TRIDENT ROYALTIES PLC

A GROWTH-FOCUSED DIVERSIFIED MINING ROYALTY AND STREAMING COMPANY

Trident Royalties plc
Interim Report 2023

THACKER PASS CASH FLOW, AT CURRENT LITHIUM PRICES, SHOULD EXCEED $30m PER ANNUM

2023 priorities are to further reduce our cost of capital and deploy capital for value

In the six months to 30 June 2023, the price of Trident shares declined by 9.0%, to close the period at 45.5 pence. A decline in the share price is disappointing but reflects the generally cautious market sentiment around growth. Over the same period, the FTSE All Share Precious Metals and Mining Index fell 9.0%, and the AIM All Share Index fell 9.4%.

This is my first statement as Chairman, taking over from Paul Smith at our Annual General Meeting in June. I should like to thank Paul for his guidance as Chairman.

Our strategy remains unchanged; delivering significant shareholder returns through value accretive transactions across precious, base, battery and bulk materials. As mentioned in our 2022 Annual Report, our priorities for 2023 are to further reduce our cost of capital (as this directly improves our competitiveness) and deploy capital for value. We have a strong balance sheet, which enables us to take advantage of opportunities in this market.

As we build our portfolio, we may be "overweight" in certain minerals for a period of time. But as our portfolio expands, our intention is to have a balanced portfolio of assets reflecting the broader mining sector. Some of the best acquisition opportunities are pre-production royalties. As these assets move to production and generate cashflow, the risks diminish and we can expect an enhanced valuation reflected in our share price.

One of our cornerstone assets, Thacker Pass, is an excellent example of a pre-production asset that is advancing towards production. During the period, we saw the United States Federal Court confirm the validity of the permitting process for the project and the commencement of construction on site. In addition, General Motors announced a $650 million equity investment in the project with an accompanying offtake agreement. The project is on track to be the largest lithium producer in North America within the next three years. The cash flow from this royalty, at current lithium prices, should exceed $30 million per annum.

Since the start of the year, we completed three transactions, all pre-production assets: La Preciosa (silver), Dandoko (gold) and Paradox (lithium). Each of these assets has a clear pathway to production and is a key asset to the relevant operator. In each case, the use of deferred consideration enabled Trident to optimise our deployment of capital and align our interest in achieving cash flow from these assets with milestone payments to the vendor.

La Preciosa is a near production silver project in Mexico. We were delighted to gain exposure to silver, which has the characteristics of a precious metal, and yet combines this with significant industrial use. Since the period end, we announced two further transactions. In August, we announced the acquisition of a royalty over the Dandoko Gold Project, in Western Mali, and a royalty over Anson's flagship Paradox Lithium Project, in Utah. Whilst we are not specifically seeking additional gold or lithium exposure, given our existing holdings in these areas, neither will we shy away from value-accretive transactions.

It has been a positive start to the year. We see further great opportunities for the Company through 2023 and beyond and we look forward to updating shareholders as we move through the year.

Al Gourley
Non-Executive Chairman
18 September 2023

2023 saw material advancements at several of Trident's key assets alongside new acquisitions

The first half of 2023 saw material advancements at several of Trident's key assets alongside the acquisition of a new royalty interest. The new acquisition represents Trident's first exposure to silver, further increasing the commodity diversification of our portfolio. Post period, we announced a further two acquisitions increasing the total number of assets in Trident's portfolio to 20, of which 13 are currently cash flowing.

Royalty receipts for the period increased circa 45% over H1 2022, with further growth expected in 2024 from a combination of organic growth across the portfolio, as well as new acquisitions. Trident retains good access to capital for new acquisitions, bolstered by the favourable outcome from a competitive sales process undertaken for several of our pre-production gold royalties, which completed in February. We were able to monetise these royalties into the highly competitive precious metal focused royalty market with the sale providing cash proceeds of up to $15.6 million and providing a 140% return on invested capital in approximately two years. The process highlights Trident's focus on responsible and disciplined capital management, as well as the company's ability to identify undervalued royalty assets, even within the competitive gold sector.

From a corporate perspective, Trident was pleased to gain admission to trading on the OTC market in the US, which, over time, we hope will increase our investor accessibility, enhance liquidity, and strengthen our engagement with US investors. We intend to increase our interaction with North American investors over the coming months, particularly as Thacker Pass moves into construction in earnest over 2024.

Royalty Portfolio

The period under review has been particularly positive for our existing portfolio.

