



**TRIDENT**  
ROYALTIES PLC

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**A GROWTH-FOCUSED  
DIVERSIFIED MINING  
ROYALTY AND  
STREAMING COMPANY**

**Trident Royalties plc**  
Annual Report & Accounts 2023

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# TRIDENT IS FAST BECOMING A LEADING MINING ROYALTY COMPANY WITH A PORTFOLIO OF HIGH QUALITY INVESTMENTS ACROSS THE GLOBAL MINING SECTOR

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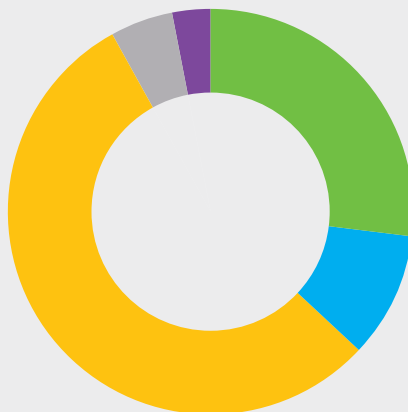


For more information please visit  
<https://www.tridentroyalties.com>

**WE HAVE A DIVERSIFIED AND HIGHLY CASH GENERATIVE PORTFOLIO OF ROYALTIES AND OFFTAKES**



<sup>1</sup> Share price performance since listing at 20p in June 2020 to 30 April 2024.



**Trident portfolio by commodity by acquisition price**  
(At 30 April 2024)

Battery Metals - Lithium	27%
Base Metals - Copper	10%
Precious Metals - Gold	55%
Precious Metals - Silver	5%
Bulks and Industrial - Iron Ore	3%

## BUILDING A DIVERSIFIED AND BALANCED PORTFOLIO OF ROYALTIES AND OFFTAKES THAT OFFERS SHAREHOLDERS EXPOSURE TO PRECIOUS, BASE, BATTERY AND BULK METALS

### PRODUCTION

Current assets	Operator	Location	Stage	Commodity	Terms <sup>1</sup>	
Los Filos	Equinox Gold	Mexico	Production	Gold	Offtake	●
Eagle	Victoria Gold	Canada	Production	Gold	Offtake	●
Blyvoor	Blyvoor Gold	South Africa	Production	Gold	Offtake	●
Bonikro	Allied Gold	Cote d'Ivoire	Production	Gold	Offtake	●
Fazenda	Equinox Gold	Brazil	Production	Gold	Offtake	●
RDM	Equinox Gold	Brazil	Production	Gold	Offtake	●
Santa Luz	Equinox Gold	Brazil	Production	Gold	Offtake	●
i-80 Gold	i-80 Gold	USA	Production	Gold	Offtake	●
Koolyanobbing	Mineral Resources	Australia	Production	Iron Ore	1.5% FOB	●
Mimbula	Moxico Resources	Zambia	Production	Copper	1.25% GRR	●
Kwale	Base Resources	Kenya	Production	Mineral Sands	0.25% FOB	●

### DEVELOPMENT

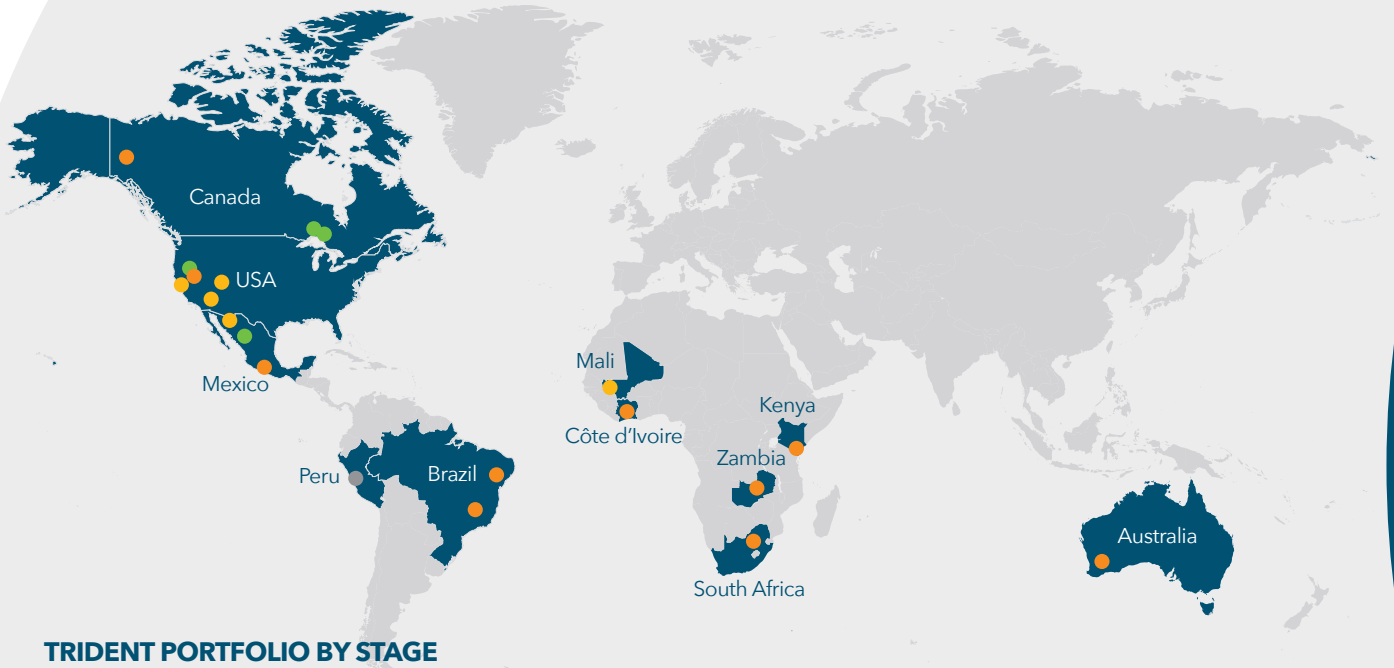
Current assets	Operator	Location	Stage	Commodity	Terms <sup>1</sup>	
Greenstone	Equinox Gold	Canada	Construction	Gold	Offtake	●
La Preciosa	Avino Silver & Gold	Mexico	Construction / Restart	Silver	1.25% NSR	●
Thacker Pass	Lithium Americas	USA	Construction	Lithium	1.05% GRR	●
Sugar Zone	Silverlake Resources	Canada	Construction	Gold	Offtake	●
Sonora <sup>2</sup>	Ganfeng Lithium	Mexico	Advanced	Lithium	1.5% GRR	●
Lincoln	Seduli Holdings	USA	Advanced (Paying MPS)	Gold	1.5% NSR	●
Paradox Basin	Anson Resources	USA	Advanced	Lithium	2.5% NSR	●
Antler	New World Resources	USA	Advanced	Copper	0.90% NSR	●
Dandoko	B2 Gold	Mali	Advanced	Gold	1% NSR	●

