further build its portfolio.

**(vii) *Applying conservative levels of gearing to enhance returns to equity shareholders***

Once an appropriate level of scale has been achieved, the Directors expect to use conservative levels of debt financing to enhance returns to shareholders, and to enable the Company to execute on royalty and stream opportunities as they arise. On 22 May 2020 the Company entered into an exclusive mandate letter with Tribeca Global Resources Credit in relation to the arranging, underwriting and raising of an acquisition debt facility of up to approximately US\$10 million on credit terms to be agreed.

#### **4. MARKET OPPORTUNITY AND COMPETITIVE POSITIONING**

##### ***Primary royalties and streams***

The Company's strategy of providing royalty and stream financing is designed to attract Asset Owners by offering finance that avoids direct equity dilution and which does not result in an increase in financial leverage, together with the associated risks that brings. Furthermore, for such Asset Owners, royalty or stream financing can provide upfront capital on day one, with the cost of the funding effectively amortised over the life of the mine (thereby minimising short or medium term refinancing risk) and providing funding without many of the covenants typically attached to a debt instrument. Royalty and stream financing enables Asset Owners to raise finance whilst avoiding the risks and restrictions associated with debt, particularly during a downturn in the commodity price, or if there are operational issues at the mine.

The Directors also believe that for many mining companies, royalty and stream financing has a number of significant advantages including cost and less onerous contractual terms compared with traditional debt, public or private equity finance. From an Asset Owner's perspective, the Directors believe that royalty and stream finance will typically allow for better alignment of interests between the finance provider and the Asset Owner as royalty and stream payments are linked to production from the mine, relieving Asset Owners from the burden of heavy fixed obligations, as assets that are non-producing usually will not be subject to royalty or stream payments.

In addition, royalty and stream finance allows for short-form, covenant light agreements which enable Asset Owners to retain control of their businesses with no management input from the royalty or stream holder and requiring only the regular provision of management information to the holder.

The Directors believe that royalty and stream financing is a suitable alternative source of capital for transactions which include, but are not limited to:

- asset development capital and commissioning costs;
- expansion capital;
- operational optimisation;
- costs of further exploration;
- acquisition financing;
- working capital funding;
- minority, management or private equity shareholder buy-out; and
- balance sheet recapitalisation / debt refinancing.

With prevailing public equity market conditions remaining challenging, and the reduction in availability of traditional project financing debt (particularly for those companies holding a single asset), there has been an increasing demand in the mining sector for alternative forms of finance such as private equity, direct lending and royalty and stream financing.

##### ***Secondary royalties and streams***

While royalty and streaming companies typically hold assets generated from primary financing activity, royalties and streams are often owned by parties who are not natural long-term holders, or

holders which may not receive recognition for the full value of their royalty and stream assets in comparison to a dedicated royalty and streaming company. Natural sellers of royalty and stream assets include:

- Prospect generators, with a business model to exit ownership of a mineral property at an early stage in its development, often retaining a royalty;
- Junior companies holding royalties as non-core assets and who are now focused on other assets, or a different sector;
- More senior mining companies, who often hold royalties or packages or royalties as a result of various legacy transactions; and
- Closed ended credit or private equity funds who may have generated royalties or streams in exchange for finance, or as part of a wider financing package, and which will need to exit positions prior to the expiry of the fund life.

The number of royalties and streams in existence has increased materially with the growth in the provision of alternative financing solutions for mining companies, particularly by private credit and equity funds, an emergence of dedicated royalty and stream finance providers and an increase in the use of deferred/contingent consideration via a royalty or stream in merger and acquisition transactions. The market in secondary royalties has developed alongside the growth in the market for primary royalties and the sale of non-core royalties and streams by junior mining companies to raise finance, where other forms of finance may not be easily available, or available on acceptable terms.

### ***Competitive positioning***

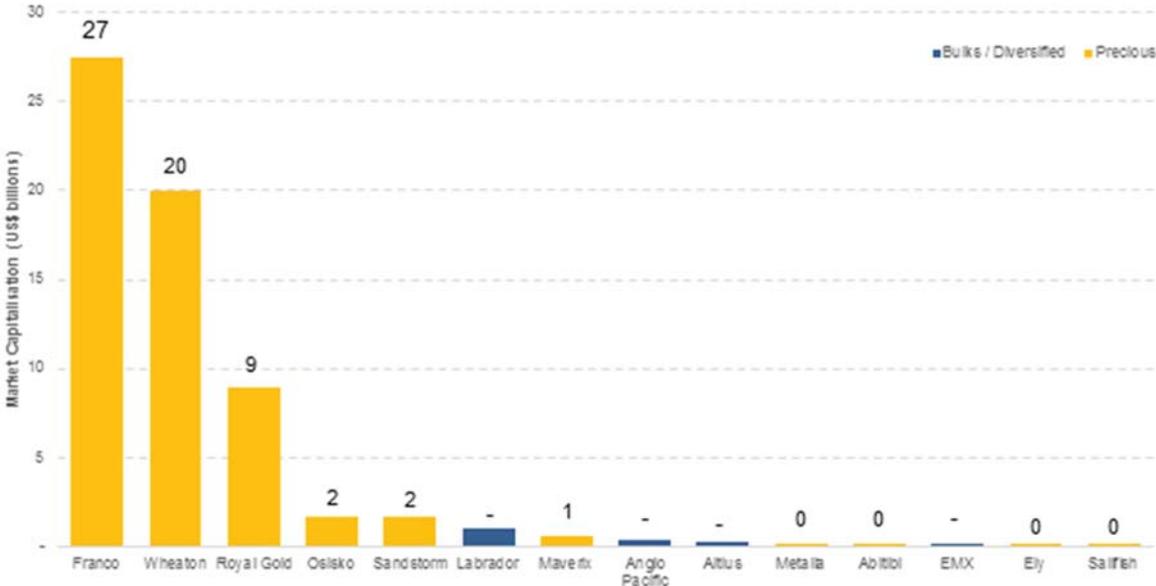
Although the existing market for royalties and streams is competitive, this competition is most intense among the larger mining royalty and streaming companies where the transaction size is typically much larger than that section of the market in which Trident would initially be looking to compete. The Directors believe that this renders the competitive landscape for small to mid-size royalty and streaming transactions (up to approximately US\$30 million) less intense with lower barriers to entry which make it more accessible to new entrants such as Trident.

The majority of mining royalty and streaming companies are heavily or exclusively focused on precious metals royalties and streams, with less competition for assets linked to other commodities and more limited options for investors seeking exposure to royalties and streams with a more diversified approach.

Furthermore, most mining royalty and streaming companies are situated in North America with asset bases heavily weighted towards North and South America. In comparison, Trident intends to pursue a more global approach.

On Admission, Trident will be only the second mining royalty and streaming company admitted to one of the London Stock Exchange's markets, with an opportunity to access an alternative investor base where the competition for investment funds is less intense.

Figure 1: Publicly listed mining royalty and streaming companies



Source: FactSet, Tamesis Partners, 21 May 2020

**5. INVESTMENT PROCESS**

**5.1 Deal Flow**

The Company will source potential opportunities primarily by:

- Utilising and leveraging the global reach, extensive contacts and mining sector experience of both the Board and senior management team;
- Conducting internal and bespoke research;
- Attending conferences to identify potential sellers of existing royalties and streams, as well as those in search of new finance; and
- Accessing the Company’s adviser network to both source and undertake early vetting of potential opportunities.

**5.2 Investment criteria**

The Board will apply a rigorous selection process designed to identify royalty and stream investment opportunities that satisfy the Company’s key investment criteria. This selection policy has been designed to ensure that Trident enters into royalty and stream agreements which the Board believes provide appropriate returns to the Company. Given that the Company will generally be exposed to risks which are principally related to a potential Asset Owner’s production and top-line revenue, the due diligence process is predominantly focused on the overall sustainability and growth prospects of the potential Asset Owners’ revenue stream and free cash flow, as well as geopolitical and other risks pertaining to asset tenure and ownership.

The Company’s selection policy and approach to transaction terms takes into account, *inter alia*:

- quality and track record of the project operator’s management team;
- Asset Owner balance sheet and likelihood of success in securing further finance;
- historical production and revenue, where applicable;
- robustness of feasibility studies conducted, where applicable;
- production forecasts;
- susceptibility of asset commodity to fluctuations in price;

- longer term outlooks for the commodity, including expected demand and supply conditions that may facilitate finance and accelerate or delay production;
- an asset's ability to withstand fluctuations in commodity price, including its positioning on the relevant commodity cost curve and ability to take mitigating actions at times of low commodity prices;
- cash management, particularly with respect to whether an Asset Owner can reduce operating expense under adverse revenue circumstances;
- impact on the Company's portfolio diversification strategy (with the intention that over time, additional royalties and streams will reduce concentration risk related to a particular commodity or geography);
- political and legal landscape in the jurisdictions where the assets are located;
- potential for the royalty or stream to be secured against the underlying mineral rights;
- level of ownership investment by the Asset Owner's management team; and
- Environmental, Social and Governance policies of the Asset Owner.

Once a potential royalty or stream investment opportunity has passed an initial screening process, the Company will generally enter into a non-binding term sheet or letter of intent with a potential Asset Owner (or owner of the royalty or stream, if different to the Asset Owner), following which the remaining due diligence will be completed. Due diligence will generally be tailored to the specific circumstances of each potential royalty or stream investment opportunity.

Subject to satisfactory due diligence, consideration of the potential primary or secondary royalty or streaming agreement will pass to the Board which will then have final responsibility for negotiating the terms of any such agreement or acquisition.

Trident is tax resident in the UK and will attempt to structure its holding of each royalty or stream in a tax-efficient manner.

In the case of secondary royalties and streams, some agreements provide the Asset Owner a buy-back or right of first refusal which gives the Asset Owner the right to repurchase the royalty or stream at a fixed price or, in the circumstances of an intended sale, the pre-emptive right to repurchase the royalty or stream from the current holder before the sale of the royalty or stream to a third party can be consummated. These rights vary in form and can significantly affect the value of the royalty or stream. Often rights of first refusal tend to have 30 or 60 day periods but sometimes they can be longer. The Company will tailor its due diligence and offer terms in relation to buyback rights and rights of first refusal on a deal by deal basis.

### **5.3 Environmental, Social and Governance ("ESG")**

Compliance with the highest levels of ESG will form the foundation of the Group's investments. The Company will seek only to invest in royalties or streams where the Asset Owner runs safe, efficient, cost-effective mines and projects and complies with environmental protection policies, community development, transparency and governance while minimising the potential for harmful impacts from its operations to the lowest levels the Company reasonably expects. As a minimum, where providing primary finance, the Company will insist on full compliance by its investee businesses with anti-bribery and corruption and anti-slavery legislation, as well as all local environmental legislation and regulation. The Company believes that its commitment to these principles will make it an investment partner of choice in jurisdictions in which it proposes to invest.

In light of the Company's approach to ESG standards, the Directors have decided not to seek any royalty or stream investments in thermal (or energy) coal assets.

### **5.4 Monitoring royalties and streams**

It is expected that the Company will monitor the royalties and streams it acquires or writes primarily through contractual information rights, which are likely to vary significantly depending on the terms of the royalty or stream, but are usually expected to include access to underlying production data for royalty or stream payments, financial and operating updates and other relevant information. Royalty and stream agreements typically include audit rights in addition to information rights which allow the royalty or stream holder to obtain detailed information related to the calculation of royalty or stream payments. For publicly traded companies (and some private companies) guidance is often

provided to the market and is expected to provide an additional source of information for the Company. Guidance typically includes management financial and operating statements, technical studies, annual budgets, quarterly unaudited statements and annual audited financial statements.

In the event of non-payment of a royalty or non-performance under a royalty or stream by an Asset Owner, the Company will rely on traditional remedies for breach of contract/non-payment which vary by jurisdiction. In some instances, royalty or stream assets may be secured which would provide additional avenues of redress.

## **5.5 Reporting**

Trident will provide detailed updates to Shareholders on its royalties and streams in both its interim and full year accounts including specific analysis and comment made on the growth of each individual royalty payment received by Trident from each of its Asset Owners during the period under review. Generally, in preparing its full year report and accounts, royalty arrangements which are identified and classified as intangible assets will be initially measured at cost, including any directly attributable transaction costs. They will subsequently be measured at cost less accumulated depletion and accumulated impairment losses, if any. On acquisition of a stream or royalty interest, an allocation of its value is attributed to the exploration potential of the interest and recorded as an asset on the acquisition date. The value of the exploration potential will be accounted for in accordance with IFRS 6, Exploration and Evaluation of Mineral Resources, and not depleted until such time as the technical feasibility and commercial viability have been established, at which point the value of the asset will be accounted for in accordance with IAS 38, Intangible assets. Trident will provide detailed quarterly updates to shareholders on the performance of its royalties and streams in addition to its interim and full year accounts.

## **6. THE COMPANY'S INVESTING POLICY**

Trident's Investing Policy which was approved at the AGM and will become effective on Admission is to build a diversified portfolio of royalties and streams over mining assets. Income generated by these assets will be used to make additional investments in order to continue growth, diversification and stability of income, and, once appropriate scale has been reached, to pay dividends to shareholders.

The Company believes that this strategy will generate both capital appreciation and attractive dividend returns for its shareholders in due course.

The key elements of the Company's strategy are as follows.

### ***Diversification***

The Company is seeking to create a portfolio of royalty and stream assets that is diversified by:

- Commodity: targeting a mix of commodities encompassing base and precious metals, bulk materials (excluding thermal coal) and battery metals;
- Geography: seeking assets in 'mining-friendly' jurisdictions worldwide; and
- Asset life cycle: in addition to producing mines, the Company intends to seek investments in the exploration and development stages, thereby providing exposure to assets across the development spectrum.

Given the multi-layered diversification the Company is seeking, it is expected that it will take some time to deliver the targeted portfolio mix. Further, particularly during the early life of the Company, its portfolio may be concentrated in a limited number of assets, commodities and geographies.

There is no minimum or maximum number of royalties and streams that the Company can hold at any one time. Similarly, there are no limits nor minimum or maximum exposure limits to any one royalty or stream, commodity, geography or asset stage.

### **Reinvestment**

As the mining assets that underpin the royalties and streams which the Company acquires or writes have finite lives, the Company will utilise a portion, and potentially all, of the income it receives to invest in new royalty and stream opportunities, both primary and secondary. The Board believes that

this is an important element of the Company's strategy as it replenishes depleting assets, enhances diversification and delivers continued growth for the Company.

### **Investment size**

The Company does not place any limitations on the size of the investments it will seek.

### **Investment structure**

It is anticipated that the Company's primary method of investment will be through:

- the acquisition of existing royalties and streams; and
- by providing capital in exchange for the creation of new royalties and streams (known as "writing" a royalty or stream).

The Company will not seek to make standalone equity or debt investments in companies. However, there may be occasions where the Company makes such an investment either as a small element of a larger royalty or stream investment or as a precursor or option to a follow-on investment. The Board believes that having this flexibility will give it a competitive advantage as it seeks to secure attractive investment opportunities.

The Company will not seek to make standalone acquisitions of physical commodities. However, there may be occasions where the Company makes such an investment either as a small element of a larger royalty or stream investment or as a precursor to a follow-on royalty or stream investment.

It is also anticipated that the Company may make acquisitions of companies or holdings in companies which hold or primarily hold royalties or streams or portfolios of royalties or streams.

### **Leverage**

Once an appropriate level of scale has been achieved, the Directors expect to use conservative levels of debt financing to enhance returns to shareholders, and to give the Company additional flexibility to execute on royalty and stream finance opportunities as they arise. These debt facilities will likely include, although may not be limited to, revolving style credit facilities or convertible loan style facilities, which may be utilised to acquire additional royalties or streams and may be entered into by Trident or its subsidiaries.

The Directors believe that, as well as enhancing shareholder returns, utilising leverage will allow the Company to benefit from a lower cost of capital, thereby increasing its competitiveness in the global royalty and stream finance market. Furthermore, access to a credit facility will reduce the Company's reliance on equity markets as its only source of external capital and will allow it to be nimble in executing investment opportunities.

As the Company grows its asset base through both the acquisition of existing royalties and streams and by writing new royalties and streams, its debt structure will likely change over time. From Admission, there is no limit on the Directors' ability to borrow or incur indebtedness. The Company will undertake an annual review of its debt structure to ensure that it remains appropriate.

### **Review of the Company's investing policy**

Under the AIM Rules, any material changes to the Investing Policy require the prior consent of the Company's shareholders in a general meeting of the Company. Any variation to the Company's investment objective and policy or restrictions will be made only following approval of the Board and subject to compliance with the AIM Rules.

## **7. THE ACQUISITION**

The Company has entered into an agreement to acquire a royalty as described below and further in Part 2 of this document.

### **Koolyanobbing Iron Ore Royalty Acquisition**

A wholly owned subsidiary of Trident has entered into a conditional sale and purchase agreement with Fe Limited (ASX:FEL) to acquire its 1.5% FOB revenue royalty covering part of the producing

Koolyanobbing Operation in Western Australia for a staged cash consideration of A\$7.0 million. Koolyanobbing is owned and operated by Mineral Resources Limited (ASX: MIN). The first tranche of A\$4.0 million is payable on transaction completion with the second tranche of A\$3.0 million payable on the twelve-month anniversary plus one day from the Tranche 1 completion date. Trident’s subsidiary will grant security over the Koolyanobbing Royalty to FE by way of security for the payment of Tranche 2. Under the terms of the agreement, cashflow attributable to the royalty from 1 January 2020 will be for the benefit of Trident. Accordingly, the first tranche will be reduced to A\$3,460,690 million following the payment of A\$539,310 for the quarter ended March 2020.

A total of approximately A\$1,829,735 has been paid on shipments made in 2019; with an additional quarterly payment for the quarter ended March 2020 of A\$539,310. As the broader Koolyanobbing Operation continues to increase its annual production, the Directors expect that royalty revenues will also increase.

The Koolyanobbing Iron Ore Royalty Acquisition remains conditional, unless such condition is waived by Trident, on admission to AIM or readmission to the Main Market. The Koolyanobbing Iron Ore Royalty Acquisition is not conditional upon the proposed fundraising and is not subject to approval by Trident’s Shareholders. Completion is expected to occur a few days following Admission. Further information on the Koolyanobbing Iron Ore Royalty Acquisition is set out in Part 2 of this document.

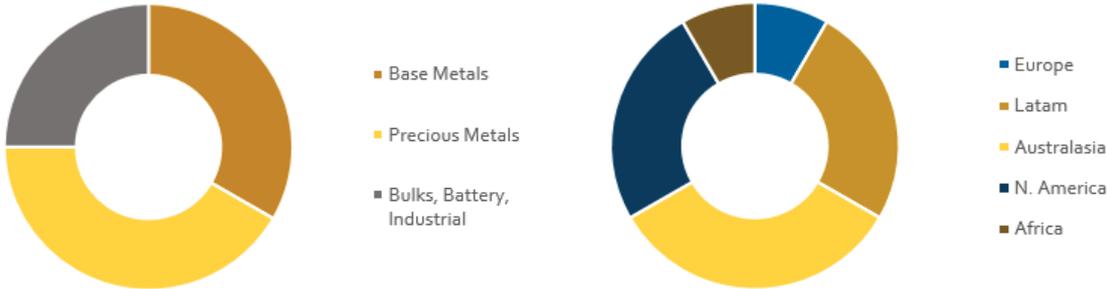
**Pipeline**

In addition to the Acquisition, Trident has identified a strong pipeline of investment opportunities, comprising both near and longer-term transactions. In particular, following the announcement of the Acquisition on 25 March 2020, there has been a significant increase in deal flow and potential opportunities.

The pipeline includes existing royalties held by parties seeking to monetise them as well as opportunities to write new royalties to fund new projects, project expansions or working capital requirements.

The pipeline includes a broad range of royalty opportunities from exploration stage to producing assets. The pipeline also include royalty and stream opportunities across the breadth of jurisdictions, including Australia, Asia, Europe, Africa, and the Americas and across most major commodities, from precious and base metals, to bulk commodities and battery minerals.

The below highlights the commodity and geographic breakdown by number of the top twelve opportunities that Trident is currently prioritising.



Trident is initially prioritising cash generative (or near-cash generative) royalty and stream opportunities. Similarly, Trident is prioritising assets in established mining jurisdictions and lower-risk emerging markets.

**8. DIVIDEND POLICY**

The Company does not intend to commence paying dividends immediately following Admission or following the completion of the Acquisition. It is intended that the Company will retain profits for re-investment into attractive and value accretive transactions to assist the Company in achieving the appropriate scale and cashflow in order to support a sustainable, long-term dividend. Once this scale is achieved, the Company intends to start paying dividends.

Payment of dividends on the Ordinary Shares will be at the discretion of the Board and will depend upon the Company's future earnings, cash flows, acquisition capital requirements, financial condition and other relevant factors and there can be no assurance that the Company will pay dividends.

## **9. TREASURY MANAGEMENT**

It is anticipated that the Company's cash resources from time to time will be held predominantly in US dollars, being the Company's functional currency. Cash resources may be held in other currencies in order to meet anticipated operating costs denominated in local currencies or to make investments that are not denominated in US dollars. In addition to holding cash resources, Trident may utilise term deposits or other money market instruments as the Board deems appropriate.