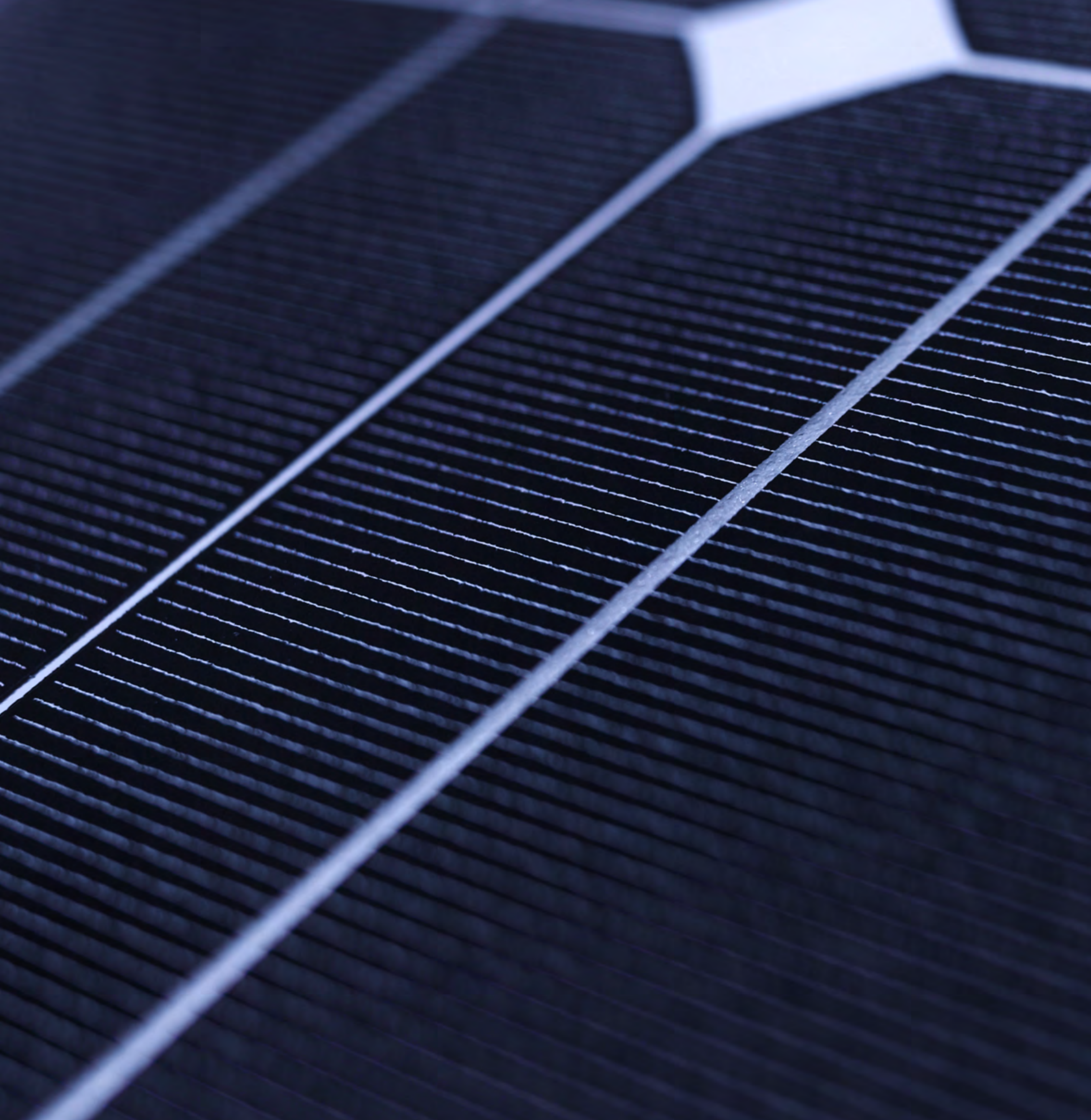
Trident holds a 60% interest in a gross revenue royalty over the entirety of Thacker Pass. Assuming Lithium Americas Corp. ("LAC") exercises the partial royalty buy-back ($13.2 million attributable to Trident), then Trident will retain the equivalent of a (net) 1.05% gross revenue royalty. At full production and current lithium prices, the Thacker Pass royalty is expected to pay in excess of $30 million per annum to Trident, making it one of the most important assets within our portfolio.

Progress continued at Thacker Pass with several key permitting decisions reached during the period. In February 2023, the appeal relating to the issuance of the Record of Decision for Thacker Pass was dismissed by the US District Court, District of Nevada subject to minor additional work which was completed in May 2023. This decision was subsequently appealed to the 9th US Circuit Court of Appeals, which rejected the arguments the opponents had put forth in their appeal and ruled that the US Bureau of Land Management, which approved Thacker Pass, had acted "reasonably and in good faith".

LAC made significant asset-level progress towards the development of Thacker Pass with a number of milestones including, the announcement of a $650 million equity investment by General Motors into Lithium Americas, the commencement of construction following the receipt of notice to proceed from the Bureau of Land Management, receipt of substantial completion from the US Department of Energy ("DOE") Loan Program linked to LAC's application DOE's Advanced Technology Vehicles Manufacturing Loan Program, and advancement of the proposed corporate separation of the LAC US assets from its other assets.

Thacker Pass is an asset of national significance to the USA as it seeks to secure and develop its own critical minerals supply chain. The project is on track to become a true Tier 1 lithium asset and we look forward to further updates from LAC over the coming months as it advances towards planned first production in H2 2026.