### EXPLORATION

Current assets	Operator	Location	Stage	Commodity	Terms <sup>1</sup>	
Pukaqaqa	Nexa Resources	Peru	Exploration	Copper	1% sliding scale NSR	●

<sup>1</sup> Note: GRR = Gross Revenue Royalty, FOB = Free on Board, NSR = Net Smelter Return

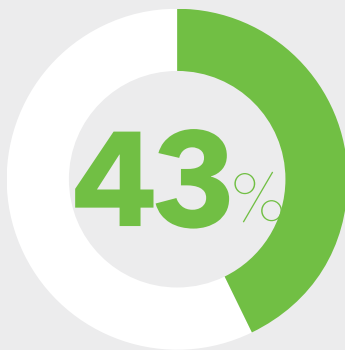
<sup>2</sup> Effective 1.5% GRR attributable to Trident, pending completion



TRIDENT PORTFOLIO BY STAGE



Production



Development



Exploration

<sup>1</sup> Includes Lincoln which is currently making minimum payments whilst development is ongoing

## DELIVERING VALUE FOR OUR SHAREHOLDERS

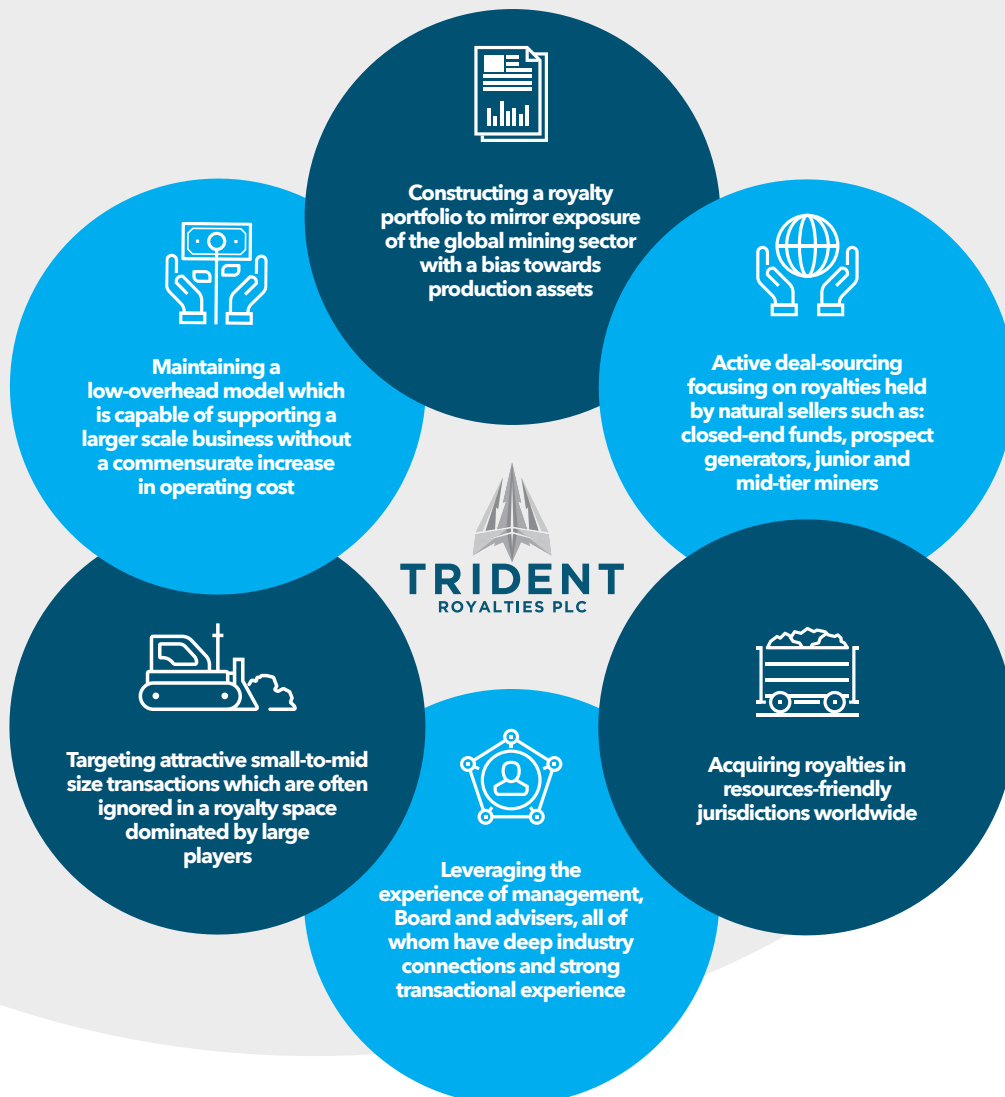
Trident is building a diversified portfolio of cash-generative high-quality royalties and offtakes that provide shareholders with exposure to a breadth of commodities. As the portfolio continues to mature, royalty and offtake revenues for 2023 totalled US\$11.0m and are expected to increase further during 2024 with several assets targeting first production during the year. With key advancements expected across our current portfolio alongside a robust balance sheet supporting further capital deployment into a pipeline of opportunities, we believe this revenue growth will continue over the mid- to long-term.