## **10. DIRECTORS, EXECUTIVE TEAMS AND SERVICE PROVIDERS**

The Board currently comprises four Directors and the Company currently has two full-time employees, including the CEO.

### ***Current Directors***

#### *James Edward Kelly (aged 43) – Non-Executive Chairman*

James Kelly has close to 20 years' experience in the mining and natural resource industry, with extensive experience in corporate finance, strategy and capital allocation. James was a senior member of the Xstrata Plc group business development team and, following the merger with Glencore Plc, was part of the team which founded Greenstone Resources LP, a mining private equity fund focused on post-exploration development assets.

James served as an Executive Director of ASX listed Cradle Resources Limited from May 2016 to July 2017 having been appointed a Non-Executive Director in February 2016. James is a Fellow of the Institute of Chartered Accountants of England and Wales and holds a BA (Hons) from University College London.

#### *Adam Forrest Davidson (aged 38) – Chief Executive Officer*

Adam Davidson has over 10 years' experience in the natural resources sector, most recently with RCF, a leading mining focused private equity firm.

Adam was a member of RCF's investment team from 2014 until he resigned to join the Company as CEO. Prior to RCF, he held positions with BMO Capital Markets in Metals & Mining Equity Research and with Orica Mining Services in Strategic Planning. He has extensive mining capital markets experience across a breadth of jurisdictions and commodities. Adam began his career with T. Rowe Price and also served in the U.S. Marine Corps.

Adam is a graduate of the Australian Institute of Company Directors and previously served as a Non-Executive Director of Cantech SARL, the holding company of private gold producer RG Gold and of RG Processing. He earned his MBA from the College of William & Mary and completed a post-graduate in Mining Studies from the University of Arizona.

#### *Mark Roderick Potter (aged 43) – Non-Executive Director*

Mark Potter is a Director and Chief Investment Officer of AIM listed Metal Tiger Plc, a listed investment company for exploration and development stage mining companies. In addition, Mark is Non-Executive Chairman of ASX listed Artemis Resources Ltd, Non-Executive Director of AIM listed Thor Mining Plc, and is the Founder and Partner of Sita Capital Partners LLP, an investment advisory firm specialising in investments in the mining industry.

Mark was formerly a Director and Chief Investment Officer of Anglo Pacific Group Plc, a London listed natural resources royalty company, where he successfully led a turnaround of the business through acquisitions, disposals of non-core assets, and successful equity and debt fundraisings. Prior to Anglo Pacific, Mark was a founding member and Investment Principal for Audley Capital Advisors LLP, a London based activist hedge fund, where he was responsible for managing its natural resources investments. Mark invested over US\$300 million during the period 2005 to 2012 in the mining sector, realising proceeds of over US\$900 million. The Audley European Opportunities Fund was nominated by Eurohedge as a top performing hedge fund in the event-driven space for 2006, 2007 and 2010.

Prior to Audley Capital, Mark worked in corporate finance for Salomon Smith Barney (Citigroup) and Dawnay, Day, a private equity and corporate finance advisory boutique during which time he completed over US\$2 billion of M&A, equity and debt transactions. Mark holds an MA degree in Engineering and Management Studies from Trinity College, University of Cambridge.

*Albert (Al) Carlisle Gourley (aged 54) – Non-Executive Director*

Al Gourley is the London Managing Partner of Fasken Martineau, an international law firm, where his practise focuses on finance and asset transactions in the natural resource industry. Al has served as a director of several TSX, TSX-V and AIM mining and mineral exploration companies, including a company that was acquired by Franco-Nevada for its gold royalty on the Newmont Ahafo Mine in Ghana. He has direct mining industry experience having worked for the Noranda Group (1992 to 1995) and having served as CEO of an AIM-listed industrial mineral producer (2011 to 2012).

Al is a member of the Solicitors Regulatory Authority (England and Wales), a member of the Ontario Law Society and Chairman of the Board of the World Association of Mining Lawyers (WAOML), whose Advisory Council he led from the date of its formation in 2014 until 2018. Al holds a BBA from Schulich School of Business and an LLB from the University of Ottawa.

**Other member of the executive team**

*Mr. Tyron James Rees (aged 32) – Vice President, Corporate Development*

Tyron Rees has over ten years' experience in the natural resources sector, most recently with Resource Capital Funds. Prior to RCF, Tyron held various roles with Sandfire Resources and Newmont Goldcorp in a technical capacity as a Metallurgical Engineer. Tyron is a graduate of the Australian Institute of Company Directors, is a CFA Charterholder, holds a Master of Finance from Charles Sturt University and graduated with a Bachelor of Engineering in Minerals Engineering.

**Advisers**

The Company's Financial Advisers are assisting and immediately following the Company's admission to AIM will continue to assist the Directors and senior management of the Company with their search for royalty and streaming assets as required, utilising their industry networks and execution capability which complements that of the in-house team. Tamesis Partners, Ashanti Capital and Azure Capital have, between them, many years of experience of sourcing and executing deals in the natural resources sector.

Trident will appoint other advisers, as appropriate from time to time, either in addition to or in place of the current advisers and will look to utilise the industry networks and execution capability of such advisers.

**Service providers**

The Company is managed by the Board and there is no separate investment manager. The Board and the broader deal team will be supported by a largely outsourced back office, and through other services such as company secretarial and accounting support which are provided to the Company by Silvertree Partners LLP.

The Principal at Silvertree responsible for accounting services for Trident is Manish Kotecha. Manish has over the last 20 years acted as chief financial officer for a number of AIM companies as well as other businesses.

A more detailed summary of the terms of the support services agreement with Silvertree described above is included in paragraph 11.7 of Part 5 of this document.

**11. MANAGEMENT INCENTIVE PLANS**

The Directors recognise the role of its officers and employees in contributing to the overall success of the Group and the importance of the Group's ability to incentivise and motivate its officers and employees. Therefore, the Directors believe that employees should be given the opportunity to participate and take a financial interest in the success of the Company. Accordingly, the Company adopted on 27 May 2020 a discretionary share option and incentive scheme called Trident Resources Plc Equity Incentive Plan (the "EIP"). The EIP may be used to grant options to acquire

Ordinary Shares. On Admission, the EIP will be administered by the Remuneration Committee of the Board.

As at the date of this document, Options under the EIP over 3,125,000 Ordinary Shares in aggregate have been granted, conditional upon Admission to the Executive Director and Tyron Rees, all of which vest and become exercisable in equal tranches on the second, third and fourth anniversaries of grant and are exercisable at 20 pence being the Placing Price, 24 pence being a 20% premium to the Placing Price and 28 pence being a 40% premium to the Option Price respectively.

Options under the EIP may be satisfied by the allotment and issue of new Ordinary Shares, Ordinary Shares purchased in the market or by the transfer of Ordinary Shares held in treasury. Further details of the EIP and the options granted and to be granted thereunder are set out in paragraph 12.1 of Part 5 of this document.

Further awards may be made from time to time but in any 10-year period, the Directors do not intend to issue or commit to issue more than 10 per cent of the Company's issued ordinary share capital from time to time under the EIP and any other share incentive arrangements.

## **12. CORPORATE GOVERNANCE**

The Company is managed by the Board. The Directors are drawn from backgrounds which the Board believes provides an appropriate mix to conduct the Company's business. The Company's policy is to comply with the QCA Code so far as it considers practicable and appropriate having regard to the size and nature of the Company.

The Board currently consists of one Executive Director, a Non-Executive Chairman and two Non-Executive Directors. Whilst the Non-Executive Chairman and Non-Executive Directors would not be considered independent under the UK Corporate Governance Code by reason of their shareholdings and in addition the Non-Executive Chairman has previously provided consultancy service to the Company, the Company considers that James Kelly and Mark Potter should be designated as independent directors by virtue of their limited interest in the Company, their experience and standing in the sector and their qualifications. The Company believes that the Board as a whole has an appropriate balance of sector, financial and public markets experience. The Board intends to keep its composition under review to ensure that it is appropriate and sufficiently independent, taking into account the stage of the Company's development and intends to appoint a further independent Non-Executive Director within six months of Admission.

The Company holds regular board meetings (a minimum of 4 per annum) and the Board is responsible for formulating, reviewing and approving the Company's strategy, budgets and acquisitions and financings.

The responsibilities of the Board include the following:

1. Determination of the Company's business objectives and strategy and overall responsibility for the Company's activities including the review of business activity and performance.
2. Ensuring that commercial and regulatory risks and financing needs are properly considered and that all obligations of the Company are adhered to.
3. Implementing appropriate corporate governance standards and overseeing the effectiveness of the Company's system of internal controls.

To this end, the Company has established an Audit Committee, Nomination Committee and a Remuneration Committee, details of which are set out below.

The Audit Committee comprises the Non-Executive Directors with Mark Potter as Chairman. The Audit Committee meets as often as required and at least twice a year. The Audit Committee's main functions include, *inter alia*, reviewing the effectiveness of internal control systems and risk assessment, considering the need for an internal audit, making recommendations to the Board in relation to the appointment and remuneration of the Company's auditors and monitoring and reviewing annually their independence, objectivity, effectiveness and qualifications. The Audit Committee also monitors the integrity of the financial statements of the Company including its annual and interim reports, preliminary results' announcements and any other formal announcement relating to financial performance. The Audit Committee is responsible for overseeing the Company's relationship with the external auditors, including making recommendations to the Board on the

appointment of the external auditors and their remuneration. The Audit Committee also considers the nature, scope and results of the auditors' work and reviews, and develops and implements policies on the supply of non-audit services that are to be provided by the external auditors. The Audit Committee also focuses on compliance with legal requirements, accounting standards and the relevant provisions of the AIM Rules and ensuring that an effective system of internal financial and non-financial controls is maintained. The ultimate responsibility for reviewing and approving the annual report and accounts will remain with the Board. The identity of the Chairman of the Audit Committee will be reviewed on an annual basis and the membership of the Audit Committee and its terms of reference will be kept under review. Members of the Audit Committee will have no links with the Company's external auditors.

The Remuneration Committee comprises the Non-Executive Directors with Al Gourley as Chairman. The Remuneration Committee's main functions includes, *inter alia*, determining the framework or broad policy for the remuneration of the Company's Chairman, the Company's executive directors and other members of the executive management, the design of all share incentive plans and the determination each year of individual awards to executive directors and other senior executives thereunder and the performance targets to be used.

The Nomination Committee comprises the Non-Executive Directors with James Kelly as Chairman. The Nomination Committee will lead the process for board appointments and make recommendations to the Board. The Nomination Committee will evaluate the balance of skills, experience, independence and knowledge on the board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. The Nomination Committee will meet as and when necessary, but at least once a year.

#### *Share dealing code*

The Board complies with Article 19 of MAR relating to PDMR's dealings and will also take all reasonable steps to ensure compliance with that rule by PCAs. The Company has adopted a code on dealing in securities of the Company which is compliant with Article 19 of MAR and Rule 21 of the AIM Rules for Companies and takes all reasonable steps to ensure compliance by PDMRs and PCAs. All Directors and employees of the Group are required to adhere to the Company's share dealing code.

#### *Bribery and Anti-Corruption Policy*

The Company has adopted an anti-corruption and bribery policy which applies to the Board and all employees of the Group to enable the Company to comply with the Bribery Act 2010 and analogous legislation in other jurisdictions in which it does, or may, operate. It generally sets out their responsibilities in observing and upholding a zero-tolerance position on bribery and corruption in all the jurisdictions in which the Group operates. It also provides guidance to those working for the Group on how to recognise and deal with bribery and corruption issues and the potential consequences of failing to adhere to this guidance. The Company expects all employees, suppliers, contractors and consultants to conduct their day-to-day business activities in a fair, honest and ethical manner, be aware of and refer to this policy in all of their business activities worldwide and to conduct business on the Company's behalf in compliance with it. Management at all levels are responsible for ensuring that those reporting to them, internally and externally, are made aware of and understand this policy.

### **13. THE TAKEOVER CODE**

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code ("**Rule 9**"), any person who acquires an interest in shares, whether by a series of transactions over a period of time or not, which, taken together with any interest in shares held or acquired by persons acting in concert (as defined in the Code) with him, in aggregate carry 30 per cent. or more of the voting rights of a company, that person is normally required by the Panel to make a general offer to all of the remaining shareholders to acquire their shares.

Similarly when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person which increases the percentage of shares carrying voting rights in which they are interested.

An offer under Rule 9 must be in cash or be accompanied by a cash alternative and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the twelve months prior to the announcement of the offer.

Further information is set out in paragraph 5 of Part 5 of this document.

#### **14. THE PLACING AND ADMISSION**

In order to provide the Company with the capital required to capitalise on its near term opportunities the Company has conditionally raised £16 million (approximately US\$20 million) pursuant to the Placing through the proposed issue of the Placing Shares at the Placing Price. The Placing Shares will represent approximately 77.3 per cent. of the Enlarged Share Capital immediately following Admission.

Under the Placing, Placing Shares have been offered to certain existing shareholders, institutional and other investors in the United Kingdom, Australia and elsewhere in accordance with applicable laws of each such jurisdiction.

When admitted to trading, the Ordinary Shares (including the Placing Shares and the Adviser Shares) will continue to be registered with ISIN number GB00BF7J2535 and SEDOL number BF7J253 and trade under the symbol "TRR".

The Placing Shares will be credited as fully paid up on issue and the rights attaching to all Ordinary Shares (including the Placing Shares) will be uniform in all respects and they will form a single class for all purposes (including the right to receive dividends and other distributions declared, made or paid on the Ordinary Shares after Admission).

Pursuant to the Placing Agreement, the Joint Bookrunners have agreed to use their reasonable respective endeavours to procure, as agents for the Company, institutional and other investors for the Placing Shares at the Placing Price to raise together with the Subscriptions £16 million (approximately US\$20 million) (before fees and expenses). The Placing is conditional upon, *inter alia*, Admission becoming effective no later than 2 June 2020 (or such later date as the Joint Bookrunners and Grant Thornton and the Company may agree but in any event no later than 30 June 2020) and the Placing Agreement not having been terminated prior to Admission. Further details of the Placing Agreement are set out in paragraph 11.1 of Part 5 of this document.

Trident will use the net proceeds of the Placing to acquire royalties and streams in line with its Investing Policy and also to provide the company with additional working capital.

The Directors believe that Admission will enable the Company to, *inter alia*:

- access investors and raise funds for the development of the Group, following Admission;
- provide the flexibility to acquire more royalties and streams;
- to use its quoted securities as consideration for such acquisitions;
- provide the ability to incentivise key employees through the issue of share options; and
- raise the profile of the Group among investors and give confidence to potential Asset Owners.

#### **15. LOCK-IN ARRANGEMENTS**

The Directors and Tyron Rees have each agreed with the Company, Grant Thornton and Tamesis not to dispose of any of their interests in Ordinary Shares held or acquired for a period of at least twelve months from the date of Admission, save in certain limited circumstances.

The aggregate interests of the Directors and Tyron Rees following Admission which shall be subject to the lock-in arrangements, as described above, will amount to 4,405,000 Ordinary Shares which is equivalent to approximately 4.3 per cent. of the Enlarged Share Capital.

Further details of the lock-in arrangements are set out in paragraph 11.4 of Part 5 of this document.

#### **16. ADMISSION, SETTLEMENT AND DEALINGS**

The Ordinary Shares are as at the date of this document admitted to the Official List of the FCA (Standard Segment) and to the London Stock Exchange's Main Market for listed securities.

Application has been made for the cancellation of such admissions and an application will be made for the whole of the ordinary share capital of the Company in issue and to be issued pursuant to the Placing, to be admitted to trading on AIM. It is expected that cancellation of the admission to the Official List (Standard Segment) and to the LSE's Main Market will become effective on or around 8:00 a.m. on 2 June 2020. It is expected that Admission will become effective and that trading in the Ordinary Shares will commence on AIM at 8:00 a.m. on 2 June 2020.

The Ordinary Shares are eligible for CREST settlement. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within CREST if the relevant holder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain certificates will be able to do so.

Pending the despatch of definitive share certificates (as applicable), instruments of transfer will be certified against the register. No temporary documents of title will be issued.

## **17. FINANCIAL INFORMATION**

Part 4 of this document contains *pro forma* consolidated statements of net assets of the Company as at 31 December 2019, adjusted for the Acquisition and the Placing.

Pursuant to Rule 28 of the AIM Rules for Companies, the Company is not including financial information in respect of itself, save for the *pro forma* financial information set out in Part 4 of this document. Copies of the interim and annual accounts of the Company since incorporation may be found on Trident's website, [www.tridentroyalties.com](http://www.tridentroyalties.com).

## **18. TAXATION**

Information regarding certain taxation with respect to Ordinary Shares and Admission is set out in paragraph 16 of Part 5 of this document. These details are, however, intended as a general guide to the current position under UK taxation law. If you are in any doubt as to your tax position you should consult an appropriate professional adviser.

## **19. FURTHER INFORMATION**

You should read the whole of this document and not just rely on the information contained in this Part 1. Your attention is drawn to the information set out in Part 2 to Part 5 (inclusive) of this document which contains further information on the Company.

## PART 2

### THE ACQUISITION AND PIPELINE

#### 1. THE ACQUISITION

The Company has entered into definitive purchase agreement to acquire one significant, cash generative mining royalty, the Koolyanobbing Iron Ore Royalty Acquisition. This Acquisition will cornerstone the establishment of Trident as a new, growth-focused diversified mining royalty and streaming company. The Acquisition is described below.

##### 1.1 Koolyanobbing Iron Ore Royalty Acquisition

Trident has entered into a conditional deed of novation with Fe Limited (ASX:FEL) to acquire a 1.5% FOB revenue royalty covering part of the producing Koolyanobbing Operation in Western Australia for a staged cash consideration of A\$7.0 million.

The Koolyanobbing Operation is located 50km north of Southern Cross, Western Australia and is the collective term for multiple iron ore deposits and associated infrastructure within an approximate 100km radius.

The Koolyanobbing Operation is owned and operated by Mineral Resources (ASX: MIN), a company listed on the ASX with a market capitalisation of approximately A\$3.6 billion at the Latest Practicable Date. Mineral Resources acquired the asset from Cliffs Natural Resources Inc. Inc. in 2018. Since its acquisition, Mineral Resources has ramped-up production from the broader Koolyanobbing Operation from 6Mtpa in 2018 to an annualised rate of 11Mtpa as of February 2020. Mineral Resources has announced its intention to further increase production to 15Mtpa by end CY2020 underpinned by A\$120 million of growth capital dedicated to expansion of its Yilgarn Operations. Mineral Resources has previously outlined its intention to build a long-life iron ore export business in the Yilgarn region, utilising its innovative approach to mine development.

The royalty being acquired under the Koolyanobbing Iron Ore Royalty Acquisition is payable on production from the ML77/1259 tenement which constitutes part of the Deception Pit, one of the segments in the broader Koolyanobbing Operation. The Deception Pit is connected to Mineral Resources' Windarling operation by a 20km haul road, which is then connected to Koolyanobbing. Material from Koolyanobbing is transported by rail south to Esperance Port where it is loaded for export.

The Deception pit has a JORC 2012 Reserve of 9.3Mt at 59.9% Fe and a total Resource of 19.5Mt at 59.9% Fe. Although Mineral Resources does not report resources and reserves according to tenement, Trident estimates up to 75% of the Deception Pit may contain mineralisation over which payments would be made under the Koolyanobbing Iron Ore Royalty Acquisition. There is no certainty regarding this estimate and the amount of production ultimately falling under the royalty may be higher or lower.

A total of approximately A\$1,829,735 has been paid on shipments made in 2019; with an additional quarterly payment for the March quarter of A\$539,310. The payments due under the royalty are based on the average iron ore price achieved by the broader Koolyanobbing Operation. Details of the historic prices achieved by the Koolyanobbing Operation can be found in Mineral Resources' H1 2020 financial results presentation dated 12 February 2020.

The royalty also covers the E77/1322 exploration tenement which is located immediately east of M77/1259 but does not form part of the Koolyanobbing Operation. This tenement currently expires on 17 January 2021.

The royalty acquisition contemplates a headline consideration of A\$7.0 million payable in two tranches:

- Tranche 1 – A\$4.0 million payable on transaction completion; and
- Tranche 2 – A\$3.0 million payable on the twelve-month anniversary plus one day from the Tranche 1 completion date. Trident's subsidiary will grant security over the Koolyanobbing Royalty to FE by way of security for the payment of Tranche 2.

Under the terms of the agreement, cashflow attributable to the royalty from 1 January 2020 will be for the benefit of Trident. Accordingly, the first tranche will be reduced to A\$3,460,690 million following the payment of A\$539,310 for the quarter ended March 2020.

The Koolyanobbing Iron Ore Royalty Acquisition will provide Trident with attractive exposure to a significant and growing iron ore asset, operated by an innovative and renowned operator with a strong balance sheet in an attractive jurisdiction. The acquisition will provide immediate access to material cashflow and assist in bringing scale and diversification to Trident's growing royalty portfolio. As the broader Koolyanobbing Operation continues to increase its annual production, production from tenement ML77/1259 on which the Royalty is based is also anticipated to increase.