THE FIRST HALF HAS BEEN PARTICULARLY POSITIVE FOR OUR EXISTING PORTFOLIO



WE ARE WELL POSITIONED TO DELIVER CONTINUED GROWTH AGAINST A BROADER CHALLENGING MACROECONOMIC BACKDROP

Royalty Portfolio continued

Our gold offtake portfolio continued to mature with progress across various assets in the portfolio. Construction of Equinox Gold's Greenstone project continues on schedule with first gold expected in H1 2024. Trident has a guarantee from a subsidiary of Equinox that the annual cap will be delivered in full during 2024 and 2025, with shortfalls to be compensated at an agreed rate. Victoria Gold reported a 47% uplift in half year production from Eagle and released an updated technical report outlining plans for an average gold production of 202koz per annum over the next eight years. The portfolio continues to benefit from operator activities with significant exploration programmes being undertaken at various assets, as well as additional capital being raised by some operators.

Trident's remaining royalty portfolio continued to show solid progress throughout the half year. Royalty receipts from Mineral Resources' ("MinRes") Koolyanobbing project increased as MinRes looked to capitalise on high AUD iron ore prices and increased mining from Trident's royalty area. Operations at the Moxico Resources' Mimbula project continue to develop, with the first copper cathode production announced in the period following the previously announced completion of a bankable feasibility study contemplating an expanded production of 56,000 tonnes per annum alongside a capital raise of $135 million to progress the development of the project.

Following the receipt of Q2 payments from both Koolyanobbing and Mimbula, Trident has now fully recovered its investment in both royalties. Trident retains life-of-mine exposure to both projects, with the royalty rate at Mimbula now adjusting to 0.30% of gross revenue following the recovery of Trident's capital.

Transactions

As announced in May, Trident acquired two royalties and the right to an associated $8.75 million milestone payment from Coeur Mining Inc. over the La Preciosa Silver Project in Mexico. The acquisition of the La Preciosa royalty provides Trident with exposure to one of the largest undeveloped primary silver resources in Mexico and its first silver asset. In addition to being a tangible store of value and an inflation hedge, over 50% of silver is used for industrial purposes. Silver is increasingly important due to its conductivity and corrosion resistance, making it a critical component of both solar panels and electric vehicles.

La Preciosa is being advanced by Avino Silver & Gold Mines ("Avino"), which operates the Avino mine and mill located 19km from La Preciosa. Avino is targeting initial production from stockpiled material at La Preciosa in late 2023 through its existing mill, before commencing production from fresh ore in 2024. Avino intend to ramp up silver production to circa 3.5 million ounces per annum by 2028.

In consideration for the acquisition, Trident paid $7 million in cash, and will pay a further $1 million in cash or shares upon receipt of the $8.75 million milestone payment, which is payable by Avino 12 months from the first silver production at La Preciosa.

This acquisition further enhances the diversity of our portfolio and will contribute to our growing cash flow from 2024.

Outlook

We observed a marked increase in our opportunity pipeline during the first half as challenging equity and debt markets increased the attractiveness of royalty financing. Post-period end, the Company was pleased to announce two new royalty acquisitions.

The first, a 50% interest in a 2% net smelter return royalty over the Dandoko Gold Project in western Mali, and the second, a 2.5% net smelter return royalty over the Paradox Lithium Project in Utah. Both royalties, which offer the potential for near-term revenue for Trident, demonstrate Trident's ability to identify undervalued royalties covering high-quality projects being advanced by reputable operators. The acquisitions underlie our belief that shareholder value is ultimately maximised by building a portfolio with a blend of producing, near-producing, and longer-term assets to deliver a diversified portfolio rooted in long-term growth.

With a growing portfolio which currently includes 13 producing royalties, and is seeing material organic growth, we are well positioned to deliver continued growth against a broader challenging macroeconomic backdrop. We remain well capitalised to act on a deep pipeline of new opportunities which meet our stringent investment criteria and our pipeline of opportunities is considerable.

I would like to express my gratitude to the Board and management team for their continued support and enthusiasm during the first half of 2023, and we eagerly anticipate sharing further updates as the year progresses.

Adam Davidson
Chief Executive Officer
18 September 2023

2023 has started strongly, with a material uplift in revenue and the redeployment of capital into new assets

Overview

Trident began 2023 by completing the sale of several pre-production exploration stage gold royalties over assets in Australia for cash proceeds of up to $15.6 million. Alongside the sale, the terms of the existing $40 million debt facility with Macquarie Bank were also renegotiated, with a reduction of the interest rate and an extension of the facility life. In May, Trident completed the acquisition of the La Preciosa royalty and the right to an $8.75m milestone payment for $7 million with a $1 million contingent payment. The transaction adds exposure to silver, which is an important precious and industrial metal with a wide range of uses, including the manufacture of solar panels. The gold offtakes continue to produce solid cash flow and sit alongside Trident's other cash generative assets, to complement our development projects such as Thacker Pass, La Preciosa and Pukaqaqa, which will provide material medium term growth.