The Company's current portfolio provides investors with exposure to base, precious, bulk and battery metals, including lithium, gold, silver, copper, zinc, mineral sands and iron ore. This diversified portfolio provides shareholders with exposure to the energy transition and the strong macro environment for a range of commodities whilst reducing individual commodity risk. We believe there is an important role we can play in funding the production of critical minerals required to

advance the global clean energy transition and consider Trident to be well positioned to participate in such opportunities.

Trident is strategically focused on constructing a diverse portfolio spanning various geographic regions. This approach aims to mitigate political and geographical risks while prioritising resource-rich jurisdictions. Currently, over 60% of the net asset value of Trident's portfolio is situated in the USA, Canada, and Australia, reflecting a deliberate emphasis on favourable mining jurisdictions.

Trident's investment mandate is underpinned by a robust internal approach to environmental, social and governance (ESG) due diligence. We seek to invest in royalties or streams where the asset owner demonstrates a commitment to the responsible management of ESG impacts and therefore excludes all fossil fuels.



## WHAT WE DO

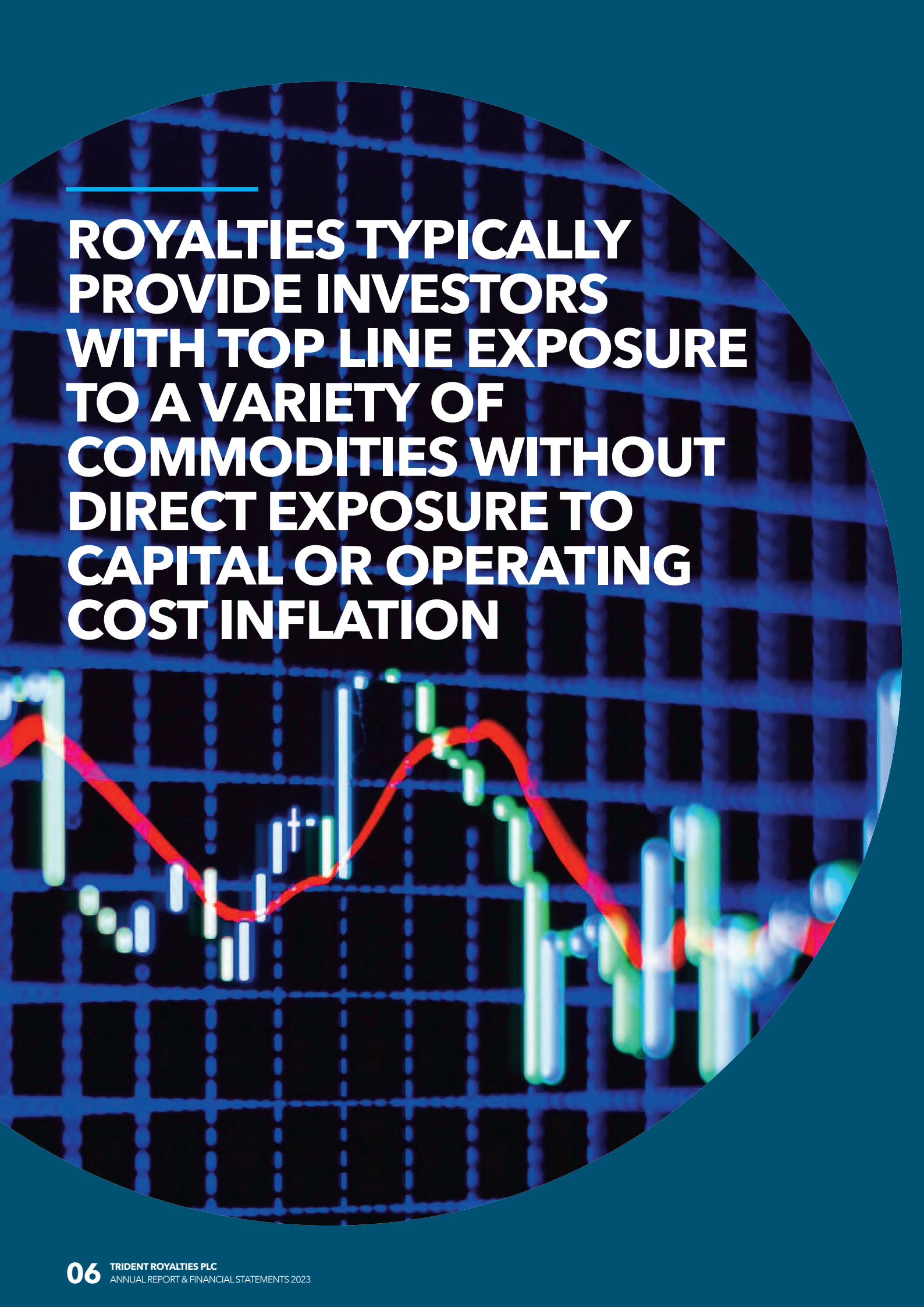
Since inception in 2020, Trident has built a portfolio of 21 royalty and offtakes targeting a mid-teen post-tax blended return across the portfolio. Trident seeks to exploit gaps in the royalty sector by providing exposure to the full breadth of commodities, unlike most peers who are typically focused on precious metals. Our strategy reduces single asset and commodity risk as the broad, diversified nature of Trident's portfolio is less vulnerable to the cyclical nature of individual commodities.