### Summary Table of Assets

The following table sets out the two tenements attributable to the Koolyanobbing Iron Ore Royalty Acquisition.

Asset <sup>1</sup>	Holder	Interest	Status	License Expiry Date	License Area
1. M77/1259	Cliffs Natural Resources	100%	Production	12 Oct 2032	798.4 Ha
2. E77/1322	Marda Operations Pty Ltd	100%	Exploration	17 Jan 2021	25 BL

### Summary of JORC Code 2012 Edition Compliant Reserves and Resources

The following tables set out the Mineral Reserves attributable to the entire Deception Pit per the Mineral Resources ASX announcement dated 20 November 2019. The royalty is only payable on production from the M77/1259 tenement which constitutes part of the Deception Pit, one of the operating segments in the broader Koolyanobbing Operation owned by Mineral Resources.

Category	Cut-off (Fe %)	Tonnes (Mt)	Fe (%)	SiO2 (%)	Al2O3 (%)	P (%)	LOI (%)
Proved	—	—	—	—	—	—	—
Probable	54	9.3	59.9	4.84	1.96	0.118	6.13
<b>Total</b>	<b>54</b>	<b>9.3</b>	<b>59.9</b>	<b>4.84</b>	<b>1.96</b>	<b>0.118</b>	<b>6.13</b>

Company calculations

Source: For source and competent person credential, please review the ASX announcement dated 20 November 2019: <https://www.asx.com.au/asxpdf/20191120/pdf/44brg5h9jyn2hy.pdf>

Category	Cut-off (Fe %)	Tonnes (Mt)	Fe (%)	SiO2 (%)	Al2O3 (%)	P (%)	LOI (%)
Measured	—	—	—	—	—	—	—
Indicated	50	15.6	60.1	4.6	1.8	0.12	6.2
Inferred	50	3.9	59.3	5.7	2.1	0.11	6.2
<b>Total<sup>1</sup></b>	<b>50</b>	<b>19.5</b>	<b>59.9</b>	<b>4.8</b>	<b>1.9</b>	<b>0.1</b>	<b>6.2</b>

<sup>1</sup> Company calculations

Source: For source and competent person credentials, please review the ASX announcement dated 20 November 2019: <https://www.asx.com.au/asxpdf/20191120/pdf/44brg3kydbzhkj.pdf>

The reserves and resources information set out above is extracted from ASX announcements made by Mineral Resources and is valid as at 20 November 2019. Since then, continued mining will have depleted the Reserve and Resource estimate by perhaps 1 – 2 Mt.

Depending on the mining rate, it is estimated that without further conversion of resources to reserves, there may be sufficient reserves for a further 3 – 5 years of mining.

<sup>1</sup> Derived from exploration permits E77/1117 and E77/1322

## 1.2 Koolyanobbing Iron Ore Royalty Acquisition Agreement

On 25 March 2020, TRR (an Australian incorporated, wholly owned subsidiary of the Company) and FE entered into the SPA, which was amended on 30 April 2020.

Pursuant to the SPA, and subject to the satisfaction (or waiver) of certain conditions, FE agrees to sell, and TRR agrees to purchase, the rights and interests of FE under the “Evanston Project Iron Ore Deed” between Mineral Resources and FE. Further information on the Evanston Project Iron Ore Deed and the Koolyanobbing Royalty, is set out in paragraph 1.3 of this Part 2.

The consideration payable by TRR under the SPA is payable in two tranches:

- (1) A\$4,000,000 less the Completion Adjustment (defined below) is payable on completion of the SPA (“**Completion**”); and
- (2) A\$3,000,000 is payable on the first anniversary plus one day after the date Completion occurs.

At Completion, FE is required to account to TRR for the economic benefit of any Koolyanobbing Royalty payments received by FE before Completion which relate to the period on or after the Economic Date, being 1 January 2020 by way of a Completion Adjustment.

If, after Completion, a party receives any Koolyanobbing Royalty payment to which they are not entitled (on the basis that FE is entitled to all Koolyanobbing Royalty payments which relate to the period up to (but excluding) the Economic Date and TRR is entitled to all Koolyanobbing Royalty payments which relate to the period on and after the Economic Date) they must account to the other party for that payment.

The SPA is conditional, unless waived by the Company, on either admission of all of the Ordinary Shares of the Company to trading on the AIM market of the London Stock Exchange or the Company being readmitted to trading on the Main Market of the London Stock Exchange.

If the condition precedent is not satisfied or waived on or before 31 July 2020 or such later date as agreed between TRR and FE, either TRR or FE can terminate the SPA.

At Completion, TRR and FE are required to enter into a Security Deed. The Security Deed will provide that TRR covenants with FE to pay the Tranche 2 Payment in accordance with the SPA as well as certain costs incurred by FE, being the Secured Monies, in the event FE enforces the Security Interest. To secure the payment of the Secured Monies, TRR will grant the Security Interest in favour of FE over the Secured Property, being all of TRR’s present and future rights, title and interest in and under the Koolyanobbing Royalty. The Security Interest will rank as a first-ranking encumbrance over the whole of the Secured Property. TRR will be prohibited from creating any further encumbrances over all or any of the Secured Property without FE’s consent. TRR will also be prohibited from disposing of or dealing with certain parts of the Secured Property without FE’s consent.

If FE becomes entitled to enforce the Security Interest (which can occur in certain circumstances, including where TRR fails to pay the Tranche 2 Payment by its due date), then the Security Interest will become immediately enforceable and FE will be entitled to, at any time, take any action to exercise or enforce any right conferred by the Security Deed (including appointing a receiver over the whole or any part of the Secured Property). Any receiver so appointed has certain powers in relation to the Secured Property, including the power to sell the Secured Property. FE must give a release of the Security Interest when it is satisfied that all Secured Monies have been discharged in full and there is no possibility of further Secured Monies arising in the future.

FE has given warranties to TRR pursuant to the SPA including, amongst other things, that FE is the legal and beneficial owner of the Koolyanobbing Royalty and that there are no mortgages, pledges, liens, charges, royalties or encumbrances against or relating to the Koolyanobbing Royalty.

Completion of the Koolyanobbing Iron Ore Royalty Acquisition remains subject to the fulfilment of certain conditions and until such time as the conditions are satisfied and completion occurs, there is no certainty that the Company will be able to acquire the Koolyanobbing Royalty.

## 1.3 Koolyanobbing Iron Ore Royalty

The Koolyanobbing Royalty was created under the “Evanston Project Iron Ore Deed” between Cliffs Asia Pacific Iron Ore Pty Ltd ABN 46 001 892 995 (“**Cliffs**”) and Global Iron Limited ABN 87 125 419 730 (“**Global Iron**”) dated 24 February 2010, with the Koolyanobbing Royalty

being in favour of Global Iron. Cliffs, Global Iron and FE Limited ACN 112 731 638 (an Australian incorporated company, listed on the ASX) (“FE”) entered into a deed of assignment and assumption dated 14 December 2012 under which Global Iron assigned to FE its interest under the Evanston Project Iron Ore Deed, including the Koolyanobbing Royalty. Cliffs, FE and Mineral Resources entered into a deed of novation dated 1 August 2018 under which Mineral Resources became a party to the Evanston Project Iron Ore Deed in place of Cliffs. The Company understands that Mineral Resources intends to novate the Evanston Project Iron Ore Deed in favour of one of its wholly owned subsidiaries, Yilgarn Iron Ore Pty Ltd.

The Koolyanobbing Royalty is calculated quarterly and, broadly, on the basis that the rate of royalty is 1.5% of the average invoiced free-on-board (FOB) value of the iron ore production shipped in any quarter, adjusted for moisture content and converted from \$US to \$A. The calculation of the Royalty uses the following variables:

- the wet tonnes of iron ore transported from the Tenements during the quarter as determined by the weighbridge or other agreed means of measurement;
- the average percentage moisture content of iron ore extracted from the Tenements determined by the means of measurement normally used by Cliffs;
- the average invoiced FOB value per dry metric tonne of the iron ore shipments during the quarter, based on total shipment value during the quarter divided by total tonnages shipped; and
- the average US\$:A\$ exchange rate for the quarter as published by the Department of Mines and Petroleum (Western Australia) for the purpose of calculating the State royalty.

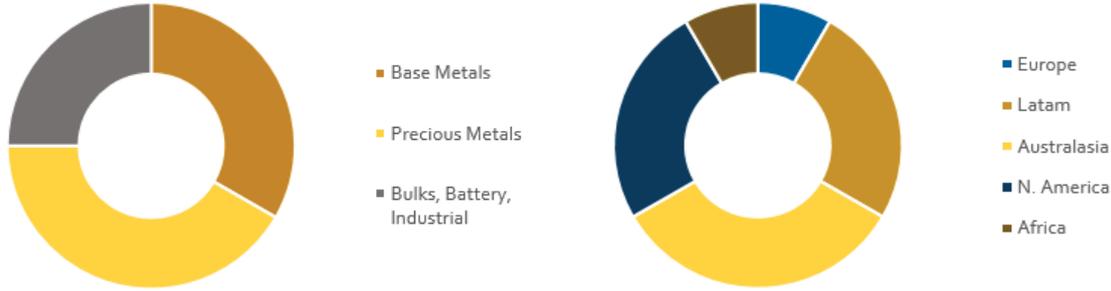
The Koolyanobbing Royalty is payable within 45 days from the end of each quarter, with each Koolyanobbing Royalty payment to be accompanied by a report and statement. The recipient of the Koolyanobbing Royalty payment may, within 20 business days after receipt, carry out an audit of Mineral Resources’ calculations. Any audit dispute may be referred to an independent expert for determination. Mineral Resources has a pre-emptive right over any proposed transfer of the Koolyanobbing Royalty.

## **2. THE PIPELINE**

The Company has identified a strong pipeline of investment opportunities, comprising both near and longer-term potential royalties and/or streams. In particular, following the announcement of the Acquisition on 25 March 2020, there has been a significant increase in deal flow and potential opportunities. Particularly in challenging economic times, Trident believes that it can be viewed by potential counterparties as an attractive source of non-dilutive financing and as an attractive vendor partner for sellers of existing royalties and streams.

The pipeline includes a broad range of royalty opportunities ranging from exploration stage to producing assets. The pipeline also includes royalty and stream opportunities across the breadth of jurisdictions, including Australia, Asia, Europe, Africa, and the Americas and across most major commodities, from precious and base metals, to bulk commodities and battery minerals.

The below highlights the commodity and geographic breakdown by number of the top twelve opportunities that Trident is currently prioritising.



In addition to the priority opportunities, the Company has signed additional non-disclosure agreements and is actively reviewing several other potential transactions which fall outside of the “priority opportunities”.

Importantly, the Company is also reviewing several large “package” or “portfolio” transactions which are intended to predominantly be acquired via equity and/or a combination of cash and equity. The execution of a transaction over a package of royalties would lend itself to rapidly increasing the size and scale of Trident’s royalty portfolio. As Trident grows in scale, it is anticipated that the currency of its equity will improve and that counterparties would more readily recognize the value potential of taking equity as part, or the entirety, of a transaction consideration. Trident intends to be mindful of the use of its equity insofar as this form of acquisition currency is given due weight or value by the market.

It is emphasised that the completion of any pipeline transactions remains subject to the satisfactory completion of such due diligence to ensure that each potential transaction meets Trident’s criteria and subject to the successful negotiation of royalty and stream agreements or acquisition agreements on terms satisfactory to Trident as well as Board approval. Consequently, the process with each pipeline opportunity remains subject to execution risk and there is no certainty that any binding royalty and stream agreements will be entered into by the Company.

## PART 3

### RISK FACTORS

Any investment in the Company is subject to a number of risks. Accordingly, investors should consider carefully all of the information set out in this document and the risks attaching to an investment in the Company, including, in particular, the specific risks described below, before making any investment decision. The information below does not purport to be an exhaustive list nor are the risks set out in any order of priority. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information in this document and their personal circumstances. Before making any final decision, prospective investors in any doubt should consult with an independent adviser authorised under FSMA (or the corresponding legislation in the jurisdiction in which a prospective investor is resident). If any of the following risks were to materialise, the Company's business, financial position, results and/or future operations may be materially adversely affected.

The market value of the Ordinary Shares may go up or down and an investor may lose all or part of his or her investment. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the performance and value of the Company.

An investment in the Company is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be equal to the whole amount invested). There can be no certainty that the Company will be able to implement successfully the strategy set out in the document. No representation is or can be made as to the performance of the Company and there can be no assurance that the Company will achieve its objectives.

#### 1. RISKS RELATING TO THE COMPANY'S BUSINESS

##### ***The Company has no operating history under its current Investing Policy***

The Company adopted the Investing Policy at the AGM and has no operating history upon which to evaluate its likely performance. The past performance of the Directors is not necessarily a guide to the future performance of the Company.

##### ***The Acquisition is subject to a number of conditions that may not be satisfied***

The Acquisition and completion of the SPA is subject to the satisfaction or waiver, where applicable, of a number of conditions. There is no guarantee that these or any conditions precedent in the SPA will be satisfied or waived by the long stop date of 30 June 2020 and there is a risk that the Company will be unable to proceed to completion of the SPA. The conditions in respect of the SPA are summarised in more detail in Part 2 of this document.

If completion of the Acquisition does not occur, the Company would nonetheless be obliged to pay certain costs including its own due diligence and advisory fees incurred in connection with it. There is a risk that there may be circumstances where the Placing and Admission have completed, but certain of the remaining conditions under the SPA including, without limitation, receipt of the necessary approvals, have not been satisfied or become or are incapable of satisfaction and/or waiver. In this event, the proceeds of the Placing will not be able to be applied in connection with completion of the Acquisition and the Company will retain the proceeds of the Placing to apply to future acquisitions.

##### ***The Company may fail to complete suitable royalty and stream transactions***

The growth and viability of the Company is dependent its ability to successfully identify and acquire royalties and streams. The availability of potential royalties and streams which meet the Company's Investing Policy will depend, *inter alia*, on the state of the world economy, general business conditions, commodity prices, mining sector appetite, alternative sources of finance and financial markets generally. The Company may be unable to identify targets at valuations that the Board believes will deliver sufficient returns for Shareholders. Even if the Company successfully identifies targets, the process remains subject to execution risk and there is no guarantee that royalty and stream transactions will complete. The Company can offer no assurance that it will be able to

identify or complete royalty and stream acquisitions or financings that are consistent with its Investing Policy or that it will be able to fully deploy its available capital.

***The Company faces competition from other royalty and stream companies and investment entities***

The Company will compete with a large number of private equity funds and mezzanine funds, investment banks, equity and non-equity based investment funds, and other sources of financing, including the public capital markets, as well as other royalty or stream companies, particularly for new royalties or streams. Some of its actual or potential competitors are substantially larger and have considerably greater financial resources than the Company. Competitors may have a lower cost of capital and many have access to funding sources that are not currently available to the Company. In addition, some of the Company's competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships and build their market share. There is no assurance that the competitive pressures that the Company faces will not have a material adverse effect on its business, financial condition and results of operations. Also, as a result of this competition, the Company may not be able to take advantage of attractive opportunities and there can be no assurance that it will be able to identify and complete royalty or stream transactions that satisfy its business objectives or that the Company will be able to meet its business goals.

***Material facts or circumstances not revealed in the due diligence process***

Prior to making or proposing any royalty or stream acquisition or financing, the Company will undertake legal, financial and commercial due diligence on potential transactions to a level considered reasonable and appropriate by the Company on a case by case basis. However, these efforts may not reveal all material facts or circumstances which would have a material adverse effect upon the value of the royalty or stream. In undertaking due diligence, the Company will need to utilise its own resources and may be required to rely upon third parties to conduct certain aspects of the due diligence process. Any due diligence process involves subjective analysis and there can be no assurance that due diligence will reveal all material issues related to a potential royalty or stream transaction or Asset Owner which might be necessary or helpful in evaluating a potential royalty or stream transaction or Asset Owner.

The Group may not always be able to conduct due diligence in as thorough a manner as it would prefer on potential acquisitions, particularly where it is acquiring a secondary royalty or stream and the underlying mine operator has no obligation to provide information. The Group may therefore have to rely solely on publicly available information and there can be no assurance that a due diligence examination based on public information will reveal all of the risks associated with the potential acquisition, or the full extent of such risks.

***The Group may acquire a royalty or stream subject to rights in favour of the operator or third parties that could adversely affect the revenues generated from the asset portfolio***

Royalties or streams may be subject to: (i) buy-down right provisions pursuant to which an operator may buy-back all or a portion of the royalty; (ii) pre-emptive rights pursuant to which parties to pre-existing royalty or stream agreements have the right of first refusal or first offer with respect to a proposed sale or assignment of a royalty or stream to the Group; or (iii) claw back rights pursuant to which the seller of a royalty or stream to the Group has the right to re-acquire the royalty. Although it is expected that most of the royalties and streams the Group acquires will not have any such provisions, it may acquire royalties or streams in the future which are subject to these types of provisions, as they are not uncommon, particularly in connection with the acquisition of secondary royalties or streams. Holders of these rights may exercise them such that certain royalties or streams might not be available to the Group which may have a material adverse effect on the Group's business, results of operation, financial condition and ability to pay a dividend.

***Changes in the market price of the commodities that underlie the Group's royalties or streams will directly affect the revenue generated therefrom***

The revenue the Group derives from its royalties and streams will be significantly affected by changes in the market price of the commodities underlying the royalties and streams.

Commodity prices, including those to which the Group is exposed, can fluctuate on a daily basis and are affected by numerous factors beyond the Group's control, including global economic

conditions, levels of supply and demand, industrial development levels, inflation and the level of interest rates, currency exchange rates and geopolitical events in jurisdictions where mining assets are located. A fall in commodity prices will reduce the revenues on which royalties are calculated and the profitability of streams. Should commodity prices fall below the cost of production, it is likely that Asset Owners would put their mines on care and maintenance or close them permanently in which case there would be no revenues on which royalties are based. Similarly, a fall in commodity prices would directly and adversely affect the profitability of the Group's streams.

While it is the Group's strategy to increase its commodity diversification, the broader commodity market can be cyclical and a general downturn in overall commodity prices could result in a significant decrease in overall revenue for the Group.

The Group currently does not have a policy to hedge against variations in commodity prices. In certain circumstances the Group may seek to hedge commodity price risks by using forward sales contracts or other hedging strategies and, while hedging of commodity prices is possible, there is no guarantee that appropriate hedging will be available at an acceptable cost, that any such commodity hedging programme will be successful in reducing the risk associated with fluctuations in commodity prices, or that a counterparty will purchase under a contract when the contract price exceeds the spot price for the commodity. Hedging may also prevent the Group from benefiting fully from commodity price increases.

Any commodity price decline or unsuccessful hedging in respect of commodity prices may result in a material adverse effect on the Group's income, business, results of operations, financial condition and ability to pay a dividend.

#### ***Ongoing impact of COVID-19***

The ongoing COVID-19 pandemic has had a severe impact on the global economy with the mining industry being significantly affected. The prices of a number of commodities have not only fallen but have remained volatile and are likely to continue to remain volatile during this period of uncertainty.

Further, since the onset of the COVID-19 pandemic, some mining operations and development projects have suspended production or project development activities voluntarily or due to government imposed restrictions.

Should the effects of the pandemic on the industry persist, it is highly likely there will be a knock on impact on the Group's activities both in terms of cash received from royalties and streams held and its ability to conclude future royalties and streams as it may not be possible to complete due diligence processes including site visits.

There is the possibility that in extreme circumstances the impact on royalty and stream counterparties could be so great that they may be forced to seek insolvency protection or abandon their operations until such a time that industry working conditions return to normality.

#### ***Concentration of royalties and streams***

Over time, the Company intends to enter into royalty and stream agreements with a number of different Asset Owners in order to diversify its portfolio and in order to appropriately manage risk. However, identifying such Asset Owners, conducting due diligence and negotiating the terms of individual royalty and stream agreements will take time. During the period in which the Company has entered into or acquired a small number of royalty or stream agreements but before it has entered into such a number of agreements that the Company considers that it has successfully diversified its portfolio, the failure of, or any dispute relating to any given royalty or stream may have a disproportionate and material adverse effect on the financial position and prospects of the Company.

#### ***There may be disputes in relation to the Group's royalties or streams***

While the Group seeks to confirm the existence, validity, enforceability and geographic extent of any royalties and streams it acquires through due diligence, there can be no assurance that disputes over these and other matters will not arise. Royalties and streams generally are subject to uncertainties and complexities arising from the application of contract and property laws governing private parties and/or local or national governments in the jurisdiction where mining projects are located and therefore confirming royalties is a complex matter. Disputes could arise challenging, among other things, various rights of the operator or third parties in or to the royalty or stream,

methods for calculating the payment due under the royalty or stream, production and other thresholds and caps applicable to payments under the royalty, the obligation of an operator to make payments or provide information, and various defects or ambiguities in the agreement governing a royalty or stream.