Acquisitions and disposal

The Group completed the following transactions during the period:

- Acquisition of a 1.25% net smelter return royalty over the area covering the Gloria and Abundancia veins, a 2.00% gross value royalty over the surrounding area and the right to an $8.75 million milestone payment at the La Preciosa project in Mexico;
- Acquisition of a 0.25% Free On Board royalty over the Kwale mineral sands project in Kenya; and
- Sale of several pre-production exploration stage gold royalties over assets in Australia for cash proceeds of up to $15.6 million completed on 23 February 2023.

Condensed Consolidated Statement of Financial Position

Following these transactions, total net assets increased from $104.87 million at the end of 2022 to $108.94 million as of 30 June 2023.

Intangible assets consist of $112.32 million cost, less $2.51 million amortisation for a total net book value of $109.81 million (31 December 2022: $104.98 million) representing the gold offtakes portfolio, Thacker Pass, Pukaqaqa, Koolyanobbing and Lincoln Hill together with the acquisitions described above.

Royalty financial assets were valued at $6.73 million (31 December 2022: $7.65 million) representing the fair value of the Mimbula copper royalty in Zambia. The royalty financial asset has been designated as fair value through profit and loss with the fair value gains and losses recognised in the "revaluation of royalty financial assets" line item in the income statement. The asset generated $1.50 million royalty income during the period and a fair value increase of $0.58 million was recognised in the income statement.

Trade and other receivables totalling $9.41 million (31 December 2022: $12.05 million) includes $3.12 million receivable from Macquarie bank relating to gold offtake trades which settled after the period end, $1.78 million in respect of H1 royalty income due from Koolyanobbing and Mimbula received after the period end and prepayments and accrued income of $1.84 million. Other receivables also include $2.50 million in respect of the Sonora lithium project cash deposit, which is treated as an interest free loan.

Trade and other payables totalling $1.19 million (31 December 2022: $2.28 million) consisted predominantly of $0.29 million payables relating to the gold received under the offtake contracts, which had been sold but not yet settled with the operators, trade payables, social security and taxation, and accruals with all amounts within agreed payment terms.

At the 30 June 2023 the net gold receivable amount was $2.83 million (31 December 2022: $5.12 million).

Total cash at the end of the year was $25.43 million ($28.26 million including the net gold trading receivables) and total debt was $40.00 million.

Condensed Consolidated Statement of Comprehensive Income and EBITDA

The Group reported a gross profit of $2.01 million (2022: $1.31 million) from reported net revenues of $4.52 million (2022: $3.13 million). The increase in net revenue was predominantly from the gold offtakes, strong production at Koolyanobbing and minimum payments from the Lincoln gold royalty. The fair value gain on the Mimbula copper project was $0.58 million (2022: $0.92 million) predominantly due to the payment of the minimum payment schedule whilst the mine is ramping up and therefore not fully depreciating in value.

A profit of $6.97 million was reported on the sale of several pre-production exploration stage gold royalties, with gross proceeds of $14.30 million. The Group made a foreign exchange gain totalling $0.02 million (2022: $0.83 million loss). Finance charges totalled $2.29 million (2022: $2.25 million). Profit after taxation was $3.81 million (2022: $0.61 million loss) and basic loss per share of 1.31c (2022: 0.21c loss).

Condensed Consolidated Statement of Comprehensive Income and EBITDA continued

The Group generated net revenue predominantly from its gold offtakes of $3.11 million (2022: $2.57 million) and $1.05 million (2022: $0.56 million) at Koolyanobbing. The amortisation charge was $2.51 million (2022: $1.82 million) and total Group overheads of $2.04 million (2022: $1.82 million) including $0.20 million (2022: $0.43 million) in non-cash share-based payments and other charges; resulting in an operating loss of $0.03 million (2022: $1.38 million). The gold offtakes and Koolyanobbing are amortised on a units of production basis over the life of the assets depleted.

EBITDA and Adjusted EBITDA

The below table summarises EBITDA and adjusted EBITDA:

	Six months ended 30 June 2023 $'000	Six months ended 30 June 2022 $'000
Profit after tax	**3,814**	(611)
Income tax	**1,922**	(189)
Amortisation	**2,510**	1,822
Finance costs net of finance income	**1,799**	2,240
EBITDA	**10,045**	3,262
Other adjustments:		
Net foreign exchange losses	**(20)**	830
Income from financial instrument through profit and loss	**1,500**	1,000
Revaluation of royalty financial assets	**(578)**	(921)
Share-based payments charge and other non-cash items	**195**	430
Profit on disposal of intangible asset	**(6,965)**	(1,862)
Adjusted EBITDA	**4,177**	2,739

The following table shows total royalty receipts for the period for royalty intangible assets, royalty financial assets, net offtake proceeds and gross disposal proceeds:

	Six months ended 30 June 2023 $'000	Six months ended 30 June 2022 $'000
Royalties	**1,411**	561
Offtakes (net proceeds)	**3,107**	2,572
Royalties due or received from royalty financial assets	**1,500**	1,000
Proceeds from gold offtake amendment (gross)	**-**	3,706
Proceeds from Australian gold royalties sale (gross)	**14,300**	-
Total	**20,318**	7,839

An offtake contract is a contract pursuant to which the operator agrees to sell, and the purchaser (Trident) agrees to buy, refined gold produced from the mine or mines over which the offtake is granted. The key commercial terms include those relating to the amount of gold to be purchased, the duration of the contract, and the payment terms. Trident has the right to purchase gold at the lowest reference price (usually a contract referenced by the LBMA or COMEX) in a defined quotation period, which is typically 6-8 days. The revenue from these contracts is disclosed net of the purchase costs in the income statement.

Net gold offtake proceeds of $3.1 million, comprises gross offtake revenue of $251.1 million less purchase costs of $248.0 million.

Cashflow and Borrowings

Net cash increased in the period by $8.87 million (2022: $25.38 million decrease). Financing activities in the period resulted in a cost of $2.35 million (2022: $32.33 million inflow); inflow from investing activities of $6.74 million (2022: $58.47 million outflow) resulting from the proceeds of the Australian gold royalties sale partially offset by the investments in those assets noted above, and $4.48 million (2022: $0.76 million) was generated from operating activities, as outlined above. The cash figure (excluding the net gold trading receivable) at 30 June 2023 was $25.43 million (31 December 2022: $16.58 million) with the majority held in US dollars with HSBC Bank plc and Macquarie Bank Limited.

Taxation

During the period the Group paid $0.03 million (2022: nil paid) in respect of tax due. A deferred tax asset was recognised totalling $0.80 million (31 December 2022: $2.01 million) primarily in relation to taxable losses incurred in relation to the Company and gold offtakes. Following the sale of our Australian gold royalties we have utilised the deferred tax asset in our Australian subsidiary in full.

Condensed Consolidated Statement of Comprehensive Income
for the six-months ended 30 June 2023

Continuing operations	Notes	**Six months ended 30 June 2023 Unaudited $'000**	Six months ended 30 June 2022 Audited $'000
Revenue	3	**4,518**	3,133
Amortisation	6	**(2,510)**	(1,822)
Gross profit		**2,008**	1,311
Administrative expenses		**(2,036)**	(1,824)
Operating loss		**(28)**	(513)
Revaluation of royalty financial assets	7	**578**	921
Profit on disposal of intangible asset	6	**6,965**	1,862
Finance income		**493**	10
Finance costs		**(2,292)**	(2,250)
Net foreign exchange gains/(losses)		**20**	(830)
Profit / Loss before taxation		**5,736**	(800)
Income tax	4	**(1,922)**	189
Profit / Loss attributable to owners of the parent		**3,814**	(611)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Exchange gains arising on translation of foreign operations		**(39)**	126
Other comprehensive income for the period, net of tax		**(39)**	126
Total comprehensive income attributable to the owners of the parent		**3,775**	(485)
Earnings per share:			
Basic and diluted earnings per share (US cents)	5	**1.31**	(0.21)

Condensed Consolidated Statement of Financial Position
As at 30 June 2023

	Notes	30 June 2023 Unaudited $'000	31 December 2022 Audited $'000
Non-current assets			
Intangible assets	6	**109,812**	104,975
Royalty financial assets at fair value through profit and loss	7	**6,732**	7,653
Deferred tax assets	4	**795**	2,005
Total non-current assets		**117,339**	114,633
Current assets			
Trade and other receivables		**9,405**	12,047
Assets classified as held for sale		**-**	6,750
Cash and cash equivalents		**25,430**	16,577
Current assets		**34,835**	35,374
Total assets		**152,174**	150,007
Current liabilities			
Trade and other payables		**1,185**	2,277
Borrowings	9	**2,500**	7,500
Total current liabilities		**3,685**	9,777
Non-current liabilities			
Borrowings	9	**37,500**	32,500
Contingent consideration		**-**	408
Derivative financial liability		**2,045**	2,452
Total non-current liabilities		**39,545**	35,360
Total liabilities		**43,230**	45,137
Net assets		**108,944**	104,870
Equity attributable to owners of the parent			
Share Capital	8	**3,837**	3,835
Share Premium	8	**106,488**	106,387
Share-based payments reserve		**707**	511
Foreign exchange reserve		**220**	259
Retained Earnings		**(2,308)**	(6,122)
Total equity		**108,944**	104,870