Trident has developed and is consistently expanding its portfolio, benefitting from a diverse global asset base to mitigate geographical risks. Unlike many participants in the royalties sector, which often focus heavily on North and South America, Trident maintains a balanced approach by targeting resource-friendly jurisdictions worldwide. This multifaceted strategy involves the pursuit of a variety of commodities across the globe, complemented by an investment mandate tailored for small-to-mid size transactions. Consequently, Trident is adept at acquiring high-value royalties that frequently escape the attention of larger industry counterparts.

Trident pursues a dual deal-sourcing strategy. In addition to writing new royalties as an increasingly prevalent source of financing for mine operators, we acquire preexisting royalties from natural sellers including closed-end funds, junior and mid-tier miners holding royalties as non-core assets, and counterparties seeking to monetise packages of royalties and streams.

The Board of Trident believes that the acquisition and aggregation of individual royalties and offtakes into Trident's portfolio has the potential to deliver strong returns for shareholders by providing exposure to a larger, more diversified pool of cash flow which may provide a hedge against inflationary pressures. As returns are enhanced through the growth of the portfolio and the advancement of many key assets, alongside the lowering cost of capital, Trident intends to deliver a dividend policy to shareholders when appropriate in the future.





**ROYALTIES TYPICALLY  
PROVIDE INVESTORS  
WITH TOP LINE EXPOSURE  
TO A VARIETY OF  
COMMODITIES WITHOUT  
DIRECT EXPOSURE TO  
CAPITAL OR OPERATING  
COST INFLATION**



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# STRATEGIC REPORT

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**SINCE LISTING IN 2020  
WITH A SINGLE ROYALTY,  
WE HAVE MADE GOOD  
PROGRESS ON THIS  
JOURNEY...**

## ...WITH OUR PORTFOLIO NOW CONSISTING OF 21 ASSETS, OF WHICH 12 ARE CASH FLOWING

The last year has been challenging for the global financial industry: in 2022, geopolitical tensions rose with a war in Ukraine and then, in 2023, war broke out in the Middle East. Both have potential for escalation, as we have seen with the recent attacks on ships in the Red Sea. Grant Shapps, the UK Defence Secretary, described the world as moving from a post-war period to a pre-war period where "combined threats risk tearing apart the rules-based international order."

Within the mining industry, we experience these rising geopolitical tensions through an ever-shrinking field on which it is prudent to invest.

Twenty years ago, China, India and Russia were open for foreign resource investment, but this is no longer the case. In the last ten years, large parts of Africa have been effectively closed to Western investment with military coup d'états in Sudan, Guinea, Burkina Faso, Niger, Mali, Gabon and Chad. In more recent years, several Central and South American governments have been elected by a populace more sceptical of the mining industry with Panama, in 2023, choosing to permanently close its world-class Cobre Panama Mine in the face of political protests.

Taking these factors into account, the supply side of our industry is going to face increasing challenges whether from regulatory delays, community dissent or events of expropriation. The Mining Journal's World Risk Report amply demonstrates this where the number of mining jurisdictions that are considered high risk has increased from 18 to 36 in the last five years. We can expect commodity prices to rise over time due to these difficulties, as well as the entirely appropriate, but ever-increasing, costs associated with developing mines in serenity with modern community, environmental, safety and other standards.

For most investors in junior mining companies, the height of the rising wall is believed too high to scale. Many junior mining companies have seen their shares descend in value over time in the face of repeated (and dilutive) capital raises, delays in permitting, changing commodity prices, political interference, capricious litigation and project expropriation. It is therefore unsurprising that, of the junior mining companies listed on the TSX Venture Exchange and AIM markets, approximately 60% and 35% of them, respectively, have a market cap of less than US\$10m.

### What does this mean for Trident Royalties?

First and foremost, it means that Trident is likely to have more and more opportunities to help provide a capital solution to our counterparties in the resource industry. Second, we must continue to be selective about which projects to back. In 2023, we demonstrated our screening process by filtering out all but four material projects that received Board approval for investment; namely, two royalties in the USA (copper and lithium), one in Mexico (silver), one in Mali (gold).

The decision to invest in our Mali asset was taken after extensive deliberation. We considered a range of factors, but ultimately concluded that the risk was justified on the basis of (i) the long term presence of the operator (B2 Gold) in Mali, (ii) the size of the operator; (iii) the importance of the Fekola mine to the operator's business (circa 600k oz per annum), (iv) the potential for near-term cash flow; (v) exploration upside, and (vi) the linkage of a substantial part of the consideration to royalty receipts.

We can assure our shareholders that we will continue to exercise prudence in our decision making. Trident has a strong and effective board, as well as a highly competent management team. The Board meets regularly, including the CEO and CFO, to consider and debate investment opportunities and strategy. The Board has a broad diversity of opinion, skills and experience, and is always conscious of its responsibility, as a fiduciary, to our shareholders.

We continue to maintain our strategy of building a diversified portfolio of royalties, which broadly mirrors the commodity exposure of the global mining sector and where the asset owner demonstrates a commitment to safe, efficient, cost-effective operations where ESG impacts are managed in a responsible manner. Over time, our business model will lead to our investors being exposed to a diversified range of commodities and a balanced exposure to geopolitical risks. Over time, our portfolio will also mature and eventually underpin a dividend when we can reliably predict strong cash flows from long-life assets. As previously stated, the Board recognises the importance of returning cash to its shareholders.

Since listing in 2020 with a single royalty, we have made good progress on this journey with our portfolio now consisting of 21 assets, of which 12 are cash flowing. In tandem, we have been able to progressively reduce our cost of capital, most recently transitioning our debt funding to a revolving credit facility, significantly lowering borrowing costs and increasing balance sheet flexibility. This improves our competitive positioning for asset acquisitions and will enhance returns to shareholders.