Royalties and streams in many jurisdictions are contractual in nature, rather than interests in land, and are therefore subject to disputes arising out of contractual defects as well as to change of control, bankruptcy or insolvency of operators and non-performance, any of which could defeat the Group's claim to a royalty or stream or result in a reduction of the revenue from the royalty or stream received by the Group. Even if the Group retains an interest in respect of a royalty or stream property after any change of control, bankruptcy or insolvency of the operator, the project may end up under the control of a new operator, who may or may not operate the project in a similar manner to the current operator, which may positively or negatively impact the Group. The Group often will not have the protection of security interests over property and title or similar insurance for royalties and streams is generally not available. The Group is not aware of any current or potential disputes in relation to the royalty it has agreed to acquire.

Unknown defects in or disputes relating to the royalties or streams the Group holds from time to time or the royalty or stream properties may prevent it from realising all of the anticipated benefits from its royalties or streams and could have a material adverse effect on the Group's royalty and stream related income, business, results of operations, financial condition and ability to pay a dividend.

***The Group may have and may continue to have limited access to information, data and disclosure regarding the operation of royalty and stream properties, which affects its ability to assess royalty or stream performance***

As a royalty or stream holder, any information rights that the Group has are subject to negotiation and consequently the Group may have limited, if any, access to non-public data regarding the operations or to the actual properties themselves. This could affect the Group's ability to assess the performance of the assets over which it has a royalty or stream. The Group typically will not always have the ability to independently verify such information or provide assurance that such third-party information is complete or accurate. Additionally, where the royalty or stream property is operated by a private company, rather than a public company, public disclosure may be more limited. Where possible, the Group will seek to have a contractual right to information regarding its royalties or streams. However, such negotiations are not always successful, particularly in relation to secondary royalties and streams.

The receipt, timing and content of updates or disclosure on the royalty and stream properties can be unpredictable. Where such disclosure contains new and unfavourable material information regarding the royalty or stream properties, this may have a material adverse effect on the Group and its Ordinary Shares. The Group does not necessarily receive a copy of such disclosure before it is made public or have an opportunity to review the data or information on which such disclosure will be based.

The limited access to data and disclosure regarding the operations of the royalty or stream properties may restrict the Group's ability to enhance its performance which may have a material adverse effect on the Group's business, results of operation, financial condition and ability to pay a dividend.

***The success of the Group depends on the services of its Chief Executive Officer and other key employees***

The Group believes that its future success will depend on the performance of its executive management personnel.

From time to time, the Group may also need to identify and retain additional skilled management and specialised technical personnel to efficiently operate its business. The number of persons skilled in the acquisition and enforcement of royalties is limited and there is competition for such persons. Recruiting and retaining qualified personnel is critical to the Group's success and there can be no assurance of such success. If the Group is not successful in attracting and retaining qualified personnel, its ability to execute its business model and growth strategy could be negatively affected, which could have a material adverse effect on its business, results of operations, financial condition and ability to pay a dividend.

### ***Future requirement for capital***

The Company may require additional financial resources to continue funding its future expansion. The Company may in the future seek to raise additional funds. No assurance can be given that any such additional financing will be available or that, if available, it will be available on terms favourable to the Company or the Shareholders.

### ***The use of debt finance leverage may increase the Company and the Group's financial and business risks.***

Neither the Company nor any member of its Group has any debt finance or leverage in place at the date of this document. However, the Company might employ a level of structural leverage and incur indebtedness in its execution of its investment strategy. Following the AGM, upon cancellation of the Deferred Shares, the new Articles will be adopted and the Company will have no limits on its ability to borrow.

The use of leverage creates special risks and would increase the Company and the Group's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated with such investments may cause the Company or the Group's net asset value and consequently the net asset value per Ordinary Share to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the net asset value per Ordinary Share may decrease more rapidly than would otherwise be the case. Lenders may require security to be taken over the Company's assets or other Group assets. Failure by the Company or the Group to meet its payment obligations under credit agreements could result in enforcement by lenders of their security interest over the relevant assets, which could have a material adverse effect on the Company's and/or the Group's net asset value and returns to Shareholders.

### ***Current global financial conditions continue to present challenges***

In recent years, global financial conditions and market events have increased volatility and resulted in tightening of credit that has reduced available liquidity and overall economic activity. There can be no assurance that debt or equity financing will be available on acceptable terms or at all. The inability to access sufficient capital on acceptable terms could have a material adverse effect on the Group or its royalty or stream properties' businesses, prospects, dividend paying capability and financial condition and further enhancement of opportunities or acquisitions.

### ***Reputational risk in connection with the Group's operations may materially adversely affect the Group***

The Group is dependent in part upon its reputation to complete acquisitions and achieve its strategy. In particular, litigation, allegations of misconduct by employees or Directors, operational failures or any other negative publicity, could harm the reputation of the Group. If the Group is associated with a royalty or stream property which is the subject of litigation or negative publicity, including regarding its environmental impact, the Group's reputation could be damaged. The Group also may experience negative reactions from the financial markets or operators of properties on which the Group seeks royalties or streams if it is unable to successfully complete acquisitions of royalties or streams or companies that own desired royalties or streams. If investors do not have confidence in the Group, do not agree with its strategy, have a negative view of acquisitions which the Group makes, or if the Group's reputation is harmed due to the other factors discussed, this could have a material adverse effect on the Group's share price, business, results of operations, financial condition and ability to pay a dividend.

### ***Currency and exchange rate risks***

Although the Company's ordinary shares will trade on AIM in pounds sterling and the Company prepares its financial statements in US\$, over time it aims to have royalty and stream agreements over assets in several countries and which generate revenue in currencies other than pounds sterling or US\$. As a result, fluctuations in currency exchange rates could have a material adverse effect on the financial condition, results of operation or cash flow of the Group. Fluctuations in exchange rates between currencies in which the Group invests, reports or derives income, may cause fluctuations in the Company's financial results that are not necessarily related to the Group's underlying operations. This may result in additions to the Group's reported costs or reductions in

the Group's reported revenue. To the extent that its assets are unhedged, the value of the assets of the Group and the reported royalty or stream income may fluctuate with exchange rates as well as with price changes when it invests in local markets and currencies. The Group does not currently intend to enter into any hedging arrangements with respect to foreign currencies but may consider implementing policies to limit its currency exposure, and will consider currency hedging instruments when they prove to be available and cost effective.

#### ***Exchange control risk***

The Company may in the future enter into stream arrangements with companies operating in countries that impose or may impose in the future foreign exchange controls, which may prevent local companies from paying dividends to their foreign shareholders. Additional administrative procedures and requirements, such as the retention of a portion of foreign currency holdings in local banks, may also be imposed on local companies. As a result, there may be restrictions on repatriating an element of the revenues generated by overseas subsidiaries of the Company.

#### ***The Group's accounting policies and their interpretation and application may change***

The application of accounting standards requires management to make judgements, estimates and assumptions regarding the classification, revaluation and impairment of its royalties, streams and equity investments. The Group currently intends to account for its royalties and streams based on the substance of the underlying commercial terms of each royalty and therefore different accounting standards are applied to different types of royalties. If the Group changes its accounting policies or their interpretation and application going forward, whether due to changes in IFRS, a review by the FRC or otherwise, the Group may need to restate its financial statements or change the way in which it classifies its royalties, streams and equity investments. Any such restatements or reclassifications could result in changes to, amongst other items, the Group's royalty related income, revaluations and impairments of royalties, streams and equity investments or tax charge and could have a material adverse effect on the Group's business, results of operation, financial condition.

#### ***The Group's tax structure may be challenged by relevant tax authorities***

The Group takes tax advice in relation to asset acquisitions and disposals and other matters in relation to its global tax arrangements. Key judgements are exercised in relation to revenue recognition and relevant tax exemptions based on the contractual nature of the Group's royalties and streams. Although every care is taken to ensure compliance, there is no certainty that a review by any individual tax authority would concur with all judgements and positions taken by the Group. Any incorrect tax filings could have a material adverse effect on the Group's business, results of operations and financial condition.

Changes in the local tax regimes governing the jurisdictions where the Group's revenues are deemed to be sourced may be implemented. The Group's permanent establishments in relation to tax domicile are generally in developed countries with sophisticated and transparent tax regimes. Changes to taxation laws in the UK, US and Australia and in countries in which the Group's royalty and stream properties are located could result in some or all of the Group's profits being subject to increased levels of income tax. Additionally, whilst the Group does not have a permanent establishment in less developed jurisdictions, it is still exposed to risks relating to local tax regimes in such jurisdictions. Significant increases in local tax rates, either income tax, sales taxes, thin capitalisation or transfer pricing rules or changes to statutory royalty rates can have a material adverse effect on the economic viability of the projects which the Group has invested in. This could jeopardise the receipt of royalties which could have a material adverse effect on the Group's business, results of operations and financial condition.

## **2. RISKS RELATING TO ASSET OWNERS**

### ***Dependence on Asset Owners***

As a royalty and streaming company, the Company will be entirely dependent on the operations and assets of its Asset Owners through any royalty and stream agreements with them. The Company's ability to pay its operating expenses and pay dividends will be dependent on the royalty payments received from its Asset Owners and income generated from streams. Royalty payments by the Asset Owners to the Company are generally based on a share of the Asset Owner's revenues or other similar top-line measure. Similarly, streams rely on Asset Owners producing from their mining operations. The Group's revenues are therefore fundamentally dependent on an Asset Owner's

performance in extracting selling and delivering commodities on which a royalty or stream is based. Accordingly, subject to certain conditions, to the extent that the financial and operational performance of an Asset Owner declines with respect to the relevant performance measure, distributions to the Company will decline. The failure of any Asset Owner to fulfil its distribution obligations to the Company could materially adversely affect its financial condition and cash flows.

Numerous factors may affect the quantum of an Asset Owner's distribution obligations to the Company, or the ability of an Asset Owner to service such distribution obligations, including the failure to meet its business plan, a downturn in its industry or negative economic conditions. Deterioration in an Asset Owner's financial condition and prospects may be accompanied by a material reduction in the distributions or payments received by the Company.

***It may be difficult or impossible for the Group to ensure that the royalty and stream properties are developed or operated in the Group's best interest***

The revenue derived from the Group's royalty and stream properties from time to time is based on production by the operators of the underlying royalty and stream properties. Although the Group may, in certain circumstances, have a limited ability to participate in the decision-making process, the owners and operators will generally have the power to determine the manner in which the relevant royalty and stream properties are exploited, including decisions to expand, continue or reduce production from a royalty and stream property, decisions about the marketing of products extracted from the royalty and stream property and decisions to advance exploration efforts and conduct development of non-producing royalty and stream properties. The interests of third-party owners and operators and those of the Group in respect of the relevant royalty and stream property may not always be aligned. For example, it will usually be in the interest of the Group to advance development and production on royalty and stream properties as rapidly as possible in order to maximise near-term cash flow, while owners and operators may take a more cautious approach to development, including not proceeding with development if the prevailing commodity price environment makes such development economically unfeasible, as they are exposed to risk on the cost of development and operations. In addition, the owners or operators may take action contrary to the Group's policies or objectives, be unable or unwilling to fulfil their obligations under their agreements with the Group, have difficulty obtaining or be unable to obtain the financing necessary to move projects forward, or experience financial, operational or other difficulties, including insolvency which could limit the owners' or operators' ability to perform its obligations relating to the royalty and stream properties. Furthermore, operators of development stage properties must, among other things, obtain and maintain all necessary operating and environmental permits and access to water, power and other raw materials needed to begin and maintain production, and there can be no assurance that operators will be able to do so.

The Group may not be entitled to any material compensation if any of the royalty and stream properties shuts down or discontinue operations on a temporary or permanent basis. At any time, any of the operators of the royalty and stream properties or their successors may decide to suspend or discontinue operations. The owners or operators of the royalty and stream properties may from time to time announce transactions, including the sale or transfer of the royalty and stream properties or of the operator itself, over which the Group has little or no control as well as no input into who the royalty and stream property is sold to, the price at which it is sold or any discounts that the purchaser may receive. If such transactions are completed, they may result in a new operator controlling the relevant royalty and stream property, who may or may not operate the project in a similar manner to the current operator which may positively or negatively impact the Group. In the event any such transaction is announced, there is no certainty that such transaction will be completed, or completed as announced and any consequences of such non-completion on the Group may be difficult or impossible to predict.

The inability of the Group to control the operations of the royalty and stream properties may have a material adverse effect on the Group's royalty and stream related income, business, results of operation, financial condition and ability to pay a dividend.

***The Group will have no control over the financial and operating performance of its Asset Owners***

The income of the Company is fundamentally dependent on the operating performance of the Asset Owners over which the Group has no control. The revenues of such businesses may be affected by a large number of factors including, but not limited to, economic and market conditions, the

performance of the management team, competition, changes in law and regulation, changes in tastes and social trends and interest rates and financial conditions.

***The Group depends on Asset Owners for the accurate calculation of royalty payments and stream distributions***

The Group's royalty payments and stream distributions will generally be calculated by the operators of the royalty and stream properties based on the reported production. Each operator's calculation of the Group's royalty payments and stream distribution is subject to and dependent upon the adequacy and accuracy of the production and accounting functions of each operator, and errors may occur from time to time in the calculations made. Certain royalty and stream agreements may require the operators to provide the Group with production and operating information that may, depending on the completeness and accuracy of such information, enable the Group to detect errors in the calculation of distributions that it receives. While the Group expects to have the contractual right to receive a distribution statement for most of its royalty and stream properties, it will not necessarily have full information rights or audit rights in respect of all. As a result, the Group's ability to detect distribution calculation errors or fraud through its monitoring programme and its associated internal controls and procedures is and may be limited, and the possibility exists that the Group will need to make retroactive revenue adjustments. Some of the Group's royalties and streams may provide it the right to audit the operational calculations and production data for the associated payments; however, such audits may occur many months following the Group's recognition of the revenue and may require the Group to adjust its revenue in later periods. Therefore, although the Group has implemented procedures, systems and controls to ensure that going forward revenue earned from its royalty assets is properly accounted for, any inaccuracies in the calculation of payments could require the Group to restate its financial statements and could have a material adverse effect on the market price of the Ordinary Shares and the Group's income, business, results of operation, financial condition and ability to pay a dividend.

***The Group is dependent on the owners and the operators of the royalty and stream properties making payments due under the royalties and any delay in or failure to make such royalty payments will affect the revenues generated by the royalty portfolio***

The Group will be dependent to a large extent upon the financial viability and operational effectiveness of owners and operators of the relevant royalty and stream properties from time to time. Where payments from production flow through the operator, there is a risk of delay and additional expense in receiving such payments. Additionally, from time to time under certain royalties, the Group may only receive payment when the operator is paid by the purchaser of the commodity. Royalty payments may be delayed by, among other things, restrictions imposed by lenders, delays in the sale or delivery of, and payment for, products, blowouts or other accidents, recovery by the operators of expenses incurred in the operation of the royalty and stream properties, the establishment by the operators of reserves for such expenses or the insolvency of the operator. The Group's rights to payment under any royalties from time to time will, in some cases, be enforced by contract without the protection of a security interest over the royalty and stream property that the Group could readily enforce. This would restrict the Group's ability, unless it has a properly perfected security interest, to collect outstanding royalties upon a default. Where in the future the Group does not have a properly perfected security interest over a royalty and stream property, in the event of the bankruptcy of the operator or owner of such property, the Group may be treated as an unsecured creditor and, therefore, have a limited prospect for full recovery of royalty payment. Failure to receive any royalty payments from the owners and operators of the relevant royalty and stream property, or the failure to receive repayment of consideration for a primary royalty where no production has occurred, would have a material adverse effect on the Group's business, results of operation, financial condition and ability to pay a dividend.

***Operators of the royalty and stream properties may not honour the Group's royalties or streams***

Royalty and stream interests in natural resource properties are largely contractual in nature. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. Such parties may not have sufficient cash flow at a particular payment date to honour the contractual terms or they may enter bankruptcy. Additionally, the operators may not comply with their obligations to provide information or to allow the Group to exercise any audit rights. To the extent grantors of royalty and other interests do not abide by their contractual obligations, the Group would be required to take legal action to enforce its contractual

rights. Such litigation may be time consuming and costly and there is no guarantee of success. While it is currently anticipated that the Company's royalty and stream agreements with its Asset Owners from time to time will provide it with certain remedies in the event of non-payment by the applicable Asset Owner and that the Company may, in certain circumstances, have security over the assets of Asset Owners, the Company's rights and, where applicable, its security interests may be subordinated to the payment rights and security interests of an Asset Owner's commercial lenders. If operators of the royalty and stream properties do not honour their contractual obligations, either by choice or due to financial difficulties or bankruptcy, or if the Group is unable to enforce its contractual rights, it may have a material adverse effect on the Group's income, business, results of operations, financial condition and ability to pay a dividend.

***Development and operation of mines is very capital intensive and any inability of the operators of royalty and stream properties to meet liquidity needs, obtain financing or operate profitably could have material adverse effects on the value of and revenue from the Group's royalties and streams***

The development and operation of mines can be very capital intensive, and if operators of royalty and stream properties do not have the financial strength or sufficient credit or other financing capability to cover the costs of developing or operating a mine, the operator may curtail, delay or cease development or operations at a mine site. Asset Owners' ability to raise and service sufficient capital may be affected by, among other things, macroeconomic conditions, future commodity prices of minerals to be mined, or further economic volatility in the global financial markets, as has been experienced in recent years. In addition, continued economic volatility or a credit crisis could adversely affect the ability of Asset Owners to obtain debt or equity financing for the exploration, development and operation of their royalty and stream properties. If any of the Asset Owners suffer these material adverse effects, then the Group's royalty and stream revenue may be negatively impacted which could have a material adverse effect on the Group's business, results of operation, financial condition and ability to pay a dividend.

***The Group's and its royalty and stream properties' insurance cover may not be adequate***

The business of the Group's royalty and stream properties from time to time will be subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to the royalty and stream properties, production facilities or infrastructure, personal injury or death, environmental damage to the royalty and stream properties or the properties of others, delays in development or mining, monetary losses and possible legal liability.

The Group will seek to ensure that operators of the royalty and stream properties to, maintain insurance to protect against such risks. However, it may be that any such insurance would not, in any event, cover all the potential risks associated with the relevant operations or that any payout under such insurance would be due to the Group. Furthermore, such insurance may not be available at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Group or to other companies in the mining industry on acceptable terms. The Group's royalty and stream properties from time to time might also become subject to liability for pollution or other hazards which may not be insured against or which the Group's royalty and stream properties may elect not to insure against because of premium costs or other reasons. Losses from these events may cause any of the Group's royalty and stream properties from time to time to incur significant costs that could impact their ability to make royalty payments which could have a material adverse effect on the Group's royalty related income, business, results of operations, financial condition and ability to pay a dividend.

### **3. RISKS RELATING TO MINING OPERATIONS**

***Mineral Resource and Ore Reserve estimates may not be accurate***

The royalties and streams the Group holds from time to time may not produce anticipated revenues. The success of the Group's royalties and streams from time to time will be based on the accuracy of assumptions regarding the estimates of Ore Reserves and Minerals Resources and the

production estimates of mine operators as well as the Group's ability to make accurate assumptions regarding the valuation, timing and amount of revenues to be derived from its royalties and streams, particularly with respect to assets in development stage properties. Both Asset Owners and the Group may seek third party valuations and other reports to assist with their assessments.

Until Ore Reserves or Mineral Resources are actually mined and processed, the quantity of Mineral Resources and Ore Reserve grades must be considered as estimates only. Any material change in the quantity of Ore Reserves, Mineral Resources, grade or stripping ratio may affect the economic viability of any the Group's royalty and stream properties. Fluctuation in base or precious metals or other commodity prices, results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require revisions of such estimates. The volume and grade of reserves mined and processed and recovery rates may not be the same as currently anticipated. In particular, there is a risk that Inferred Mineral Resources cannot be converted into Ore Reserves as the ability to assess geological continuity is not sufficient to demonstrate economic viability. Due to the uncertainty which may attach to Inferred Mineral Resources, there is no assurance that Inferred Mineral Resources will be upgraded to resources with sufficient geological continuity to constitute Proven and Probable Ore Reserves as a result of continued exploration.

Additionally, production estimates made by the Asset Owners are subject to change, and actual production may vary materially from such estimates. No assurance can be given that any prepared estimates of future production and future production costs with respect to any of the royalty and stream properties from time to time will be achieved. Any production estimates are based on, among other things, reserve estimates, assumptions regarding ground conditions and physical characteristics of ores and estimated rates and costs of mining and processing. Actual production may vary from estimates for a variety of reasons, including but not limited to: actual ore mined varying from estimates of grade, tonnage, dilution, metallurgical and other characteristics; short term operating factors relating to the mining and processing of ore reserves; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, underground floods, earthquakes, pit wall failures and cave-ins; and unexpected labour shortages or strikes. As mines on which the Group has or will have royalties and streams reach the end of their mine life, the Group can expect overall declines in production over the years unless operators are able to replace reserves that are mined through mine expansion or successful new exploration. There can be no assurance that the Asset Owners of properties where the Group holds royalties and streams will be able to maintain or increase production by replacing reserves as they are mined. The life-of-mine estimates included in this document in respect of the Group's royalty and stream properties may not be correct.

If an operator does not bring a property into production and operate it in accordance with feasibility studies, technical or reserve reports or other plans due to lack of capital, inexperience, unexpected problems, delays, or otherwise, then the acquired royalty or stream may not yield the expected financial return that was targeted on acquisition.