Condensed Consolidated Statement of Changes in Equity

for the six-months ended 30 June 2023

	Share capital $'000	Share premium $'000	Share based payments reserve $'000	Foreign exchange reserve $'000	Retained earnings $'000	Total $'000
1 January 2022	3,307	87,046	403	118	(2,804)	88,070
Loss for the period	-	-	-	-	(611)	(611)
Other comprehensive income:						
Exchange losses on translation of foreign operations	-	-	-	126	-	126
Total comprehensive income for the period	-	-	-	126	(611)	(485)
Transactions with owners:						
Issue of share capital	528	19,613	-	-	-	20,141
Share issue costs	-	(272)	-	-	-	(272)
Share-based payments charge	-	-	238	-	-	238
Total transactions with owners, recognised directly in equity	528	19,341	238	-	-	20,107
Balance at 30 June 2022 – Unaudited	**3,835**	**106,387**	**641**	**244**	**(3,415)**	**107,692**
Loss for the period	-	-	-	-	(3,073)	(3,073)
Other comprehensive income:						
Exchange gains on translation of foreign operations	-	-	-	15	-	15
Total comprehensive income for the period	-	-	-	15	(3,073)	(3,058)
Transactions with owners:						
Share option lapse	-	-	(366)	-	366	-
Share-based payments charge	-	-	236	-	-	236
Total transactions with owners, recognised directly in equity	-	-	(130)		366	236
Balance at 31 December 2022 - Audited	**3,835**	**106,387**	**511**	**259**	**(6,122)**	**104,870**
Proft for the period	-	-	-	-	3,814	3,814
Other comprehensive income:						
Exchange losses on translation of foreign operations	-	-	-	(39)	-	(39)
Total comprehensive income for the period	-	-	-	(39)	3,814	3,775
Transactions with owners:						
Issue of share capital	2	101	-	-	-	103
Share-based payments charge	-	-	196	-	-	196
Total transactions with owners, recognised directly in equity	2	101	196	-	-	299
Balance at 30 June 2023 – Unaudited	**3,837**	**106,488**	**707**	**220**	**(2,308)**	**108,944**

Condensed Consolidated Statement of Cash Flows
for the six-months ended 30 June 2023

Continuing operations	Six months ended 30 June 2023 Unaudited $'000	Six months ended 30 June 2022 Audited $'000
Cash flows from operating activities		
Profit/(loss) before taxation	**5,736**	(800)
Revaluation of royalty financial instruments	**(578)**	(921)
Finance income	**(493)**	(10)
Finance costs	**2,292**	2,250
Profit on disposal of intangible asset	**(6,965)**	(1,862)
Net foreign exchange losses	**204**	830
Amortisation	**2,510**	1,822
Share-based payments charge and other non-cash items	**195**	430
Net cashflow before changes in working capital	**2,901**	1,739
(Decrease)/increase in payables	**(1,738)**	(832)
(Increase)/decrease in receivables	**3,348**	(145)
Income tax paid	**(27)**	-
Net cash from/(used) in operating activities	**4,484**	762
Cash flows from investing activities		
Payments for acquisition of royalty intangible assets	**(7,393)**	(60,386)
Cash received from royalty financial asset	**500**	875
Payment for Sonora royalty investment	**-**	(2,500)
Net proceeds from disposal of intangible asset	**13,166**	3,528
Finance income	**467**	10
Net cash from/(used) in investing activities	**6,740**	(58,473)
Cash flows from financing activities		
Issue of share capital	**-**	6,449
Share issue costs	**-**	(272)
Proceeds from borrowings	**-**	40,000
Repayment of borrowings	**-**	(10,000)
Finance costs	**(2,353)**	(3,850)
Net cash generated from/(used) in financing activities	**(2,353)**	32,327
Net (decrease)/increase in cash and cash equivalents during the period	**8,871**	(25,384)
Cash at the beginning of period	**16,577**	45,637
Effect of foreign exchange rate	**(18)**	(102)
Cash and cash equivalents at the end of the period	**25,430**	20,151

Notes to the condensed consolidated interim financial information

1 GENERAL INFORMATION

Trident is a company incorporated and domiciled in the United Kingdom. The Company is a public limited company, which is listed on AIM of the London Stock Exchange. The address of the registered office is 60 Gracechurch Street London, EC3V 0HR.

2 BASIS OF PREPARATION

The accounting policies, methods of computation and presentation used in the preparation of the condensed consolidated interim financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2022. All figures in US$ unless otherwise stated.

There have been no changes to the reported figures as a result of any new reporting standards or interpretations.

Basis of preparation

The condensed interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with international accounting standards in conformity with the Companies Act 2006.

The financial information set out in this interim report is unaudited and does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The Company's statutory financial statements for the period ended 31 December 2022, prepared under international accounting standards in conformity with the Companies Act 2006, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Comparatives

The Group has presented comparatives for the statement of comprehensive income, statement of cash flows and statement of changes in equity for the six months ended 30 June 2022; and a statement of financial position as at 31 December 2022 in accordance with the requirements of the AIM Rules for Companies.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2022 Annual Report and Financial Statements, a copy of which is available on the Company's website.