Finally, I would like to add my thanks to our shareholders and long-term supporters throughout a difficult year.

We believe that the next few years will be very exciting and I look forward to reporting on our progress.

**Al Gourley**  
Non-Executive Chairman  
2 May 2024

## 2023 SAW TRIDENT CAPITALISE ON THE WIDER ECONOMIC LANDSCAPE OF SOFTER EQUITY MARKETS...

2023 saw Trident capitalise on the wider economic landscape of softer equity markets by pursuing an aggressive acquisition strategy which added to the scale and diversification of the portfolio. Our objective of acquiring and aggregating value accretive royalties has been yielding results as evidenced in increasing revenue returns totalling US\$11.0m in 2023, and we are confident in future revenue growth as portfolio assets either expand or advance into production.

Due to weak equity markets, 2023 saw mine operators increasingly seek alternative sources of financing leading to a total of four material acquisitions in the year. In the first half of 2023, we acquired royalties over the La Preciosa Silver Project, while in the latter part of the year, we announced transactions over the Paradox Lithium Project, the Antler Copper Project and the Dandoko Gold Project, further bolstering our exposure to lithium, copper and gold.

In addition to the growth of the portfolio through acquisitions, we have seen material organic growth as several key assets progress through project milestones. At the beginning of 2023, we confirmed the completion of a sale of several pre-production gold royalties acquired shortly after listing in 2020, in exchange for cash proceeds of up to US\$15.55m, crystallising a 140% ROI. This strengthened our cash position and the value unlocked by this transaction supported our objective to successfully reduce our cost of capital through a restructuring of our existing debt facility. Other key acquisitions made shortly after listing in 2020 have now had time to mature, with the royalties over the Koolyanobbing Iron Ore Mine and the Mimbula Copper Mine having fully recovered their initial acquisition costs by mid-2023, with further mine life remaining at both projects.

One of Trident's cornerstone assets, our portfolio of gold offtakes, performed well across 2023, delivering increased year-on-year revenues across all four quarters buoyed by strong gold prices and volatility. With the Greenstone Gold Project targeting first production in H1 2024, we expect the growth in ounces delivered to Trident to continue into 2024. At Thacker Pass, we were delighted to note favourable court rulings at the start of the year allowing the project, the largest known lithium resource in North America, to commence construction. The project reaffirmed its status as a Tier 1 asset, with the operator Lithium Americas announcing it had secured US\$650m in funding from General Motors and recently announcing it has received a conditional commitment from the U.S. Department of Energy for a US\$2.26 billion loan under the Advanced Technology Vehicles Manufacturing Loan Program.

As Thacker Pass advances through the construction phase, we have looked to increase our interaction with North American investors and were pleased to be admitted to trading on the OTC market allowing us to increase accessibility and strengthen our engagement with US investors. This strategy was further strengthened with two further acquisitions over royalties located in the US in 2023 and is a focus for 2024.

Following the completion of several deals in the latter half of the year, we were able to further reduce our cost of capital with a new debt facility which also provides greater flexibility in managing our cash and increases our potential borrowing capacity. By lowering our cost of capital, we have directly increased our competitiveness with regards to making new acquisitions.

I would like to thank our shareholders for their continued support throughout a difficult year for equity markets across the sector. I stand confident in our investment strategy and believe that the material organic growth we are seeing across our portfolio, as well our active acquisition of value-accretive royalties, will continue to drive long-term revenue growth and deliver shareholder returns.

**Adam Davidson**  
Chief Executive Officer  
2 May 2024

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**...BY PURSUING AN  
AGGRESSIVE ACQUISITION  
STRATEGY WE ADDED  
TO THE SCALE AND  
DIVERSIFICATION OF THE  
PORTFOLIO**

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# ELECTRIFICATION & BATTERY METALS...

PERCENTAGE OF LITHIUM  
IN TRIDENT PORTFOLIO

**27** %



Lithium's primary use is in the manufacture of batteries, supporting the transition away from fossil fuels and enabling vehicle manufacturers across all industries to electrify their fleets in order to meet stringent net zero carbon emission targets.

Governments globally have brought in legislation to accelerate the transition to EVs, including Europe and UK's targets to ban the sale of petroleum powered cars. This rapid transition has resulted in an increase in demand for lithium batteries. As well as uses in electric vehicles, lithium is also used in mobile phones, laptops and other electronic devices.

Trident is exposed to lithium through its acquisition of 60% of a royalty over the Thacker Pass Lithium Project in Nevada, which is the largest known lithium resource in the USA. Trident has also secured the right to acquire an indirect 1.5% Gross Revenue Royalty over the Sonora Lithium Project, Mexico and holds a 2.5% NSR over the Paradox Basin Project in the USA.



**...ARE THE FOUNDATION  
FOR THE TRANSITION  
AWAY FROM FOSSIL FUELS**

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# COPPER...

PERCENTAGE OF COPPER  
IN TRIDENT PORTFOLIO

10%

Due to copper's electrical and thermal conductivity, it is used in most electrical systems including the battery and wiring required for the charging of electric vehicles. EVs require up to four times more copper than traditional petrol or diesel vehicles, and renewable energy systems use up to six times more copper than fossil fuel systems therefore global demand for copper has significantly increased.



The development of electric transport, electricity transmission grids and renewable power generation is forecasted to have pushed global demand for copper up to 55Mt/year by 2040<sup>1</sup>.

Trident is exposed to copper through its royalties over the advanced Pukaqaqa Asset in Peru, the Antler Project in the USA, and the producing Mimbula Mine in Zambia.

<sup>1</sup> Wood Mackenzie, "Red metal, green demand Copper's critical role in achieving net zero", October 2022





**...IS A KEY  
COMPONENT FOR GLOBAL  
ELECTRIFICATION**

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# MINERAL SANDS...