The past performance of any of the Group's royalty and streaming properties may not be reflected in any future performance. Any material reductions in estimates of mineral reserves and mineral resources, or the ability of the operators of the Group's royalty and stream properties to extract these mineral reserves and to achieve production estimates and anticipated revenues, may have a material adverse effect on the Group's royalty related income, business, results of operation, financial condition and ability to pay a dividend.

***The exploration, development and operation of mining and resource properties is inherently risky and subject to risks beyond the Group's control***

The exploration, development and operation of mineral deposits involve significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Any adverse development affecting the operation of, production from or recoverability of reserves from any royalty and stream property from time to time, including, but not limited to, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, difficulty hiring suitable personnel and engineering contractors or securing supply agreements on commercially suitable

terms, may have a material adverse effect on the Group's business, financial condition, results of operations and ability to pay a dividend.

***The Group's royalty and stream properties from time to time will be exposed to risks of changes in government regulation and changing political attitudes and stability in the countries in which they are situated***

The Group may from time to time own royalties or streams where the royalty and stream properties' mining, processing, sales, exploration and future development activities are subject to various laws governing prospecting, mining, development, production, royalties and taxes, export licences, import tariffs, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. The Group also may, in the future, own royalties in a number of jurisdictions where the government may seek to be a significant owner of the royalty and stream property or may seek to appropriate the royalty and streaming property outright without compensation.

Amendments to current laws and regulations governing operations at the royalty and stream properties from time to time or more stringent implementation thereof could have a substantial adverse impact on the Group's royalty and stream properties from time to time and cause increases in exploration expenses, capital expenditures, production costs, tariffs or taxes or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Additionally, from time to time certain of the Group's royalties could be statutory rather than contractual and to the extent the statutes applicable to such royalties are amended, this could impact the level of royalty payments received from the relevant royalty and stream property.

Failure to comply with applicable laws, regulations, agreements and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Although the Directors intend that all mining activities in connection with its royalty and stream properties from time to time are currently carried out in accordance with all applicable rules and regulations, the Directors may not be able to directly influence such matters and therefore no assurance can be given that its royalty and stream properties' activities will be carried out in accordance with all applicable rules and regulations, or that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development of the royalty and stream properties which could have a material adverse effect on the Group's royalty related income, business, results of operations, financial condition and ability to pay a dividend.

The Group's royalty and stream properties' operations from time to time will require various government approvals, licences and permits, and delays or a failure to obtain, maintain or comply with the terms of any such property rights, permits and licences, could result in interruption or closure of operations, exploration or development on the properties. Many of the mineral rights, interests and agreements of the Group and its royalty and stream properties from time to time will be subject to government approvals, licences and permits. Further, such licences and permits are subject to change in various circumstances. In addition, the granting, renewal and continued effectiveness of such approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. Moreover, the Group generally may have limited, if any, access to non-public data regarding the activities of its royalty and stream properties and their compliance with the terms of such approvals, licences and permits. No assurance can be given that the Group and its royalty and stream properties will be successful in maintaining any or all of the various approvals, agreements, licences and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained, the Group's royalty and stream properties from time to time may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties, which could have a material adverse effect on the Group's income, business, results of operations, financial condition and ability to pay a dividend.

***The Group's royalty and stream properties rely on studies conducted by third party expert consultants which rely on assumptions that may not be accurate***

The expected operating costs and expenditures, production schedules, economic returns and other projections for any royalty and stream properties contained in any technical reports, scoping studies, pre-feasibility studies and feasibility studies prepared for or by, or relied on by, Asset Owners, are determined and, if applicable, valued based on assumed or estimated future commodity prices, cut-off grades, expenditures and other factors that may prove to be inaccurate. For example, significant declines in market prices for relevant commodities or extended periods of inflation would have an adverse effect on the economic projections set forth in any feasibility study on which the Group has relied.

Any royalty and stream properties which the Group holds royalties or streams from time to time will be exposed to risks related to their, construction, development and/or expansion. There can be no assurance that the Asset Owners will have the financial, technical and operational resources to complete permitting, construction, development and/or expansion of such royalty and stream properties in accordance with current expectations or at all which could result in a delay or reduction in production and consequently could have a material adverse effect on the Group's income, financial position and ability to pay dividends.

***Adequate infrastructure may not be available to develop the royalty and stream properties***

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, ports, railways, power sources and water supply are important requirements which affect capital and operating costs. Under-investment in infrastructure or unusual or infrequent weather phenomena, sabotage, or government or other interference in the maintenance or provision of such infrastructure could adversely affect the operations of the royalty and stream properties and consequently the Group's income, financial position and ability to pay dividends.

***Production is dependent on operators' employees***

Production from any royalty and stream properties from time to time depends on the efforts of Asset Owner's employees. There is intense competition for geologists and persons with mining expertise. The ability of the owners and operators of such properties to hire and retain geologists and persons with mining expertise is key to those operations. Further, relations with employees may be affected by changes in labour relations that may be introduced by the relevant governmental authorities in the jurisdictions in which those operations are conducted. Changes in such legislation or otherwise in the relationships of the owners and operators of such royalty and stream properties with their employees may result in strikes, lockouts or other work stoppages, any of which could have a material adverse effect on such operations, and consequently the Group's results of operations and financial condition. Some of the Group's royalty and stream properties from time to time may be located in countries that have underdeveloped health care systems, with most of the population having only limited access to those, and a range of infectious diseases, which can impact on the availability of employees. If any of these factors cause the owners and operators of such properties to decide to cease production at one or more of the royalty and stream properties.

***The royalty and stream properties are subject to environmental laws and regulations that may increase the costs of doing business and may restrict the operations***

All phases of the Group's royalty and stream properties' operations from time to time will be subject to environmental laws and regulations in the various jurisdictions in which they are located, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. For example, production at the royalty and stream properties may involve the use of various chemicals, including those which are designated as hazardous substances. The Group's royalty and stream properties from time to time may need to address contamination at their properties in the future, either for existing environmental conditions, or for leaks or discharges that may arise from its ongoing operations or other contingencies. Contamination from hazardous substances, either at the royalty and stream properties from time to time, or other locations for which the Group's royalty and stream properties may be responsible may subject the operator and others to liability for the investigation and remediation of

contamination, as well as for claims seeking to recover for related property damage, personal injury or damage to natural resources. Non-compliance with any environmental laws or regulations could result in the loss of permits or licences necessary for the operation of the royalty and stream properties.

Environmental legislation is evolving to mandate stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Group and its royalty and stream properties' operations from time to time. There is no guarantee that the Group will not become subject to liability for environmental issues as a party with an interest in a royalty and stream property. Environmental hazards, which are unknown at the present time and which have been caused by previous or existing owners or operators of properties, may exist on royalty and stream properties or the properties on which the Group's royalty and stream properties from time to time hold interests, and such hazards may cause the Group's royalty and stream properties' to incur significant costs that could have a material adverse effect upon the Group's income, business, results of operations, financial performance and ability to pay a dividend.

***The Group's royalty and stream properties from time to time will be subject to evolving regulations related to climate change***

A number of governments or governmental bodies have introduced, or are contemplating, regulatory changes in response to the potential impacts of climate change. Legislation and increased regulation regarding climate change could impose significant costs on the operators of the Group's royalty and stream properties from time to time, including increased energy, capital equipment, environmental monitoring and reporting and other costs required in order to comply with such regulations. If an operator of a royalty and stream property is forced to incur significant costs to comply with climate change regulation or becomes subject to environmental restrictions that limit its ability to continue or expand operations, the Group's revenues from that property could be reduced, delayed or eliminated.

***Certain of the royalty and stream properties from time to time may be subject to the rights of indigenous peoples***

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of indigenous peoples. Certain of the royalty and stream properties from time to time may be located in some areas presently or previously inhabited or used by indigenous peoples. Many of these materials impose obligations on government and/or Asset Owners to respect the rights of indigenous people. In particular there may be a requirement for consultation with indigenous peoples regarding proposed actions which may affect them, including actions to approve, grant or renew mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to indigenous people continue to evolve and be defined. The royalty and stream properties' operations may be subject to a risk that one or more groups of indigenous people may oppose the continued operation, further development, or new development of those or other royalty and stream properties. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the royalty and stream properties or the operators' activities. Opposition by indigenous people to such activities may require modification of, operation of or preclude operation of projects, or may require the entering into of agreements with indigenous people.

#### **4. GENERAL RISKS**

***Economic conditions and current economic weakness***

The Company's business plan and the business of each of the Asset Owners from time to time may be subject to changes arising from relevant economic conditions, including but not limited to, recessionary or inflationary trends, equity market levels, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment, and overall consumer confidence. Notwithstanding various actions by governments since February 2020, concerns remain about the general condition of the financial markets. Prevailing market conditions and macro-economic factors will continue to impact company valuations going forward and could

have a material adverse effect on the Company's and Asset Owners' business, financial condition, results of operations and cash flows.

### ***Tax status of the Company***

The Company's effective tax rate may be affected by changes in, or the interpretation of, tax laws. The Company's effective tax rate in any given financial year reflects a variety of factors that may not be present in the succeeding financial year or years. An increase in the Company's effective tax rate in future periods could have a material adverse effect on the Company's financial condition and results of operations.

### ***Taxation of investors***

Statements in this document in relation to taxation and concerning the taxation of investors in Ordinary Shares are based on current taxation law and practice which is subject to change. The attention of potential investors is drawn to paragraph 16 of Part 5 of this document on "Taxation". The tax rules and their interpretation relating to an investment in the Company may change during its life. The levels of and relief from taxation may change. Any tax relief referred to in this document are those currently available and their application depends on the individual circumstances of investors. The information given in this document relates only to general UK tax matters and all investors should seek their own tax advice.

Any change in the Company's tax status or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments held by the Company, the Company's ability to provide returns to Shareholders or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of the Company and its investors are based upon current tax law and practice which is in principle, subject to change.

Investors should consult their own tax advisers about the tax consequences of an investment in the Ordinary Shares.

### ***The market price for the Ordinary Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Group's control.***

Economic conditions may adversely affect the Group or its royalty and stream properties from time to time, including fluctuations in foreign exchange, inflation and interest rates, as well as monetary policies, business investment and the health of global capital markets any of which could affect the price of the Ordinary Shares. In recent years, financial markets have experienced significant price and volume fluctuations that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Additionally, these factors, as well as other related factors, may cause decreases in asset values, which may result in impairment losses resulting in the deferral or ultimately the loss of future income. Any recessionary economic environment, and the resulting increased levels of volatility and related market turmoil, could have a material adverse effect on the Group's future royalty related income, business, operations, financial condition, share price and ability to pay a dividend. In addition, continued economic uncertainty and future recessionary periods may exacerbate some or all of the risks relating to the Group's business set out in this "Risk Factors" section.

### ***The Company may fail to pay dividends***

***There is no guarantee of a dividend on the Ordinary Shares, and the declaration, payment and growth of any such dividend will depend, among other things, on the availability of financial resources and distributable reserves of the Company.***

### ***Securities traded on AIM***

AIM securities are not admitted to the Official List. An investment in shares quoted on AIM may carry a higher risk than an investment in shares quoted on the Official List. AIM has been in existence since June 1995 but its future success, and liquidity in the market for the Company's securities, cannot be guaranteed.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached compared with larger or more established companies. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent

financial adviser duly authorised under FSMA (or the corresponding legislation in the jurisdiction in which a prospective investor is resident) who specialises in advising on the acquisition of shares and other securities.

### ***Liquidity***

The trading of the Company's Ordinary Shares on the Main Market was relatively limited and the Company can give no assurance that an active trading market for the Ordinary Shares will develop on AIM, or if such a market develops, that it will be sustained. If an active trading market does not develop or is not maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected and Shareholders may have difficulty selling their Ordinary Shares. The market price of the Ordinary Shares may drop below the price at which a Shareholder purchased Ordinary Shares. Any investment in the Ordinary Shares should be viewed as a long term investment.

Shareholders have no right to have their Ordinary Shares repurchased by the Company at any time and therefore Shareholders wishing to realise their investment in the Company will be required to dispose of their Ordinary Shares through the stock market.

Whilst the Directors retain the right to effect repurchases of Ordinary Shares, they are under no obligation to use such powers at any time and Shareholders should not place any reliance on the willingness of the Directors so to act.

Market liquidity in the shares of similar companies to the Company is frequently inferior to the market liquidity in shares issued by larger companies traded on the London Stock Exchange. There can be no guarantee that a liquid market in the Ordinary Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares at the quoted market price or at all.

### ***The Group is subject to risks related to acquisitions, disposals or other material transactions***

In the ordinary course of business, the Group engages in a continual review of opportunities to acquire existing royalties and streams, to create new royalties and streams through the financing of mining projects or to acquire companies that hold royalties and/ or streams, or to dispose of royalties and streams or other investments that are no longer consistent with the Group's strategy. The Group currently, and generally at any time, has acquisition opportunities in various stages of active review, including, for example, its engagement of consultants and advisors to analyse particular opportunities, technical, financial and other confidential information, submission of indications of interest and participation in discussions or negotiations for acquisitions. Any such acquisition could be material to the Group. Such acquisitions and disposals or other transactions may have other transaction specific risks associated with them, including risks related to the completion of the transaction and the assets being acquired. Whilst the Company will undertake legal, financial and commercial due diligence on any proposed acquisition there can be no guarantee that such exercises will uncover all relevant issues. In relation to disposals, a transaction may be structured so that the Company receives the relevant consideration over a period of time rather than being paid all amounts due on completion. In such transactions, the Company will be subject to counterparty risk for so long as it is owed sums by the acquirer. In the event that a material adverse event occurs in relation to that counterparty which results in the Company not receiving funds owe dot it when expected, or at all, its result of operations may be adversely affected.

### ***Dilution***

The Company has a number of options in issue and may issue further options or warrants in the future. The Company may also choose to raise further funds in the future through a placing of shares or to issue shares as consideration for the acquisition or royalties or streams, or for a corporate transaction. Exercise of options, placings or other issuance of shares would result in the dilution of the interests of current Shareholders.

The extent of such dilution will depend on the number of options that are exercised on each occasion and/or the number of shares placed or otherwise issued, and the price at which shares are issued. The perceived risk of dilution may cause the market price of the Ordinary Shares to reflect a lesser sensitivity to increases in the underlying value of Ordinary Shares than might otherwise be expected.

**General investment risk**

An investment in a share which is traded on AIM, such as the Ordinary Shares, may be difficult to realise and carries a high degree of risk. The ability of an investor to sell Ordinary Shares will depend on there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realise his or her investment in the Company and he or she may lose all of his or her investment.

Investors should be aware that the market price of Ordinary Shares may be volatile and may go down as well as up and Shareholders may therefore be unable to recover their original investment and could even lose their entire investment. This volatility could be attributable to various factors and events, including the availability of information for determining the market value of the Ordinary Shares, any regulatory or economic changes affecting the Company's operations, variations in the Company's operating results, developments in the Company's business or its competitors, or changes in market sentiment towards the Ordinary Shares. In addition, the Company's operating results and prospects from time to time may be below the expectations of market analysts and investors.

Market conditions may affect the Ordinary Shares regardless of the Company's operating performance or the overall performance of the sector in which the Company operates. Share market conditions are affected by many factors, including general economic outlook, movements in or outlook on interest rates and inflation rates, currency fluctuations, commodity prices, changes in investor sentiment towards particular market sectors and the demand and supply for capital. Accordingly, the market price of the Ordinary Shares may not reflect the underlying value of the Company's net assets, and the price at which investors may dispose of their Ordinary Shares at any point in time may be influenced by a number of factors, only some of which may pertain to the Company while others of which may be outside the Company's control.

If the Company's revenues do not grow, or grow more slowly than anticipated, or if its operating or capital expenditures exceed expectations and cannot be adjusted sufficiently, the market price of its Ordinary Shares may decline. In addition, if the market for securities of companies in the same sector or the stock market in general experiences a loss in investor confidence or otherwise falls, the market price of the Ordinary Shares may fall for reasons unrelated to the Company's business, results of operations or financial condition. Therefore, Shareholders might be unable to resell their Ordinary Shares at or above the price at which they have purchased their Ordinary Shares.

## PART 4

### UNAUDITED *PRO FORMA* STATEMENT OF NET ASSETS OF THE COMPANY

Set out below is an Unaudited *Pro Forma* Financial Information of the Enlarged Group. The Unaudited *Pro Forma* Financial Information of the Enlarged Group has been prepared on the basis set out in the notes below to illustrate the impact of the Placing and proposed Acquisition as if it had taken place on 31 December 2019.

The Unaudited *Pro Forma* Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group's actual financial position or results. Such information may not, therefore, give a true picture of the Enlarged Group's financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future. The Unaudited *Pro Forma* Financial Information is based on the audited net assets of the Enlarged Group's as at 31 December 2019. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 31 December 2019, being the date of the last published balance sheet of the Company.

The Unaudited *Pro Forma* Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this document and not rely solely on the summarised financial information contained in this Part 4.

#### Unaudited *pro forma* statement of net assets at 31 December 2019

	The Group Net assets as at 31 December 2019 (Note 1)	Koolyanobbing Iron Ore royalty Acquisition (Note 2)	Issue of Placing Shares net of costs (Note 3)	Unaudited <i>pro forma</i> adjusted aggregated net assets of the Enlarged Group on admission
	US\$	US\$	US\$	US\$
<b>Assets</b>				
<b>Non-current assets</b>				
Royalty interests	—	4,580,996	—	4,580,996
<b>Non-current assets</b>	—	4,580,996	—	4,580,996
<b>Current assets</b>				
Trade and other receivables	10,872	—	—	10,872
Cash and cash equivalents	4,134,842	(2,264,773)	18,128,619	19,998,689
<b>Current assets</b>	4,145,714	(2,264,773)	18,128,619	20,009,561
<b>Total assets</b>	4,145,714	2,316,224	18,128,619	24,590,557
<b>Non-current liabilities</b>				
Trade and other payables	—	1,963,284	—	1,963,284
<b>Non-current liabilities</b>	—	1,963,284	—	1,963,284
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	44,107	—	—	44,107
<b>Total liabilities</b>	44,107	1,963,284	—	2,007,391
<b>Total assets less total liabilities</b>	4,101,607	352,940	18,128,619	22,583,166

Notes

The *pro forma* statement of net assets has been prepared on the following basis:

1. The unaudited net assets of the Group as at 31 December 2019 have been extracted without adjustment from the audited Financial Statements of the Company dated 30 April 2020.
2. An adjustment has been made to reflect the acquisition of the Koolyanobbing Iron Ore royalty for a headline consideration of A\$7.0 million (approximately US\$4.6 million) payable in two tranches: Tranche 1 A\$4.0 million (approximately US\$2.6 million) net of accrued royalty income of A\$539,310 payable on transaction completion; and Tranche 2 – A\$3.0 million (approximately US\$2.0 million) payable on the twelve-month anniversary plus one day from the Tranche 1 completion date. The Tranche 2 payment will be secured against the Secured Property.
3. An adjustment has been made to reflect the proceeds of a placing of 80,000,000 Ordinary Shares of the Company at an issue price of £0.20 per Ordinary Share net of an adjustment to reflect the payment in cash of admission costs estimated at approximately £1,130,000.
4. No adjustments have been made to the historical results of any entities within the Enlarged Group to reflect the trading or other transactions.
5. The *pro forma* statement of net assets does not constitute financial statements within the meaning of Section 434 of the Companies Act.

## PART 5

### ADDITIONAL INFORMATION

#### 1. RESPONSIBILITY

The Directors, whose names are set out on page 11 of this document, and the Company, accept responsibility, both individually and collectively, for the information contained in this document and the Company's compliance with the AIM Rules. To the best of the knowledge of the Directors and the Company (each of whom have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. INCORPORATION AND STATUS OF THE COMPANY

- 2.1 The Company was incorporated in England and Wales on 25 April 2018 with the name Trident Resources Plc with the registration number 11328666 as a public company.
- 2.2 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act.
- 2.3 Company's registered office is at 2 Stone Buildings, Lincoln's Inn, London WC2A 3TH. Its head office is at 30 Percy Street, London, United Kingdom, W1T 2DB. The Company's telephone number is 020 7887 6139.
- 2.4 The Company is not regulated by the FCA or any financial services or other regulator. With effect from Admission, the Company will be subject to the AIM Rules. The Company is also subject to the Market Abuse Regulation.
- 2.5 The address of the Company's website which discloses the information required by Rule 26 of the AIM Rules for Companies is [www.tridentroyalties.com](http://www.tridentroyalties.com).
- 2.6 The contents of the Company's website, any website mentioned in this document or any website directly or indirectly linked to these websites have not been verified and do not form part of this document and prospective investors should not rely on such information.
- 2.7 The Company's legal entity identifier is 213800V6U8KJ7U2BV956.