Critical accounting estimates and judgements

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in the Company's 2022 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed during the interim period except for the below.

Trident adopts IFRS 15 revenue from contracts with customers ("IFRS 15") - except in the case of the offtake contract revenue. The strict legal interpretation of IFRS 15 deems Trident to be principal in the transaction (and not agent) and accordingly should disclose revenue and costs gross. However, management considers that the substance of these instruments (and revenue and cost) is such that Trident will always sell the gold within quotation period, does not intend to hold gold for long term trading and will not make a gross loss. As a result of the above judgement, revenue in the income statement is stated net. The gross revenue, and related costs, are disclosed in note 3 – Business and Geographical Reporting.

Going Concern

The financial position of the Group and cash flows as at 30 June 2023 are set out above. The Group meets its day-to-day working capital and other funding requirements with its current cash and revenue from its cash generating assets. On the basis of current financial projections (at least 12 months) the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence, and meet its liabilities as they fall due, for the foreseeable future. Accordingly, the Directors consider it appropriate to adopt the going concern basis in preparing this financial information.

3 BUSINESS AND GEOGRAPHICAL REPORTING

The Group's chief operating decision maker is considered to be the executive directors (the "Executive Board"). The Executive Board evaluates the financial performance of the Group by reference to its diversified portfolio - split between precious, bulk and battery metals and base metal royalties and offtake interests - its reportable segments.

The following individual royalty arrangements are aggregated into the reportable segments:

Precious:	Gold offtakes, La Preciosa, Lincoln Gold
Bulk:	Koolyanobbing, Kwale
Battery metals:	Thacker Pass
Base:	Mimbula, Pukaqaqa

During the period the following precious metals assets were disposed of: Lake Rebecca, Spring Hill and Western Australia Gold Royalties.

Below is a summary of the Group's results, assets and liabilities by reportable segment as presented to the Executive Board. Operating loss is stated before revaluation of royalty financial instruments, one off costs, finance income and expense, foreign exchange gains and taxation.

As at 30 June 2023	**Precious $'000**	**Bulk $'000**	**Battery metal $'000**	**Base $'000**	**Other $'000**	**Total $'000**
Revenue	3,407	1,111	-	-	-	4,518
Amortisation	(1,976)	(534)	-	-	-	(2,510)
Gross profit	**1,431**	**577**	**-**	**-**	**-**	**2,008**
Operating expenses	-	-	-	-	(2,036)	(2,036)
Total segment operating profit/(loss)	**1,431**	**577**	**-**	**-**	**(2,036)**	**(28)**
Total segment assets	**81,085**	**2,448**	**28,234**	**9,806**	**30,601**	**152,174**
Total segment liabilities	**40,287**	**-**	**-**	**-**	**2,944**	**43,231**

As at 30 June 2023 the Group received net proceeds from the gold offtake portfolio and royalty income from Lincoln (Precious segment), Koolyanobbing and Kwale (Bulk segment) and Mimbula (Base segment) which is accounted for as financial asset (see note 7). A fair value gain of $0.58 million (2022: $0.92 million) was recognised in the base segment. Precious revenue includes net proceeds from gold offtakes of $3.1 million, resulting from gross revenue of $251.1 million with $248.0 million costs.

As at 30 June 2022	Precious $'000	Bulk $'000	Battery metals $'000	Base $'000	Other $'000	Total $'000
Revenue	2,572	561	-	-	-	3,133
Amortisation	(1,532)	(290)	-	-	-	(1,822)
Gross profit	1,040	271	-	-	-	1,311
Operating expenses	-	-	-	-	(1,824)	(1,824)
Total segment operating profit/(loss)	1,040	271	-	-	(1,824)	(513)
Total segment assets	80,308	3,653	28,234	10,956	24,268	147,419
Total segment liabilities	38,366	-	-	-	1,361	39,727

Notes to the condensed consolidated interim financial information continued

4 INCOME TAX

	Six months to 30 June 2023 $'000	Six months to 30 June 2022 $'000
Analysis of charge for period:		
United Kingdom corporation tax	**68**	-
Overseas taxation	**1,854**	-
Current tax expense/(credit)	**1,922**	(189)
Deferred tax credit in current period	**(288)**	(189)
Income tax charge in current period	**2,210**	-
Current tax expense/(credit)	**1,922**	(189)

The Group is subject to taxation in the United Kingdom, the USA, Australia and Switzerland with applicable tax rates of 23.5%, 21.00%, 30.00% and 12% respectively. The Group does not have any unresolved tax matters or disputes with the tax authorities in the jurisdictions in which it operates.

Deferred taxation

The following are the deferred tax assets and liabilities recognised by the Group and the movements during the period:

	Tax losses $'000	Other $'000	Total $'000
At 1 January 2023	2,799	(794)	2,005
Credit/(charge) to income statement	288	-	288
Utilised against income tax charge during the period	(1,466)	-	(1,466)
Exchange differences	-	(32)	(32)
At 30 June 2023	**1,621**	**(826)**	**795**

Deferred tax assets in respect of tax losses predominantly related to the Australian subsidiary and have been utilised during the period ended 30 June 2023 to offset the tax on the profit on the disposal of the intangible assets in Australia.