PERCENTAGE OF MINERAL SANDS  
IN TRIDENT PORTFOLIO

< 1%



Mineral sands, also commonly known as “heavy mineral sands”, contain concentrated amounts of economically important minerals such as zircon and titanium minerals, including rutile and ilmenite.

Trident has exposure to minerals sands through its acquisition of a 0.25% Free on Board royalty over the Kwale Mineral Sands Project in Kenya.

Mineral sands are used most frequently in household products such as sunscreen, inks, paints and tiles but are also used in medical devices, welding materials, purification systems as well as other industrial uses.



**...CAN BE USED FOR A  
VARIETY OF INDUSTRIAL  
PURPOSES**

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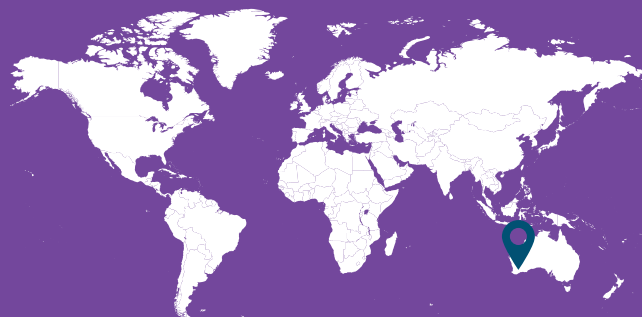
# IRON ORE...

PERCENTAGE OF IRON ORE  
IN TRIDENT PORTFOLIO

3%

Iron ore is the essential component of the global iron and steel industries with 98% of mined iron ore being used in the production of steel.

The construction and transport industries are reliant on the iron ore and steel industry, and it is critical to the development of energy infrastructure such as the production of wind turbines.



Trident is exposed to iron ore through its 1.5% Free on Board royalty over certain tenements at the Koolyanobbing Iron Ore Mine in Australia.



**...IS AN ESSENTIAL  
COMPONENT OF THE  
GLOBAL IRON AND STEEL  
INDUSTRIES**

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# SILVER...

PERCENTAGE OF SILVER  
IN TRIDENT PORTFOLIO

5%

As well as the traditional investment into this precious metal as a hedge against inflation, silver due to its conductivity, is now a key component in electrical systems including solar panels and those used in electric vehicles such as automatic braking, power steering and navigation systems. The increase in demand for electric vehicles and the move to autonomous driving vehicles has significantly increased the global demand for silver.



Trident is exposed to silver through its 1.25% NSR Royalty and 2.00% GVR Royalty over certain tenements at the La Preciosa Project in Mexico.

**...IS AN IMPORTANT  
INDUSTRIAL METAL DUE TO  
ITS CONDUCTIVITY AND  
CORROSION RESISTANCE**

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# GOLD OFFTAKES & ROYALTIES WORLDWIDE...

PERCENTAGE OF GOLD IN TRIDENT PORTFOLIO

55%



Gold offers investors a hedge against inflation and in 2023 the global gold price increased by 13%. Trident holds a portfolio of gold offtake contracts over 10 mines. An offtake contract is a contract in which the operator agrees to sell, and the purchaser agrees to buy, refined gold produced from the mine over which the offtake is granted. Offtake returns are driven by the direction and volatility of gold prices but like royalties are not impacted by operator capex or operating costs.

The key commercial terms of the contract are stated on page 23. A positive margin can normally be made on the resale of the gold. The average margin is typically larger during periods of increased volatility and higher/rising gold prices.

Trident also hold a 1% NSR royalty over the Dandoko Gold Project, operated by B2 Gold in Mali, and a 1.5% NSR royalty over the Lincoln Gold Mine, USA.

The gold offtake portfolio continued to develop as several projects continued to ramp up, and exploration activities were completed across various assets in the portfolio. Quarterly revenue increased across all four quarters and the gold offtakes portfolio generated US\$6.9m in revenue this year, an increase of 12.8%, in comparison to 2022 in which US\$6.1m in revenue was received.

Post period end, Trident completed the acquisition of a further incremental offtake at the Sugar Zone Gold Mine resulting in Trident holding three offtakes over the project for a combined 80% of the gold doré produced up to 961,250 delivered ounces.

The outlook for the offtake portfolio is strong heading into 2024 with the commencement of production at Greenstone expected in H1 2024 expected to deliver increased ounces, alongside the potential for increased production from Blyvoor, i-80 Gold and Santa Luz.

Further details of the Group's investments are provided on its website at [www.tridentroyalties.com](http://www.tridentroyalties.com).



# ...COMPRISING OF OFFTAKE CONTRACTS OVER 10 MINES ACROSS SIX COUNTRIES

Asset	Operator	Country	Status	Quotation period	Contract key terms
Los Filos	Equinox Gold	Mexico	Production	6 Days	Offtake on 50% of all refined gold production, up to cap of 1,100,000 ounces of refined gold
Eagle	Victoria Gold	Canada	Production	7 Days	Offtake on 25% of all refined gold production, up to cap of 1,111,500 ounces of refined gold
Blyvoor	Blyvoor Gold	South Africa	Production	8 Days	Offtake on 100% of all refined gold production (after deduction of streamed ounces), up to cap of 2,700,000 ounces of refined gold
RDM, Fazenda & Santa Luz	Equinox Gold	Brazil	Production	6 Days	Offtake on 35% of all refined gold production, up to a cap of 658,333 ounces of refined gold
Bonikro	Allied Gold	Cote d'Ivoire	Production	6 Days	Offtake on 50% of all refined gold production (after deduction of streamed ounces), no cap
i-80 Gold	i-80 Gold	USA	Production	7 Days	Offtake on 100% of refined gold production subject to an annual ounce cap
Sugar Zone	Silver Lake	Canada	Construction / Restart	7 Days	Offtake on 80% of the gold doré produced at Silver Lake Resources' Sugar Zone Gold Mine up to 961,250 delivered ounces
Greenstone	Equinox Gold	Canada	Construction	6 Days	Offtake on 100% of refined gold production, up to cap of 58,500 ounces per year through March 2027. If annual production cap not achieved in 2024-25, then Trident is paid US\$23.50/oz on any shortfall