#### 3. SHARE CAPITAL

- 3.1 On incorporation of the Company, 1 ordinary share of £1 was issued to James Kelly (a Director), fully paid up at par. On 18 May 2018, 1 ordinary share of £1 was issued fully paid up at par to Richard Greenfield.
- 3.2 The Company undertook a share subdivision such that each of the 2 ordinary shares of £1 be subdivided into 100 Ordinary Shares of £0.01 on 28 May 2018.
- 3.3 The Company issued 1,999,800 Ordinary Shares fully paid up at £0.05 per share on 30 May 2018, 139,900 Ordinary Shares were issued to James Kelly and the remainder to Ashanti Capital, and to individuals and entities associated with Azure Capital.
- 3.4 The Company issued 3,000,000 Deferred Shares to all Shareholders on that date pro-rata to their holdings of Ordinary Shares at par (giving them an aggregate value of £30,000) by way of a capitalisation of the share premium account on 3 September 2018.

These Deferred Shares were issued by way of capitalisation of the Company's share premium account, in order to ensure that the Company had sufficient nominal capital to obtain a trading certificate pursuant to s.761 of the Companies Act. The Deferred Shares effectively have no value and the limited rights attaching to the Deferred Shares are described in paragraph 4(g) of this Part 5. The Deferred Shares have not been nor will be admitted to trading on AIM. Following the AGM, the Company has authority to and the Company intends to purchase and cancel all of the Deferred Shares on the date of Admission for nil consideration, the nominal value of the Deferred Shares being cancelled will be funded from the proceeds of some of the Subscriptions.

- 3.5 On 1 October 2018, the Company completed a placing, pursuant to which the Company issued 20,000,000 Ordinary Shares at a price of £0.20 per Ordinary Share.

- 3.6 As at the Latest Practicable Date prior to the publication of this document, the Company had 22,000,000 Ordinary Shares in issue.
- 3.7 The Company has agreed to issue 80,000,000 Ordinary Shares on Admission pursuant to the Placing and 1,500,000 Adviser Shares on Admission.
- 3.8 On 28 May 2018, the Company adopted the articles in substitution for and to the exclusion of the Company's then existing articles of association. These articles were amended to reflect the rights of the Deferred Shares issued on 3 September 2018. At the AGM, the Company adopted the Articles in substitution for and to the exclusion of the Company's then existing articles of association with effect from the cancellation of the Deferred Shares.
- 3.9 As at the Latest Practicable Date, the Company has two wholly owned subsidiaries, TRR Services Australia Pty Ltd, which is incorporated in Western Australia and TRR Services, which is incorporated in Colorado, USA.
- 3.10 Save as disclosed in this document, as at the date of this document, the Company will have no short, medium or long-term indebtedness.
- 3.11 Pursuant to resolutions passed at the AGM, the Company resolved:
- (a) that the Directors be generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot ordinary shares in the Company and to grant rights to subscribe for or to convert any security into ordinary shares:
- (i) of up to a maximum aggregate nominal value of £1,250,000 in connection with the Placing;
- (ii) otherwise than pursuant to paragraph 3.11(a)(i) above, up to an aggregate nominal amount of £2,250,000; and in addition; and
- provided that this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, at the close of business on 30 June 2021 (unless previously renewed, varied or revoked by the Company), in each case, so that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert securities into shares pursuant to such an offer or agreement as if this authority had not expired.
- (b) in addition to the authority in (a), the Directors be authorised, pursuant to section 570 of the Act, to allot equity securities (within the meaning of section 560(1) of the Act) for cash pursuant to the authority conferred by resolution above and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, provided that such power is limited to:
- (i) the allotment of equity securities up to an aggregate nominal value of £1,250,000 in connection with the Placing;
- (ii) the allotment of equity securities and sale of treasury shares for cash in connection with an offer of equity securities to:
- (A) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (B) holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,
- subject in both cases to the power of the Directors to impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- (iii) to the allotment of equity securities or sale of treasury shares for cash (otherwise than under paragraphs 3.11(b)(i) and 3.11(b)(ii) above) up to an aggregate nominal amount of £750,000,

such authority to expire at the conclusion of the next annual general meeting of the Company or, if earlier, at the close of business on 30 June 2021 (unless previously renewed, varied or revoked by the Company) but, in each case, before such expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if this authority had not expired.

3.12 Save as disclosed in this document:

- (a) no share or loan capital of the Company has been issued or is proposed to be issued;
- (b) no person has any preferential subscription rights for any shares of the Company;
- (c) no share or loan capital of the Company is under option or is the subject of an agreement, conditional or unconditional, to be put under option; or
- (d) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.

3.13 Following Admission, the Ordinary Shares will not be listed on the Official List and will no longer be traded on the Main Market of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on any stock exchange or securities market other than AIM. The Deferred Shares are not listed or traded on, and no application has been or is being made for admission of the Deferred Shares to listing or trading on any stock exchange or securities market. The Deferred Shares are to be bought back by the Company and cancelled following Admission.

#### 4. ARTICLES OF ASSOCIATION

The following summary, which does not purport to be complete or exhaustive, contains a description of the significant rights attached to the Ordinary Shares based on the Company's Articles and English law. The Company's objects are unlimited.

(a) Votes of members

Subject to any rights or restrictions attached to any shares and to any other provisions of the Articles:

(i) on a show of hands:

- (A) every holder of Ordinary Shares who is present in person shall have one vote;
- (B) a duly appointed proxy has one vote for and one vote against a resolution if the proxy has been appointed by more than one member entitled to vote on the resolution and the proxy has been instructed:
  - by one or more of those members to vote for the resolution; and by one or more other of those members to vote against it; or
  - by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his/her discretion as to how to vote.

- (C) every corporate representative present who has been authorised by the company, shall have the same voting rights as the corporation would be entitled to;

(ii) on a poll every holder of Ordinary Shares who is present in person or by duly appointed proxy shall have one vote for every share of which he is the holder or for every share for which he has been appointed proxy or corporate representative.

(b) Transfer of shares

(i) Form and execution of transfer

Subject to such of the restrictions of the Articles as may be applicable, a member may transfer all or any of his shares in the case of shares held in certificated form by an instrument of transfer in any usual form or in any other form which the Board may approve or, in the case of shares held in uncertificated form, in accordance with the uncertificated securities rules. A transfer shall be executed by or on behalf of the transferor and (unless the share is fully paid) by or on behalf of the transferee. Subject to any statutes affecting the Company, the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of it.

(ii) Right to refuse registration of a transfer

The Board may, in its absolute discretion, refuse to register any transfer of a share in certificated form unless:

- it is for a share which is fully paid up;
- it is for a share upon which the Company has no lien;
- it is only for one class of share;
- it is in favour of a single transferee or no more than four joint transferees;
- it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty (if this is required); and
- it is delivered to registered office of the Company (or such other place as the Board may determine), accompanied by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

The Board shall not refuse to register any transfer or renunciation of partly paid shares which are admitted to AIM on the grounds that they are partly paid shares in circumstances where such refusal would prevent dealings in such shares from taking place on an open and proper basis. The Board may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the uncertificated securities rules and the relevant system.

(c) Dividends

(i) Company may declare dividends

Subject to any statutes affecting the Company, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board.

(ii) Board may pay interim dividends and fixed dividends

Subject to the Act, the Board may declare and pay such interim dividends (including any dividend at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If the Board acts in good faith, it shall not incur any liability to the holders of shares for any loss that they may suffer by the lawful payment of any interim dividend on any other class of shares ranking with or after those shares.

(iii) Calculation of dividends

Except in so far as the rights attaching to any share otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend

accordingly. Dividends may be declared or paid in any currency and the Board may decide the exchange rate for any currency conversions that may be required and how any costs involved are to be met.

(iv) No interest on dividends

No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

(v) Payment of dividends

All dividends and interest shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the register at the date at which such dividend shall be declared or at the date on which such interest shall be payable respectively, or at such other date as the Company by ordinary resolution or the Board may determine notwithstanding any subsequent transfer or transmission of shares.

(vi) Forfeiture of unclaimed dividends

Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, unless the Board otherwise resolves, be forfeited and revert to the Company.

(d) Capitalisation of profits

(i) Upon the recommendation of the Board, the Company may pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or all or any part of any sum standing to the credit of any reserve or fund which is available for distribution or standing to the credit of the share premium account or capital redemption reserve or other undistributable reserve.

(ii) The Board may appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other; but the share premium account, the capital redemption reserve, and any reserve or fund representing profits which are not available for distribution may only be applied in paying up in full unissued shares of the Company.

(iii) The Company is entitled to participate in the relevant distribution in relation to any shares of the relevant class held by it as treasury shares and the proportionate entitlement of the relevant class of members to the distribution will be calculated accordingly.

(iv) The Board may authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

(v) If any difficulty arises concerning any distribution of any capitalised reserve or fund, the Board may, subject to the statutes affecting the Company and, in the case of shares held in uncertificated form, the system's rules, settle it as the Board considers expedient and in particular may issue fractional certificates, authorise any person to sell and transfer any fractions or resolve that the distribution should be made as nearly as practicable in the correct proportion or may ignore fractions altogether, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties as the Board considers expedient.

(e) Share capital

(i) Rights attached to shares

Subject to any statutes affecting the Company and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or, in the absence of any such determination or in so far as such ordinary resolution does not make specific provision, as the Board may determine).

(ii) Redeemable shares

Subject to the statutes affecting the Company and without prejudice to any rights attached to any existing shares, shares may be issued which are to be redeemed or which are liable to be redeemed at the option of the Company or of the holder on such terms and in such manner as may be provided for in the Articles.

(iii) Variation of rights

Subject to any statutes affecting the Company, all or any of the rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied with the written consent of the holders of three-fourths in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The provisions of the statutes affecting the Company and of the Articles relating to general meetings shall *mutatis mutandis* apply to any such separate meeting, except that the necessary quorum shall be not less than two persons holding or representing by proxy not less than one-third in nominal amount of the issued shares of that class or, at any adjourned meeting of holders of shares of that class at which such a quorum is not present, shall be any such holder who is present in person or by proxy whatever the number of shares held by him.

(f) Forfeiture of shares

(i) Notice if call not paid

If any member fails to pay the whole of any call (or any instalment of any call) by the date when payment is due, the Board may at any time give notice in writing to such member (or to any person entitled to the shares by transmission), requiring payment of the amount unpaid (and any accrued interest and any expenses incurred by the Company by reason of such non-payment) by a date not less than fourteen clear days from the date of the notice. The notice shall name the place where the payment is to be made and state that, if the notice is not complied with, the shares in respect of which such call was made will be liable to be forfeited.

(ii) Forfeiture if notice not complied with

If the notice referred to in the Articles is not complied with, any share for which it was given may be forfeited, by resolution of the Board to that effect, at any time before the payment required by the notice has been made. Such forfeiture shall include all dividends declared or other monies payable in respect of the forfeited shares and not paid before the forfeiture.

(iii) Notice of forfeiture

When any share has been forfeited, notice of the forfeiture shall be served on the holder of the share or the person entitled to such share by transmission (as the case may be) before forfeiture. An entry of such notice having been given and of the forfeiture and the date of forfeiture shall immediately be made in the Register in respect of such share. However, no forfeiture shall be invalidated by any omission to give such notice or to make such entry in the register.

(iv) Sale of forfeited shares

A forfeited share shall become the property of the Company and, subject to the Act, any such share may be sold, re-allotted or otherwise disposed of, on such terms and in such manner as the Board thinks fit. The Board may, for the purposes of the disposal,

authorise some person to transfer the share in question and may enter the name of the transferee in respect of the transferred share in the register even if no share certificate is lodged and may issue a new certificate to the transferee. An instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the share. The Company may receive the consideration (if any) given for the share on its disposal.

(v) Effect of forfeiture

A shareholder whose shares have been forfeited shall cease to be a member in respect of such forfeited shares and shall surrender the certificate for such shares to the Company for cancellation. Such shareholder shall remain liable to pay to the Company all sums which at the date of forfeiture were presently payable by him to the Company in respect of such shares with interest (not exceeding the Bank of England base rate by five percentage points) from the date of the forfeiture to the date of payment. The Directors may waive payment of interest wholly or in part and may enforce payment, without any reduction or allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

(vi) Statutory declaration and validity of sale

A statutory declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. The declaration shall (subject to the completion of any formalities necessary to effect a transfer) constitute a good title to the share and the person to whom the share is disposed of shall be registered as the holder of the share and shall be discharged from all calls made prior to such disposition and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

(g) Rights of Deferred Shares

The Deferred Shares do not entitle their holders to receive notice of or to attend or vote at any general or class meeting of the Company (other than a class meeting of the Deferred Shares), or to participate in or receive any dividend declared, made or paid by the Company. On a return of capital on a winding up of the Company, the holders of the Deferred Shares shall be entitled to receive an amount equal to the nominal amount paid up thereon, but only after all of the rights of the holders of Ordinary Shares have been discharged in full and a sum of £1,000,000 has been to each holder of Ordinary Shares paid in respect of each Ordinary Share held by it. The holders of Deferred Shares are not entitled to any further right of participation in the assets of the Company. The Company has the right to purchase the Deferred Shares in issue at any time for no consideration. The Deferred Shares are not convertible into Ordinary Shares

## **5. MANDATORY BIDS, SQUEEZE-OUT AND SELL-OUT**

### **5.1 Mandatory bid**

The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition (whether by a series of transactions over a period of time or not) of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding Ordinary Shares in the Company at a price not less than the highest price paid for the Ordinary Shares by the acquirer or its concert parties during the previous 12 months.

This requirement would also be triggered by any acquisition of Ordinary Shares by a person holding (together with its concert parties) shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the total voting rights of the Company.

## 5.2 Squeeze-out

Pursuant to sections 979 to 982 of the Act, if an offeror were to acquire 90 per cent. of the Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders.

The consideration offered to the Shareholders whose shares are compulsorily acquired under the Act must, in general, be the same as the consideration that was available under the takeover offer unless the Shareholders can show that the offer value is unfair.

## 5.3 Sell-out

Sections 983 and 985 of the Act also give minority Shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares, any holder of shares to which the offer relates who has not accepted the offer can by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising.

The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

## 6. DISCLOSURE OF INTERESTS

### 6.1 Directors' interests

Save as disclosed below, none of the Directors nor any member of their immediate families and the persons connected with them (within the meaning of section 252 of the Act) has or will have on or following Admission any interests (beneficial or non-beneficial) in the shares of the Company. Details of the Executive Directors' option awards are set out in paragraph 12 below.

Director	As at the date of this document			Immediately following Admission		
	Number of Deferred Shares	Number of Ordinary Shares	Percentage of Existing Ordinary Shares	Number of Deferred Shares	Number of Ordinary Shares	Percentage of Enlarged Share Capital
James Kelly	210,000	140,000	0.6%	—	340,000	0.3%
Adam Davidson <sup>2</sup>	—	65,000	0.3%	—	95,000	0.1%
Al Gourley <sup>1</sup>	—	1,300,000	5.9%	—	3,800,000	3.7%
Mark Potter	—	—	—	—	75,000	0.1%

<sup>1</sup> Indirectly held through Albert C. Gourley Professional Corporation, a company of which Al Gourley owns 100% of the economic and voting rights.

<sup>2</sup> In addition, 1,875,000 Options have been granted, conditional upon Admission, to Adam Davidson under the EIP.

### 6.2 Other interests

There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors. There are no outstanding loans or guarantees provided by the Directors to or for the benefit of the Company.

Save as otherwise disclosed in this document, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company since its incorporation and which remains in any respect outstanding or under-performed.

None of the Directors or any person connected with them (within the meaning of section 252 of the Act) is interested in any related financial product (as defined in the AIM Rules) referenced to the Ordinary Shares (being a financial product whose value is, in whole or in part, determined directly or indirectly by reference to the price of the Ordinary Shares including a contract for difference or a fixed odds bet).

## 7. ADDITIONAL INFORMATION ON THE DIRECTORS

7.1 The Directors currently hold (other than the Company and members of its Group) the following directorships and are partners in the following partnerships and have held the following directorships and have been partners in the following partnerships within the five years prior to the publication of this document:

### Current directorships and partnerships

#### **James Kelly**

None

#### **Adam Davidson**

None

#### **Mark Potter**

Artemis Resources Limited  
Kiran Capital Advisors Limited  
Metal Tiger Plc  
Sita Capital Partners LLP  
Thor Mining Plc

### Previous directorships and partnerships

Buckthorn Partners LLP  
Cradle Resources Limited  
Panda Hill Tanzania Limited  
Thurwan Limited

Cantech S.a.r.l.  
Resource Capital Funds VII General Partnership  
RG Gold LLP

Alkormy Pty Ltd  
Anglo Pacific Cygnus Limited  
Anglo Pacific Group Plc  
APG Aus No 1 Pty Ltd  
APG Aus No 2 Pty Ltd  
APG Aus No 3 Pty Ltd  
APG Aus No 4 Pty Ltd  
APG Aus No 5 Pty Ltd  
APG Aus No 6 Pty Ltd  
APG Aus No 7 Pty Ltd  
Argo Royalties Pty Ltd  
Centaurus Royalties Limited  
Gordon Resources Pty Ltd  
Hydro Carbon Holdings Pty Ltd  
Indian Ocean Resources Pty Ltd  
Indian Ocean Ventures Pty Ltd  
Kalahari Metals Limited  
Shetland Talc Limited  
Sita Capital Limited  
Southern Cross Royalties Limited  
Starmont Holdings Pty Ltd  
Starmont Ventures Pty Ltd  
Woodford Wells Pty Ltd

### Current directorships and partnerships

#### **Al Gourley**

Albert C Gourley Professional Corporation  
(Shadow Director)  
Diamond Fields Resources, Inc.

### Previous directorships and partnerships

Canada – United Kingdom Chamber of  
Commerce

Fasken Martineau LLP (partnership)  
Gourley Holding Inc.  
Gourley Holding 2, Inc.  
Mafuta Investment Holding Limited  
Mineral Fields Investment Fund B  
Moydow Holdings Limited  
Scrip Nominees Limited  
Scrip Secretaries Limited  
Technical Critical Minerals Limited  
World Association of Mining Lawyers

7.2 No director has:

- (a) any unspent convictions in relation to indictable offences (including fraudulent offences);
- (b) ever had any bankruptcy order made against him or entered into any individual voluntary arrangements with his creditors;
- (c) ever been a director of a company which has been placed in receivership, creditors' voluntary liquidation, compulsory liquidation or administration, or been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors, whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- (d) ever been a partner in any partnership which has been placed in compulsory liquidation or administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- (e) owned, or been a partner in a partnership which owned, any asset which, while he owned that asset, or while he was a partner or within 12 months after his ceasing to be a partner in the partnership which owned that asset, entered into receivership;
- (f) received any official public incrimination and/or sanction by any statutory or regulatory authority (including recognised professional bodies); or
- (g) been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

**8. DIRECTORS' SERVICE AGREEMENTS AND TERMS OF APPOINTMENT**

Summary details of the service agreements and letters of appointment entered into between the Company and the Directors are set out below:

8.1 Letter of Appointment – James Kelly

Pursuant to a letter of appointment dated 17 July 2018 as varied by a letter dated 27 May 2020 between the Company and James Kelly, Mr Kelly is engaged as a Non-Executive Chairman with fees of £18,000 per annum in relation to a time commitment of 2 days per month. From Admission this will increase to £60,000 per annum. Mr Kelly may be entitled to bonus payments upon the achievement of significant milestones, as agreed by the Board from time to time.

Mr Kelly's appointment can be terminated by either party on six months' written notice or in certain circumstances by the Company with immediate effect if Mr Kelly has committed any serious or material breaches of his obligations under the agreement.

8.2 Letter of Appointment and Service Agreement – Adam Davidson

Pursuant to a letter of appointment dated 10 October 2019 between the Company and Adam Davidson, Mr Davidson is engaged as Director of the Company, the appointment being for an indefinite term unless terminated by either party on 6 months' written notice with an annual fee (exclusive of VAT) of US\$15,000 per annum which is payable monthly in arrears in cash, commencing from the date of the appointment. Mr Davidson may be entitled to bonus payments upon the achievement of significant milestones, as agreed by the Board from time to time.

Pursuant to a service agreement dated 10 October 2019 between Mr Davidson and TRR Services (the Company's wholly owned subsidiary), Mr Davidson is employed as the Chief Executive Officer for an indefinite period terminable on six months' notice by either TRR Services or Mr Davidson. TRR Services may at any time and in its absolute discretion terminate the agreement with immediate effect and make a payment in lieu of notice equal to six months' salary. Mr Davidson will receive a salary (subject to annual review) of US\$215,000 per annum (which is in lieu of other benefits including permanent health insurance, pension or other retirement benefit) and may be entitled to an equity-based incentive scheme and a discretionary bonus. His salary will be reviewed annually, with the first review on or before 10 October 2020. Mr Davidson is required to devote the whole of his working time, attention and ability to his duties under the agreement, but will not be eligible for overtime compensation regardless of the number of hours worked. He will be entitled to 20 working days' paid personal time off per annum. The agreement contains detailed provisions regarding confidentiality, intellectual property and other matters and post-termination restrictive covenants applicable for 6 months after the termination of the agreement (less any period spent on garden leave).