5 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months to 30 June 2023 $'000	Six months to 30 June 2022 $'000
Profit/(Loss) from continuing operations attributable to equity holders of the company	**3,814**	(611)
Weighted average number of ordinary shares in issue	**291,288,589**	286,537,788
Basic and fully diluted loss per share from continuing operations	**1.31c**	(0.21)c

6 INTANGIBLE ASSETS

	Royalty Interests $'000	Offtake Interests $'000	Total $'000
Cost			
As at 1 January 2022	46,167	-	46,167
Acquisitions	-	74,018	74,018
Disposal	-	(1,833)	(1,833)
Reclassified as assets held for sale	(6,750)	-	(6,750)
Exchange differences	(768)	-	(768)
At 31 December 2022	38,649	72,185	110,834
Acquisitions	7,393	-	7,393
Disposal	-	-	-
Exchange differences	(104)	-	(104)
At 30 June 2023	**45,938**	**72,185**	**118,123**
Accumulated amortisation			
As at 1 January 2022	(1,267)	-	(1,267)
Amortisation	(1,061)	(3,795)	(4,856)
Disposal	-	166	166
Exchange differences	98	-	98
At 31 December 2022	(2,230)	(3,629)	(5,859)
Amortisation	(534)	(1,976)	(2,510)
Disposal	-	-	-
Exchange differences	58	-	58
At 30 June 2023	**(2,706)**	**(5,605)**	**8,311**
Net book value at 30 June 2023	**43,232**	**66,580**	**109,812**
Net book value at 31 December 2022	36,419	68,556	104,975

On 23 February 2023 the Company completed the sale of several pre-production gold royalties, which had been reclassified as assets held for sale in the year ended 31 December 2022.

La Preciosa Royalty

In May 2023 the Company acquired royalties and the right to a milestone payment over the La Preciosa Silver Project ("La Preciosa Royalty") from Coeur Mining Inc.

The La Preciosa Royalty comprises:

- 1.25% net smelter return royalty covering the Gloria and Abundancia veins;
- 2.00% gross value royalty covering all other areas of La Preciosa; and
- The right to a $8.75 million milestone payment (the Milestone Payment), payable within 12 months of first silver production at La Preciosa.

In consideration, Trident paid $7 million in cash on closing, and will pay a further $1 million, in cash or shares at Trident's election, upon receipt of the Milestone Payment or other circumstances as set out in the sale and purchase agreement.

7 ROYALTY FINANCIAL ASSETS

Fair Value	Total $'000
At 1 January 2022	7,461
Royalties due or received	(2,000)
Revaluation of royalty financial asset recognised in profit or loss	2,192
At 31 December 2022	7,653
Royalties due or received	(1,500)
Revaluation of royalty financial asset recognised in profit or loss	579
At 30 June 2023	**6,732**

8 SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares of 1p	Share capital $'000	Share premium $'000
At 1 January 2022	251,592,413	3,307	87,046
Share issue – placing (net of costs)	13,118,057	179	5,987
Share issue – deal consideration	26,013,903	344	13,156
Share issue – non-executive director fees	406,227	5	198
At 31 December 2022	291,130,600	3,835	106,387
Share issue – to directors	174,366	2	101
At 30 June 2023	**291,304,966**	**3,837**	**106,488**

On 17 January 2023, 174,366 ordinary shares were issued for cash at 48.84p per share to certain directors in lieu of directors fees.

9 BORROWINGS

Secured borrowings at amortised cost	30 June 2023 Unaudited $'000	31 December 2022 Audited $'000
Secured loan facility	**40,000**	40,000
Amounts due for settlement within 12 months	**2,500**	7,500
Amounts due for settlement after 12 months	**37,500**	32,500

Included in trade and other receivables are unamortised arrangement and legal fees in relation to the borrowings of $1.4 million (31 December 2022: $1.6 million). These costs will be amortised over the life of the borrowings.

In February 2023 the Company restructured its $40 million debt facility with Macquarie Bank Limited resulting in:
- 2% reduction in coupon (dependant on maintaining leverage ratio), reducing debt service costs by up to $800,000 per year
- an extension of the loan term by one year, to December 2025
- a deferral of scheduled quarterly payments until June 2024

In lieu of a cash restructuring fee, the Company agreed to an extension of the term of the warrants held by Macquarie by 12 months.

Company Information

Directors

Al Gourley	Non-Executive Chairman
Adam Davidson	Chief Executive Officer and Executive Director
Richard Hughes	Chief Financial Officer and Executive Director
Peter Bacchus	Non-Executive Director
Helen Pein	Non-Executive Director
David Reading	Non-Executive Director
Leslie Stephenson	Non-Executive Director

Company Secretary
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ROYALTIES PLC