## KOOLYANOBING

AUSTRALIA // IRON ORE



### KEY FACTS

<b>Location:</b>	Australia
<b>Operator:</b>	Mineral Resources Ltd (ASX: MIN)
<b>Commodity:</b>	Iron ore
<b>Mine Type:</b>	Open pit, Direct Ship Ore
<b>Stage:</b>	Production
<b>Royalty:</b>	1.5% Free on Board
<b>Total Reserves &amp; Resources:</b>	9.3Mt @ 59.9% Fe Reserves (Deception Pit) 19.5Mt @ 59.9% Fe Resources (Deception Pit) 40.8Mt @ 58.2% Fe Reserves (Yilgarn) 108.6Mt @ 56.8% Fe Resources (Yilgarn)

Trident owns a 1.5% Free on Board revenue royalty covering part of the producing Koolyanobbing Iron Ore Operation in Western Australia. The royalty is over tenements which cover part of the Deception Pit and all of the Claw Pit at Koolyanobbing.

The royalty provides Trident with cash flow from a producing iron ore asset operated by an established mining company in a worldclass jurisdiction. Following the Q2 2023 royalty payment Trident has now fully recovered its investment into the asset.

During the year Trident received US\$1.88m (2022: US\$1.55m) in royalty income.

## MIMBULA

ZAMBIA // COPPER



### KEY FACTS

<b>Location:</b>	Zambia
<b>Operator:</b>	Moxico Resources Plc (private)
<b>Commodity:</b>	Copper
<b>Mine Type:</b>	Open Pit
<b>Stage:</b>	Production
<b>Royalty:</b>	Gross Revenue Royalty 0.3%
<b>Total Reserves and Resources:</b>	93.7Mt @ 0.97% Total Copper ("TCu") Resources 67.5Mt @ 0.92% Tcu Reserves

Trident held a 1.25% GRR over all copper produced from the Mimbula Mine in Zambia, operated by Moxico Resources PLC. In Q2 2023 Trident recovered its investment in full and following the end of the Minimum Payment Schedule the GRR decreased to 0.3%, with a subsequent decrease to 0.2% once the royalty has been paid on 575,000 tonnes of copper.

Moxico during the year has successfully ramped up production and capacity is expected to double in 2024 with the full Phase 2 expansion to 56,000 tonnes expected to commence in mid-2025.

During the year Trident received US\$1.6m (2022: US\$2.0m) of payments from Mimbula, the decrease in royalty payments was expected due to the conclusion of the minimum payment schedule.

## KWALE

KENYA // MINERAL SANDS



### KEY FACTS

<b>Location:</b>	Kenya
<b>Operator:</b>	Base Resources (ASX: BSE)
<b>Commodity:</b>	Mineral Sands
<b>Mine Type:</b>	Open Pit
<b>Stage:</b>	Production
<b>Royalty:</b>	0.25% Free on Board
<b>Total Reserves and Resources:</b>	21Mt @ 2.2% Heavy Mineral ("HM") Reserves 184Mt @ 1.5% HM Resources

Trident acquired a 0.25% Free on Board royalty over the Kwale Mineral Sands Project with an effective acquisition date of 1 October 2022. Kwale commenced production in 2013, with operator Base Resources extending the scheduled mine life to the end of 2024.



## THACKER PASS

USA // LITHIUM



### KEY FACTS

<b>Location:</b>	USA
<b>Operator:</b>	Lithium Americas Corp. (NYSE/TSX: LAC)
<b>Commodity:</b>	Lithium
<b>Mine Type:</b>	Open pit
<b>Stage:</b>	Construction
<b>Royalty:</b>	60% interest in a 1.75% gross revenue royalty (1.05% net to Trident), assuming the buyback is completed with a US\$13.2m payment attributable to Trident, as detailed below
<b>Total Reserves:</b>	3.7m tonnes of Lithium Carbonate Equivalent ("LCE") at 3,160ppm Li

In 2021 Trident acquired a 60% interest in a GRR over the Thacker Pass Lithium Project for US\$28.0m. This project is the largest known lithium deposit in North America and the operator Lithium Americas is targeting 80,000 tonnes per annum of battery-quality lithium carbonate production capacity in two phases of 40,000 tonnes per annum. Phase 1 production is expected to commence in 2027.

Thacker Pass is a critical asset in the USA's development of its own critical minerals supply chain. Thacker Pass entered the construction phase this year after several key permitting decisions were reached. An 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 successfully completed in May 2023. This decision was subsequently appealed to the 9th U.S. Circuit Court of Appeals, which rejected the arguments the opponents had put forth in their appeal and ruled that the U.S. Bureau of Land Management, which approved Thacker Pass, had acted "reasonably and in good faith".

In February 2023, General Motors invested US\$650m toward project development and entered into a 10-year offtake agreement to purchase Phase 1 production to support production of up to 1 million electric vehicles per year.

In March 2024, Lithium Americas received a conditional commitment from the U.S. Department of Energy for a US\$2.26 billion loan under the Advanced Technology Vehicles Manufacturing Loan Program for financing the construction of the processing facilities at Thacker Pass.