### 8.3 Letter of Appointment – Mark Potter

Pursuant to a letter of appointment dated 4 November between the Company and Mark Potter, Mr Potter is engaged as non-executive Director of the Company, the appointment being for an initial period of twelve months and then terminable by either party on six months' written notice, or in certain circumstances with immediate effect if Mr Potter has committed any serious or material breaches of his obligations under the agreement. Pursuant to a variation dated 27 May 2020, from Admission, Mr Potter will receive an annual fee (exclusive of VAT) of £30,000 with an additional £5,000 per annum for each board committee chaired by him, which is payable monthly in arrears in cash, commencing from the date of the appointment (or if different, the date of the appointment to any board committee). Mr Potter may be entitled to bonus payments upon the achievement of significant milestones, as agreed by the Board from time to time.

### 8.4 Letter of Appointment – Al Gourley

Pursuant to a letter of appointment dated 1 May 2020 between the Company and Al Gourley, Mr Gourley is engaged as non-executive Director of the Company, the appointment being for an initial period of 12 months and then terminable by either party on six months' written notice, or in certain circumstances with immediate effect if Mr Gourley has committed any serious or material breaches of his obligations under the agreement. Mr Gourley will receive an annual fee (exclusive of VAT) of £30,000 per annum with an additional £5,000 per annum for each board committee chaired by him, which is payable monthly in arrears in cash, commencing from the date of the appointment (or if different, the date of the appointment to any board committee). Mr Gourley may be entitled to bonus payments upon the achievement of significant milestones, as agreed by the Board from time to time.

## 9. SIGNIFICANT SHAREHOLDERS

Save as disclosed in paragraph 6.1 above, the Company is only aware of the following persons who, at the time of this document, represent an interest (within the meaning of Rule 5 of the DTR) directly or indirectly hold 3% or more of the Company's issued share capital or could exercise control over the Company. Such persons will be required to notify such interests to the Company in accordance with the provisions of Rule 5 of the DTR, and such interests will be notified to the public:

Shareholder	As at the date of this document			Immediately following Admission		
	Deferred Shares	Number of Ordinary Shares	Percentage of Existing Ordinary Shares	Deferred Shares	Number of Ordinary Shares	Percentage of Enlarged Share Capital
LIM Asia Special Situations Master Fund Limited	—	3,500,000	15.9%	—	16,465,909	15.9%
Regal Funds Management Pty Ltd	—	—	—	—	8,130,080	7.9%

	As at the date of this document			Immediately following Admission		
Ponderosa Investments (WA) Pty Limited****	—	—	—	—	8,130,080	7.9%
Rob Hamilton**	900,000	2,332,440	10.6%	—	5,260,779	5.1%
Terra Capital Natural Resources Fund Pty Limited	—	—	—	—	4,727,640	4.6%
Tribeca Investment Partners Pty Limited	—	—	—	—	4,098,361	4.0%
Jetosea Pty Limited*****	—	—	—	—	4,065,040	3.9%
Jamie Philip Boyton*	—	2,800,000	12.7%	—	4,050,000	3.9%
Ilwella Pty Limited ***	—	1,250,000	5.7%	—	3,282,520	3.2%
Richard Greenfield	300,000	719,117	3.3%	—	22,122,399	2.1%

\* Of these, 1,500,000 Ordinary Shares are held in Mr Boyton's own name, and 1,300,000 through BPM Capital Limited.

\*\* Rob Hamilton's holding includes (i) 2,140,395 Ordinary Shares held by Ashanti Capital of which Rob Hamilton is the controlling shareholder (ii) 1,961,795 Ordinary Shares held by Ashanti Investment Fund, which is an unregulated managed investment scheme of which Ashanti Capital is the sole shareholder of the Trustee (Ashanti Investment Fund Pty Ltd), which has the power to make investment decisions; (iii) 1,158,589 Ordinary Shares held directly.

\*\*\* A company held 100% by Brian Flannery.

\*\*\*\* Ponderosa Investments (WA) Pty Ltd is an entity controlled by Jon Fogarty.

\*\*\*\*\* Jetosea Pty Ltd is an entity controlled by Charlie Arve.

None of the Directors nor any persons named in this paragraph 9 has voting rights which are different to any other holder of Ordinary Shares.

The Company is not aware of any person who directly or indirectly, jointly or severally, exercises or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

## 10 EMPLOYEES

As at 30 April 2019, the Group had no employees. As at 31 December 2019, the date to which the latest audited accounts of the Group have been prepared, and as at the Latest Practicable Date the Group had 2 employees, one based in Denver Colorado and one in Perth, Australia.

## 11. MATERIAL CONTRACTS

In addition to the Koolyanobbing Iron Ore Royalty Acquisition Agreement and Koolyanobbing Iron Ore Royalty summarised in Part 2 of this document, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the date of this document and are, or may be, material to the Group or have been entered into by any member of the Group and contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group at the date of this document:

### 11.1 Placing Agreement

The Company, each of the Directors, Grant Thornton, Tamesis Partners, Ashanti Capital and Azure Capital entered into a Placing Agreement dated 22 May 2020 pursuant to which, subject to certain conditions, Grant Thornton has agreed to assist the Company in connection with its application for Admission and the Joint Bookrunners have agreed to use their respective reasonable endeavours to place the Placing Shares. The Placing Agreement contains customary indemnities and warranties from the Company and warranties from the Directors in favour of Grant Thornton and the Joint Bookrunners together with provisions which enable Grant Thornton and the Joint Bookrunners to terminate the Placing Agreement in certain circumstances prior to Admission, including circumstances where any of the warranties are found to be untrue or inaccurate in any material respect. The Company has agreed to pay to Grant

Thornton a corporate finance fee in connection with its services under the Agreement relating to Admission. The Company has also agreed to pay the Joint Bookrunners commission on Placing Shares placed by them, and to pay them an adviser fee. The Joint Bookrunners have also agreed to subscribe for the Adviser Shares for an amount equal to the adviser fee.

#### 11.2 Nominated Adviser Agreement

The Company and Grant Thornton have entered into an agreement pursuant to which the Company has appointed Grant Thornton, conditional on Admission, to act as Nominated Adviser to the Company on an ongoing basis, as required by the AIM Rules. The agreement contains certain undertakings and indemnities given by the Company in respect of, *inter alia*, compliance with all applicable laws and regulations. Pursuant to the agreement, the Company undertakes to comply with its legal obligations and those of AIM and the London Stock Exchange and to consult and discuss with Grant Thornton in relation to all of its proposed announcements and statements and to provide Grant Thornton with any information Grant Thornton believes is necessary to enable it to carry out its obligations to the Company or the London Stock Exchange as Nominated Adviser. Grant Thornton shall provide, *inter alia*, such independent advice and guidance to the Directors of the Company and the Company as they may require from time to time, as to the nature of their responsibilities and obligations to ensure compliance by the Company on a continuing basis with the AIM Rules. The Company has agreed to pay Grant Thornton an annual fee for its services as well as payment of any disbursements and expenses reasonably incurred by Grant Thornton in the course of carrying out its duties as a nominated adviser. The agreement is for a limited period of 24 months and thereafter is terminable on 30 days' notice given by either Grant Thornton or the Company. The agreement also contains provisions for early termination in certain circumstances and an indemnity given by the Company to Grant Thornton in relation to the provision by Grant Thornton of its services.

#### 11.3 On-going Broker Agreement – Tamesis Partners

The Company and Tamesis have entered into an agreement pursuant to which pursuant to which the Company has appointed Tamesis, conditional on Admission, to act as its financial adviser and corporate broker, as required by the AIM Rules. The appointment is for an initial 12 month period and is then terminable by either party giving one month's written notice. The agreement also contains an indemnity given by the Company to Tamesis in relation to the provision by Tamesis of its services. The Company has agreed to pay Tamesis an annual fee for its services as well as payment of any disbursements and expenses reasonably incurred by Tamesis in the course of carrying out its duties under the agreement.

#### 11.4 Director Lock-in Agreements

Each of the Directors, and Tyron Rees, an employee of the Group, who in aggregate hold 4,405,000 Ordinary Shares (representing 4.3 per cent. of the Enlarged Share Capital) have entered into a lock-in and orderly market agreement dated on or around the date of this document pursuant to which they have agreed with the Company, Grant Thornton and Tamesis, subject to certain limited exceptions not to dispose of any Ordinary Shares owned by him at Admission, or any Ordinary Shares which may be issued pursuant to any option in respect of Ordinary Shares held at the date of Admission, for a period of twelve months from Admission.

#### 11.5 Subscription Agreements

The Subscription Agreements have been entered into on substantially the same terms pursuant to which the subscribers have irrevocably agreed to subscribe for 16,516,525 Placing Shares. The Subscriptions are conditional *inter alia* upon Admission and the Placing Agreement not having been terminated.

#### 11.6 Deferred Share Acquisition Agreement

At the AGM, the Shareholders approved the terms of a deferred share acquisition agreement, which the Company will enter into on or around Admission and pursuant to which the Company will acquire from the holders of the Deferred Shares, the Deferred Shares for nil consideration, such transfers being approved in accordance with the Articles. Once acquired, the Deferred Shares will be cancelled.

#### 11.7 Support Services Agreement

The Company has entered into a support services agreement with Silvertree dated 22 April 2020, pursuant to which Silvertree has agreed to provide accounting and finance services, company secretarial services and corporate and business development services to the Company. The Consultancy Services Agreement is for an indefinite term, unless terminated earlier by either party giving 3 months' notice or by the Company at any time without any notice if Silvertree commits gross misconduct. The Agreement contains customary indemnities and warranties from Silvertree in favour of the Company, together with confidentiality provisions. Silvertree's aggregate liability in respect of any loss incurred by the Company or a third party as a result of the services performed by Silvertree, is limited to two times the annual fee invoiced by Silvertree under the Agreement.

The Company has agreed to pay to Silvertree a fee in connection with its services under the Consultancy Services Agreement, with such fee being payable in relation to two stages. Silvertree receives an annual fee for its services and the annual fee from Admission will increase by approximately 30%. Under each stage further fees are payable by the Company to Silvertree if additional company services are needed for group companies. Silvertree is also entitled to reimbursement of reasonable expenses. The fees will be reviewed on an annual basis.

#### 11.8 Pursuant to a mandate letter dated 22 May 2020 the Company entered into an exclusive mandate letter with Tribeca Global Resources Credit Pty Ltd ("**Tribeca**") in relation to the arranging, underwriting and raising of a royalty acquisition debt facility of up to approximately US\$10 million on credit terms to be agreed. The mandate does not constitute a committed offer of finance and the provision by Tribeca of any facility is subject to customary conditions including due diligence, Investment Committee approval and formal documentation being signed.

The mandate is for an initial term of 12 months which can be extended for a further 6 months by the Company or by Tribeca where Tribeca has not been able to exercise its right of first refusal during the initial term. For the first 6 months of the mandate term Tribeca has exclusivity to agree a term sheet with Trident. Tribeca has a right of first refusal if Trident is approached by a third party during the exclusivity period and for any debt proposals during the term of the engagement, after the expiry of the exclusivity period.

The mandate letter is also terminable on 10 business days' notice, subject to the payment by the Company of a termination fee of up to \$100,000, where it is terminated on such notice or upon a trigger event such as a material breach of the mandate by the Company or entering into a transaction where the right of first refusal is not exercised. In addition the Company has agreed to pay Tribeca's costs and expenses in connection with the mandate and any facilities and has provided Tribeca with a customary indemnity.

## 12. INCENTIVE ARRANGEMENTS

### 12.1 The Trident Resources Plc Equity Incentive Plan ("**EIP**")

#### (a) Overview

On 27 May 2020 the Company adopted a discretionary share plan called the Trident Resources plc Equity Incentive Plan. The EIP may be used to grant options to acquire Ordinary Shares. Options under the EIP may be satisfied by an issue of new Ordinary Shares, purchases of Ordinary Shares in the market or by the transfer of Ordinary Shares held in treasury.

(b) Remuneration Committee

The Remuneration Committee will be responsible for determining the basis on which the Executive Directors from time to time and other selected senior executives participate in the EIP from time to time.

(c) Structure of options

The Remuneration Committee can decide to satisfy an option by a sum equivalent to the cash equivalent of the number of Ordinary Shares under the option, or by a combination of cash and Ordinary Shares.

The vesting of options may be subject to the achievement of performance conditions set at the time of grant.

Options are not transferable (other than on death) and are not pensionable.

(d) Eligibility

Options may be granted under the EIP to Executive Directors, and employees of the Group.

(e) Dilution limits

In any 10-year period, not more than 10 per cent. of the issued ordinary share capital of the Company may be issued or committed to be issued under the EIP and other share incentive arrangements adopted by the Group.

(f) Timing of operation

Grants under the EIP may only be made within six weeks following any of: (i) the adoption of the EIP, (ii) the announcement of the Company's results for any period, (iii) any change to legislation governing share plans, (iv) in respect of a participant the date on which he is first employed. Grants may be made in exceptional circumstances and on the day dealing restrictions are lifted which prevented an award being made at the relevant time. No awards can be made under the EIP after the tenth anniversary of its adoption.

(g) Leaving employment

Options will normally lapse when the participant ceases to be employed. However, if employment ends because of death, ill health, injury or retirement with the agreement of the Company or for other reasons specifically approved by the Remuneration Committee, the participant will have twelve months to exercise any options that had vested at the date of cessation and the Remuneration Committee will have discretion to allow vesting and exercise of unvested options on such terms as it may decide.

(h) Change of control, demerger, or other reorganisation

If there is a change of control (such as a takeover or scheme of arrangement) or other corporate reorganisation of the Company, participants may be allowed (or on a reorganisation, may be required) to exchange their options (in whole or in part) for equivalent awards in the acquiring company. Alternatively, awards will vest immediately and any applicable performance conditions will be applied.

If there is a demerger, dividend in specie, super dividend or other transaction which will adversely affect the current or future value of any options then the Remuneration Committee, in its discretion, may allow options to vest.

(i) Variation of share capital

In the event of a variation in the share capital of the Company, a demerger, or any other exceptional event which in the reasonable opinion of the Remuneration Committee justifies an adjustment, the Remuneration Committee may adjust options under the EIP as they consider appropriate.

(j) Amendments

The rules of the EIP may be altered by the Board. Separate employee share plans or schedules to the EIP may be adopted for participants based outside of the United Kingdom.

(k) Malus and clawback

The Remuneration Committee can decide to prevent the vesting of all or part of an award and/or, in some cases, may clawback vested awards in certain circumstances including those relating to material misstatement of accounts, material loss which should have been prevented by adequate risk management, errors in calculating the award and a participant's misconduct.

(l) Other provisions

Participants will not have dividend or voting rights in respect of Ordinary Shares under options until such Ordinary Shares have been issued or transferred to them.

Ordinary Shares issued under the EIP will rank equally in all respect with Ordinary Shares in issue on the date of allotment, except in respect of rights by reference to a record date prior to the date of allotment.

The Remuneration Committee can decide to prevent the vesting of all or part of an award and/or, in some cases, may clawback vested awards in certain circumstances including those relating to material misstatement of accounts, material loss which should have been prevented by adequate risk management, errors in calculating the award and a participant's misconduct.

(m) Initial grant of options

Options under the EIP over an aggregate of 3,125,000 Ordinary Shares in aggregate have been granted conditional upon Admission to the Executive Director and Tyron Rees, of which 1,875,000 were granted to the Executive Director.

### 13. LITIGATION

There are no governmental, legal or arbitration proceedings active, pending or threatened against, or being brought by, any member of the Group which are having, or may have or have had during the 12 months preceding the date of this document a significant effect on the Groups' financial position or profitability.

### 14. RELATED PARTY TRANSACTIONS

Save as set out in this document and below, as far as the Directors are aware there have been and are currently no agreements or other arrangements between the Company and individuals or entities that may be deemed to be related parties, since incorporation of the Company on 25 April 2018.

In the period ended 30 April 2019, the compensation payable to the Board of Directors and senior management ("**Key Management**") personnel comprised £39,000 paid by the Company to the Directors in respect of services to the Company as set out in the Directors' Remuneration Report for that period.

In the period ended 31 December 2019, the compensation payable to Key Management comprised US\$136,299 in respect of services provided to the Group as set out in the Directors' Remuneration Report for that period.

In the period from 1 January 2020 to the Latest Practicable Date, compensation payable to Key Management personnel as disclosed in this document amounted to US\$273,442, including US\$72,895 to James Kelly in respect of day rate services in excess of his contractual time commitment.

Sam Quinn is a partner in Silvertree Partners LLP who received £24,897 during the period to 30 April 2019 for the provision of administration, bookkeeping and secretarial services.

Sam Quinn is a partner in Silvertree Partners LLP who received US\$46,827 during the period to 31 December 2019 for the provision of administration, bookkeeping and secretarial services. Following Sam Quinn's resignation as a director on 4 November 2019, Silvertree Partners LLP is no longer considered to be a related party.

## **15. WORKING CAPITAL**

The Directors are of the opinion that, having made due and careful enquiry, the working capital available to the Company and the Group will be sufficient for its present requirements, that is for at least 12 months from the date of Admission.

## **16. UNITED KINGDOM TAXATION**

### **16.1 General**

The following summary is intended as a general guide only for UK tax resident Shareholders as to their tax position under current UK tax legislation and HMRC practice as at the date of this document. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time, and possibly with retrospective effect.

Neither the Company nor its advisers warrant in any way the tax position outlined above which, in any event, is subject to changes in the relevant legislation and its interpretation and application.

Any person who is in any doubt as to his tax position or who may be subject to tax in any other jurisdiction should consult his professional adviser.

The Company is at the date of this document resident for tax purposes in the United Kingdom and the following is based on that status. The Company is automatically subject to UK corporation tax on its worldwide income and gains unless another territory makes a claim under a relevant double taxation arrangement. The UK corporation tax rate is currently 19 per cent.

This summary is not a complete and exhaustive analysis of all the potential UK tax consequences for holders of Ordinary Shares. It addresses certain limited aspects of the UK taxation position applicable to Shareholders resident and domiciled for tax purposes in (and only in) the UK (except in so far as express reference is made to the treatment of non-UK residents) and who are absolute beneficial owners of their Ordinary Shares and who hold their Ordinary Shares as an investment. This summary does not address the position of certain classes of Shareholders who (together with associates) have a 10 per cent. or greater interest in the Company, or, such as dealers in securities, market makers, brokers, intermediaries, collective investment schemes, pension funds, charities or UK insurance companies or whose shares are held under a self-invested personal pension or an individual savings account or are "employment related securities" as defined in section 421B of the Income Tax (Earnings and Pensions) Act 2003.

### **16.2 Taxation of dividends**

#### *Company*

Under current UK taxation legislation, no UK withholding tax will be deducted at source from dividends paid by the Company, including cases where dividends are paid to a Shareholder who is not resident (for tax purposes) in the UK.

#### *Individual Shareholders*

With effect from 6 April 2018, Shareholders who are individuals are entitled to a tax free dividend allowance of £2,000 per tax year on the amount of any cash dividends received. If an individual receives dividends in excess of this allowance in a tax year, the excess will be taxed at 7.5 per cent. (for individuals not liable to tax at a rate above the basic rate), 32.5 per cent. (for individuals subject to the higher rate of income tax) and 38.1 per cent. (for individuals subject to the additional rate of income tax).

#### *Trustees and other Shareholders*

UK resident trustees of discretionary trusts receiving dividends from shares are liable to account for income tax at the dividend trust rate, currently 38.1 per cent., subject to any reliefs. Trustees do not qualify for the £2,000 dividend allowance available to individuals. Trustees of non-resident discretionary trusts receiving dividends from shares may also be liable to income tax in certain circumstances.

Interest in possession trusts could be liable to account for income tax at a rate of 7.5 per cent. on dividends received from the Company.

This is a complex area and trustees of such trusts should consult their own tax advisers.

United Kingdom pension funds and charities are generally exempt from tax on dividends which they receive.

#### *Corporate Shareholders*

A corporate Shareholder resident in the UK for tax purposes will be subject to UK corporation tax on dividend payments received from the Company unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009. It is anticipated that dividends should fall within one of such exempt classes, subject to anti-avoidance rules and provided all conditions are met.

If the conditions for exemption are not met, or the Shareholder elects for an otherwise exempt dividend to be taxable, the Shareholder will be subject to UK corporation tax on dividend payments received from the Company at the corporation tax rates stated above.

#### *Shareholders who are not resident in the UK for tax purposes*

In general, Shareholders who are not resident in the UK for UK tax purposes will not be subject to UK tax on dividends received from the Company unless they are carrying on a trade, profession or vocation in the UK through a branch or agency (or, in the case of a Corporate Shareholder, a permanent establishment, in connection with which the shares are used, held or acquired). The right of a Shareholder who is not resident (for tax purposes) in the UK to claim relief in respect of a dividend received from the Company will depend upon the existence and the terms of an applicable double taxation treaty between the Country in which the Shareholders is resident and the UK. Shareholders may also be liable to tax on the dividend income under the tax law of their jurisdiction of residence.

Non-UK resident Shareholders (or Shareholders who are not solely resident in the UK for tax purposes) should consult their own tax advisers in respect of the application of such provisions, their liabilities in the UK or any other jurisdiction on dividend payments from the Company and/or what relief or credit may be claimed in the jurisdiction in which they are relevant.

### 16.3 Taxation of Chargeable Gains

For the purpose of UK tax on chargeable gains, the acquisition of Ordinary Shares pursuant to the Placing will be regarded as an acquisition of a new holding in the share capital of the Company. The Ordinary Shares so allotted will, for the purpose of tax on chargeable gains, be treated as acquired on the date of allotment. The amount paid for the Ordinary Shares will usually constitute the base cost of a shareholder's holding.

#### *Individual Shareholders*

UK tax resident Shareholders who are individuals (or otherwise not within the charge to Corporation Tax) who transfer or dispose of all or some of his or her Ordinary Shares (including a disposal on a winding-up of the Company) may be subject to UK tax on chargeable gains, depending on their circumstances. The Shareholder's annual exemption (currently £12,300 for 2020/21 for individuals) and most capital losses they have may reduce the chargeable gain. UK resident individuals are generally subject to capital gains tax at a current flat rate of 20 per cent., (reduced to 10 per cent. on

such gains which fall within an individual's unused basic rate income tax band), subject to any available reliefs. Trustees and personal representatives are generally subject to capital gains tax at 20 per cent., subject to certain reliefs and exemptions. Individual investors may be able to qualify for a reduced rate of 10 per cent. capital gains tax if they meet the requirements of either Entrepreneurs' Relief or Investors' Relief.

A Shareholder who is not resident in the UK for tax purposes, but who carries on a trade, profession or vocation in the UK through a permanent establishment (where the Shareholder is a company) or through a branch or agency (where the Shareholder is not a company) and has used, held or acquired the Ordinary Shares for the purposes of such trade, profession or vocation or such permanent establishment, branch or agency (as appropriate) will be subject to UK tax on gains arising on the disposal of Ordinary Shares.

In addition, any holders of Ordinary Shares who are individuals and who dispose of shares while they are temporarily non-resident may be treated as disposing of them in the tax year in which they again become resident in the UK (subject to any available reliefs or exemptions).

#### *Corporate Shareholders*

For disposals by corporate Shareholders within the charge to UK Corporation tax, capital gains arising on the disposal of Ordinary Shares are chargeable to Corporation Tax, currently at the rate of 19 per cent., subject to the availability of an exemption (e.g. the substantial shareholding exemption) or relief. Indexation allowance may apply to reduce any such gain, although indexation cannot create or increase a capital loss (indexation is no longer available to individuals and trustees).

#### 16.4 Stamp duty and Stamp Duty Reserve Tax

The comments below are intended as a guide to the general UK stamp duty and UK stamp duty reserve tax ("**SDRT**") position and do not relate to certain persons, such as market makers, brokers, intermediaries and persons connected with depository arrangements or clearance services to whom special rules apply.

No stamp duty or SDRT will generally be payable on the issue or allotment of Ordinary Shares by virtue of the exemption from 28 April 2014 from UK stamp duty and SDRT on shares traded on AIM.

Neither UK stamp duty nor SDRT should arise on subsequent transfers of Ordinary Shares on AIM (including instruments transferring Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

- (a) the Shares are admitted to trading on AIM, but are not listed on any market (with the term "**listed**" being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and
- (b) AIM continues to be accepted as a "**recognised growth market**" (as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above assumptions does not apply, stamp duty or SDRT may apply to transfers of Ordinary Shares in certain circumstances, currently at the rate of 0.5 per cent. of the amount or value of the consideration (rounded up in the case of stamp duty to the nearest £5), except in respect of shares held in a clearance service or in a depository receipt arrangement (for these purposes that does not include CREST) in which case other provisions may apply.

#### 16.5 Inheritance Tax

Trustee Shareholders and individual shareholders may be liable on occasions to inheritance tax ("**IHT**") on the value of any Ordinary Shares held by them. Under current law, the primary occasions on which IHT is charged are on the death of the Shareholder, on any gifts made during the seven years prior to the death of the Shareholder (which will also be brought into account when calculating the IHT on the

death of the Shareholder), and on certain lifetime transfers, including transfers to trusts or appointments out of trusts to beneficiaries, save in very limited and exceptional circumstances.

However, a relief from IHT known as business property relief ("**BPR**") may apply to ordinary shares in trading companies once these have been held for two years by the Shareholder. This relief may apply notwithstanding that a company's shares will be admitted to trading on AIM (although it does not apply to companies whose shares are listed on the Official List). BPR operates by reducing the value of shares by 100 per cent. for IHT purposes which means that there will be no IHT to pay. This relief can be subject to certain restrictions.

Shareholders should consult an appropriate professional adviser if they intend to make a gift of any kind or intend to hold any Ordinary Shares through trust arrangements. They should also seek professional advice in a situation where there is a potential for a double charge to UK IHT and an equivalent tax in another country.

## **17. CREST**

17.1 CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations.

17.2 The Ordinary Shares are eligible for CREST settlement. Accordingly, following Admission, settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

17.3 For more information concerning CREST, Shareholders should contact their brokers or Euroclear UK and Ireland Limited at 33 Cannon Street, London EC4M 5SB or by telephone on +44 (0) 20 7849 0000.

## **18. NOTIFICATIONS OF SHAREHOLDINGS**

The provisions of chapter 5 of the DTR ("**DTR 5**") currently apply to the Company and its shareholders and will continue to apply following Admission. DTR 5 sets out the notification requirements for shareholders and the company where the voting rights of a shareholder exceed reach or fall below the threshold of 3 per cent. and each 1 per cent. thereafter up to 100 per cent. DTR 5 provides that disclosure by a shareholder to the company must be made within two trading days of the event giving rise to the notification requirement and the company must release details to a Regulatory Information Service as soon as possible following receipt of a notification.

## **19. GENERAL**

19.1 Save as disclosed in this document, there has been no significant change in the trading or financial position of the Group since 31 December 2019, the date to which the last consolidated financial information of the Company was prepared.

19.2 The financial information set out in this document relating to the Group does not constitute statutory accounts within the meaning of section 434 of the Act. PKF Littlejohn LLP, chartered accountants, have been the auditors of the Company since 11 January 2019 and have given an unqualified audit report on the statutory accounts of the Company for the financial period ended 30 April 2019 and the financial period ended on 31 December 2019. Neither of those reports contained any statements under sub-section 498(2) or (3) of the Act. Statutory accounts for the financial period ended 30 April 2019 and 31 December 2019 have been delivered to the registrar of Companies in England and Wales pursuant to section 441 of the Act.

19.3 PKF Littlejohn LLP has given and not withdrawn its consent to the inclusion in this document of the references to its name in the form and context in which they are included. PKF are regulated by the Institute of Chartered Accountants in England and Wales.

- 19.4 Grant Thornton has given and not withdrawn its consent to the inclusion in this document of the references to its name in the form and context in which they are included.
- 19.5 Tamesis Partners has given and not withdrawn its consent to the inclusion in this document of the references to its name in the form and context in which they are included.
- 19.6 Ashanti Capital has given and not withdrawn its consent to the inclusion in this document of the references to its name in the form and context in which they are included.
- 19.7 Azure Capital has given and not withdrawn its consent to the inclusion in this document of the references to its name in the form and context in which they are included.
- 19.8 Mr Nick O'Reilly in his capacity as Competent Person has given and not withdrawn his consent to the inclusion in this document of the references to its name in the form and context in which they are included
- 19.9 The net proceeds of the Placing are expected to amount to approximately £14,870,000. Total costs and expenses payable by the Company in connection with the Admission and the Placing (including professional fees, commissions, the costs of printing and the fees payable to the registrars but excluding the issue of Adviser Shares) are estimated to amount to approximately £1,130,000 (excluding VAT).
- 19.10 The Placing Shares are not being offered generally and no applications have or will be accepted other than under the terms of the Placing Agreement and the Subscription Agreements. All the Placing Shares have been placed firm. The Placing is not being guaranteed or underwritten by any person.
- 19.11 No person (other than a professional adviser referred to in this document or trade supplier) has:
- 19.11.1 received directly or indirectly, from the Company within the 12 months preceding the Company's application for Admission; or
  - 19.11.2 entered into contractual arrangements (not otherwise disclosed in this document) to receive directly or indirectly, from the Company on or after Admission any of the following:
    - (a) fees totalling £10,000 or more;
    - (b) securities in the Company with a value of £10,000 or more calculated by reference to the issue price; or
    - (c) any other benefit with a value of £10,000 or more at the date of Admission.
- No payments have been made to any government in connection with the Acquisition.
- 19.12 The Directors are not aware of any patents or intellectual property rights, licences or industrial, commercial or financial contracts or new technological processes which may be of material importance to the Company's business or profitability.
- 19.13 Save as disclosed in this document, since 31 December 2019, the Company has made no investments and there are no investments in progress which are or may be significant and the Company is not a party to any joint ventures.
- 19.14 The Company's accounting reference date is 31 December and the Company's first audited annual accounts published following Admission will be those for the financial year ended 31 December 2020.
- 19.15 The Company is not aware of any arrangements which may at a subsequent date result in a change of control of the Company.
- 19.16 There are no provisions in the Articles which would have the effect of delaying, deferring or preventing a change of control of the Company.

- 19.17 Save as disclosed in this document, no public takeover bids have been made by third parties in respect of the Company's issued share capital since its incorporation up to the date of this document.
- 19.18 There are no mandatory takeover bids and/or squeeze out and sell-out rules in relation to the Ordinary Shares.
- 19.19 Insofar as the Directors are aware, the percentage of Ordinary Shares not in public hands (as that expression is defined in the AIM Rules) on Admission is expected to be approximately 20.2 per cent.
- 19.20 The Placing Shares and the Adviser Shares represent 78.7 per cent. of the Existing Ordinary Shares and their issue will result in a corresponding level of dilution.
- 19.21 Save as disclosed in this document, there are not, either in respect of the Company or its subsidiaries, any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.
- 19.22 Save as set out in this document, as far as the Directors are aware, there are no environmental issues that may affect the Company's utilisation of its tangible fixed assets.
- 19.23 Save as disclosed in this document, the Directors are unaware of any exceptional factors which have influenced the Company's recent activities.
- 19.24 The Directors are not aware of any other information that they should reasonably consider as necessary for the investors to form a full understanding of (i) the assets and liabilities, financial position, profits and losses, and prospects of the Company and the securities for which Admission is being sought; (ii) the rights attached to those securities; and (iii) any other matter contained herein.
- 19.25 Where information has been sourced from a third party, the information has been accurately reproduced and as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **20. AVAILABILITY OF ADMISSION DOCUMENT**

A copy of this document is available free of charge from the registered office of the Company, and at the offices of Grant Thornton at 30 Finsbury Square, London EC2A 1AG, during normal business hours on any weekday (public holidays excepted) from the date of this document until at least one month after the date of Admission.

A copy of this document is also available on the Company's website, [www.tridentroyalties.com](http://www.tridentroyalties.com).

Dated: 27 May 2020

## DEFINITIONS

The following words and expressions shall have the following meanings in this document unless the context otherwise requires:

<b>2019 Accounts</b>	the audited report and accounts of the Company for the period ended 31 December 2019;
<b>Acquisition</b>	the Koolyanobbing Iron Ore Royalty Acquisition;
<b>Admission</b>	the admission of the Ordinary Shares, including the Placing Shares and the Adviser Shares, to trading on AIM;
<b>Adviser Shares</b>	the 1,500,000 Ordinary Shares to be subscribed for at nominal value by the Financial Advisers;
<b>AIM</b>	AIM, the market of that name operated by the London Stock Exchange;
<b>AIM Rules</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time (including, without limitation, any guidance notes or statements of practice) and those other rules of the London Stock Exchange which govern the admission of securities to trading on, and the regulation of, AIM;
<b>AGM</b>	the Company's annual general meeting held on 27 May 2020 at which, <i>inter alia</i> , resolutions authorising the issue and allotment of the Placing Shares and Adviser Shares, the adoption of the Investing Policy and the adoption of the Articles were approved;
<b>Articles</b>	the articles of association of the Company as adopted at the AGM;
<b>Ashanti Capital</b>	Ashanti Capital Pty Limited, Financial Adviser to the Company and Joint Bookrunner to the Placing
<b>Asset Owners</b>	the legal owners of mining and exploration operations, projects and licences;
<b>ASX</b>	the Australian Securities Exchange;
<b>Audit Committee</b>	the audit committee established by the Company, as described at paragraph 12 of Part 1 of this document;
<b>Azure Capital</b>	Azure Capital Securities Pty Limited, Financial Adviser to the Company and Joint Bookrunner to the placing;
<b>Board</b>	the board of Directors of the Company from time to time;
<b>Cliffs</b>	Cliffs Asia Pacific Iron Ore Pty Ltd, ABN 46 001 892 995;
<b>Companies Act or Act</b>	the Companies Act 2006, as amended;
<b>Company or Trident</b>	Trident Resources Plc (to be renamed Trident Royalties Plc);
<b>Completion Adjustment</b>	the requirement of TRR to account to FE for the reduction in consideration payable under the SPA, as set out in paragraph 1 of Part 2 of this document;
<b>CREST</b>	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form, which is administered by Euroclear;
<b>Deferred Shares</b>	the deferred shares of £0.01 each in the capital of the Company which are to be bought back and cancelled with effect from Admission, the nominal value of the deferred shares being cancelled will be funded from the proceeds of the Placing;
<b>Directors</b>	the directors of the Company from time to time;

<b>DTR</b>	the Disclosure Guidance and Transparency Rules sourcebook containing the disclosure guidance, transparency rules, corporate governance rules and the rules relating to primary information providers;
<b>Economic Date</b>	the economic date of 1 January 2020;
<b>EIP</b>	the equity incentive plan of the Company and as described at paragraph 12.1 of Part 5 of this document;
<b>Enlarged Group</b>	the Group following the completion of the Koolyanobbing iron ore royalty acquisition and the Placing;
<b>Enlarged Share Capital</b>	the number of Ordinary Shares in issue immediately following Admission comprising the Existing Ordinary Shares, Adviser Shares and the Placing Shares;
<b>Euroclear</b>	Euroclear UK qqandqq Ireland Limited, the operator of CREST;
<b>Executive Director</b>	Adam Davidson and any other Director of the Company appointed as an executive director from time to time;
<b>Existing Ordinary Shares</b>	the 22,000,000 Ordinary Shares in issue at the date of this document;
<b>FCA</b>	the Financial Conduct Authority;
<b>FE</b>	FE Limited, ACN 112 731 638, an Australian incorporated company, listed on the ASX;
<b>Financial Advisers</b>	Ashanti Capital Pty, Azure Capital and Tamesis Partners;
<b>FRC</b>	Financial Reporting Council;
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended;
<b>Global Iron</b>	Global Iron Limited, ABN 87 125 419 730;
<b>Grant Thornton</b>	Grant Thornton UK LLP, the Nominated Adviser to the Company;
<b>Group</b>	the Company and its subsidiary undertakings as defined in the Companies Act;
<b>IFRS</b>	International Financial Reporting Standards;
<b>Institutional Placing</b>	the placing of Placing Shares with institutional and other investors by the Joint Bookrunners pursuant to the Placing Agreement;
<b>Investing Company</b>	an AIM company which has as its primary business or objective the investing of funds in securities, businesses or assets of any description;
<b>Investing Policy</b>	the investing policy of the Company adopted and approved by the Shareholders at the AGM;
<b>Joint Bookrunners</b>	together Ashanti Capital, Azure Capital and Tamesis Partners;
<b>Koolyanobbing Royalty</b>	the agreement for the sale and purchase of the rights and interests of FE under the “Evanston Project Iron Ore Deed” between Mineral Resources and FE;
<b>Koolyanobbing Iron Ore Royalty Acquisition</b>	the Company’s acquisition of a 1.5% FOB Revenue Royalty over part of the Koolyanobbing Iron Ore mine in Australia, as further described in Part 2 of this document;
<b>Koolyanobbing Operation</b>	the Koolyanobbing iron ore operation in Western Australia;
<b>Latest Practicable Date</b>	25 May 2020;
<b>London Stock Exchange or LSE</b>	London Stock Exchange Plc;

<b>MAR</b>	the Market Abuse Regulation (EU 596/2014) and the regulations, rules and guidelines promulgated thereunder;
<b>Main Market</b>	the LSE's main market for listed securities;
<b>Mineral Resources</b>	Mineral Resources Limited, the operator of the Koolyanobbing Operation;
<b>Non-Executive Directors</b>	each of James Kelly, Mark Potter and Al Gourley and any other director of the Company appointed as a non-executive director from time to time;
<b>Official List</b>	the official list of the FCA;
<b>Options</b>	options issued and to be issued pursuant to the EIP;
<b>Ordinary Shares</b>	ordinary shares of 1 penny each in the capital of the Company;
<b>Panel</b>	the UK Panel on Takeovers and Mergers;
<b>PCA</b>	a person closely associated as defined in Article 3(26) of MAR;
<b>PDMR</b>	a person discharging managerial responsibilities as defined in Article 3(25) of MAR;
<b>Placing</b>	the placing of 80,000,000 Ordinary Shares at the Placing Price pursuant to the Institutional Placing and the Subscriptions;
<b>Placing Agreement</b>	the conditional placing agreement dated 22 May 2020 made between the Company, the Directors, Grant Thornton, Tamesis Partners, Azure Capital and Ashanti Capital relating to the Institutional Placing and Admission which is summarised in paragraph 11.1 of Part 5 of this document;
<b>Placing Price</b>	20 pence per Placing Share;
<b>Placing Shares</b>	80,000,000 Ordinary Shares to be offered pursuant to the Placing;
<b>Prospectus Regulation Rules or PR Rules</b>	the prospectus rules of the FCA made pursuant to section 73A of FSMA, as amended;
<b>QCA Code</b>	QCA Corporate Governance Code;
<b>RCF</b>	Resource Capital Funds;
<b>Registrar</b>	Neville Registrars of Neville House, Steelpark Road, Halesowen B62 8HD;
<b>Regulatory Information Service</b>	one of the regulatory information services authorised by the FCA to receive, process and disseminate regulatory information in respect of listed companies;
<b>Remuneration Committee</b>	the Company's remuneration committee comprising the Non-Executive Directors;
<b>Secured Monies</b>	the monies secured under the Security Deed as set out in paragraph 1.2 of Part 2;
<b>Secured Property</b>	all of TRR's present and future right, title and interest in and under the Koolyanobbing Royalty;
<b>Security Deed</b>	the security deed to be entered into between TRR and FE at Completion;
<b>Security Interest</b>	the security interest granted by TRR in favour of FE, pursuant to the Security Deed;
<b>Shareholders</b>	holders of Ordinary Shares;
<b>Silvertree</b>	Silvertree Partners LLP;

<b>SPA</b>	the sale and purchase agreement dated 25 March 2020 and made between TRR and FE;
<b>Subscriptions</b>	the subscription for Placing Shares by certain persons pursuant to the Subscription Agreements;
<b>Subscription Agreements</b>	the subscription agreements entered into with the Company pursuant to the Subscriptions further details of which are summarised in paragraph 11.5 of Part 5 of this document;
<b>Takeover Code</b>	the City Code on Takeovers and Mergers;
<b>Tamesis Partners</b>	Tamesis Partners LLP, Financial Adviser to the Company, broker for the purposes of the AIM Rules and Joint Bookrunner to the Placing;
<b>TRR</b>	TRR Services Australia Pty Ltd, ABN 34 636 671 291 (an Australian incorporated, wholly owned subsidiary of the Company);
<b>TRR Services</b>	TRR Services, LLC a wholly owned subsidiary of the Company;
<b>Unaudited Pro Forma Financial Information</b>	the unaudited pro forma statement of net assets of the Enlarged Group as at 31 December 2019;
<b>Uncertificated or in Uncertificated Form</b>	a share or shares recorded on the register of members as being held in uncertificated form in CREST, entitlement to which by virtue of the Uncertificated Securities Regulations, may be transferred by means of CREST;
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>£</b>	Pounds sterling, the lawful currency of the United Kingdom;
<b>A\$</b>	Australian dollars, the lawful currency of Australia; and
<b>US\$</b>	United States dollars, the lawful currency of the United States of America.

## GLOSSARY

The following technical terms and abbreviations shall have the following meanings in this document:

Al <sub>2</sub> O <sub>3</sub>	Aluminium Oxide
Fe	Iron
FOB	free on-board
JORC	Joint Ore Reserves Committee
km	Kilometres
LOI	loss on ignition
m	metres
Mt	million tonnes
Mtpa	million tonnes per annum
P	Phosphorous
royalty	a right to receive payment based on a fixed, sliding-scale or adjusting percentage of minerals, metals or other products produced at a mine or revenues, net proceeds, profits or other financial criteria or reference calculation
royalty or stream agreement	the definitive agreement(s) between a royalty or stream holder and an Asset Owner setting out the terms of a royalty or stream
royalty or stream property	a mining or other mineral property the subject of a royalty or stream agreement
SiO <sub>2</sub>	Silicon Dioxide
stream	an agreement in which the owner of the stream receives (or is synthetically credited with) a portion of mined mineral product or contained metal (often involving a lower value by-product) at a predetermined price usually in exchange for an upfront payment (or loan) and a continuing series of discounted payments for units such of such products or metals when delivered (or credited) during the period of the stream
t	tonnes
tpa	tonnes per annum