## LA PRECIOSA

MEXICO // SILVER



### KEY FACTS

<b>Location:</b>	Mexico
<b>Operator:</b>	Avino Silver & Gold mines Ltd (TSX:ASM)
<b>Commodity:</b>	Silver
<b>Mine Type:</b>	Underground
<b>Stage:</b>	Construction
<b>Royalty:</b>	1.25% NSR and 2.00% gross value return royalty
<b>Total Resources:</b>	137Moz Ag Equivalent - Indicated 17.4Mt @ 202 g/t Ag Eq & Inferred 4.4Mt @ 170 g/t Ag Eq

In May 2023 Trident acquired a 1.25% NSR Royalty over the area covering the Gloria and Abundancia veins and a 2.00% GVR Royalty over the surrounding area at the La Preciosa Silver Project in Mexico. Additionally, Trident is entitled to a milestone payment of US\$8.75m from the operator Avino Silver and Gold Mines ("Avino") within 12 months of first production. The milestone payment may be paid up to 50% in shares of Avino. Avino intends to begin processing stockpiled material from La Preciosa in H1 2024 at its mill, before commencing production from fresh ore in 2024. Avino intends to ramp up annual silver production from La Preciosa to circa 3 million ounces by 2027, increasing to 3.5 million ounces in 2028. With a current total Mineral Resource estimate of 120Moz of silver and 224,000 ounces of gold, La Preciosa is expected to be a long-life asset with further expansion potential.

Gaining exposure to silver was a strategic decision for Trident, as silver has the characteristics of a precious metal as well as an increasingly significant industrial use due to its usage in electrical systems in EVs and solar panels.

## ANTLER

USA // COPPER



### KEY FACTS

<b>Location:</b>	USA
<b>Operator:</b>	New World Resources Ltd (ASX:NWC)
<b>Commodity:</b>	Copper, Zinc
<b>Mine Type:</b>	Underground
<b>Stage:</b>	Advanced
<b>Royalty:</b>	0.90% NSR Royalty
<b>Total Reserves:</b>	11.4Mt @ 4.1% Cu-Equivalent

Trident acquired in Q4 2023 a 0.90% NSR royalty over the current tenement package which covers the entire Antler Copper Project, including the copper-zinc Antler deposit and five named exploration targets. The Royalty also includes a 0.45% NSR royalty over any ground subsequently acquired by New World within 5km of the Project Area Royalty boundary.

The Antler Project has a JORC (2012) Compliant Mineral Resource estimate of 11.4Mt @ 4.1% Cu-equivalent for approximately 467,000 tonnes of Cu-equivalent. An Enhanced Scoping Study published in May 2023 outlined a 13-year mine life with average annual production of 32,700 tonnes copper equivalent.

A Pre-Feasibility Study on the Project is expected in Q4 2024, with commencement of pre-construction development works targeted for Q1 2025. Together with Trident's investment and a recent AUD\$5m investment from a leading mining private equity firm, New World is well funded to advance through the remainder of its planned feasibility studies. Trident considers there to be significant upside potential, with New World concurrently targeting exploration opportunities across its land holdings.

## PARADOX BASIN

USA // LITHIUM



### KEY FACTS

<b>Location:</b>	USA
<b>Operator:</b>	Anson Resources Ltd (ASX: ASN)
<b>Commodity:</b>	Lithium, Bromine
<b>Mine Type:</b>	Brine
<b>Stage:</b>	Advanced
<b>Royalty (sliding scale NSR):</b>	2.50% NSR Royalty
<b>Total Resources:</b>	Indicated Resource of 366,737t of LCE and 1.91Mt of Bromine Inferred Resource of 1.14Mt of LCE and 5.70Mt of Bromine

In August 2023 Trident acquired a 2.50% NSR royalty over projects owned by Anson Resources in the Paradox Basin in Utah, USA including the Paradox Lithium Project and the Green Lithium River Project. Trident will also be entitled to 2.00% of the net sales proceeds of any projects at which point the royalty would no longer apply to the sold asset. The Paradox Lithium Project is an advanced stage lithium brine project, targeting use of direct lithium extraction.

In October 2023 the operator announced a 45% increase in the JORC (2012) Compliant Mineral Resource to 1.504Mt of Lithium Carbonate Equivalent (LCE) and 7.61Mt of Bromine and the strategic acquisition of the Green Energy Lithium project directly adjacent to Paradox.





## DANDOKO

MALI // GOLD



### KEY FACTS

<b>Location:</b>	Mali
<b>Operator:</b>	B2Gold Corporation Limited (TSX: BTO)
<b>Commodity:</b>	Gold
<b>Mine Type:</b>	Open pit
<b>Stage:</b>	Advanced
<b>Royalty:</b>	1% NSR Royalty
<b>Total Resources:</b>	Indicated 7.95Mt @ 1.33g/t Au, for 400Koz Au Inferred 1.55Mt @ 0.79g/t Au, for 34Koz Au

In September 2023 Trident acquired a 50% interest in a 2% net smelter return royalty over the Dandoko Gold Permit owned by B2 Gold Corporation Limited.

Dandoko is located 25km from B2Gold's largest operating asset, the Fekola Mine. B2 Gold have stated they believe the metallurgical characteristics of mineralisation at Dandoko are similar to Fekola and will be amenable to processing at Fekola.

B2Gold has completed a study confirming the potential for near-term production by trucking saprolite material to Fekola. The company has budgeted US\$79m to facilitate Phase 1 saprolite mining from the Anaconda and Dandoko areas. Of the budgeted US\$79m, US\$16m has been allocated for haul road construction to Fekola from the Anaconda and Dandoko projects.

B2Gold is also currently advancing an engineering study of the "Fekola Regional Development Plan" to assess the potential for a new, standalone 4Mtpa processing facility located at Anaconda, with Resources from Anaconda and Dandoko forming the basis for the engineering study. Fulfilment of this plan will permit more substantial production in the medium term.



## PUKAQAQA

PERU // COPPER



### KEY FACTS

<b>Location:</b>	Peru
<b>Operator:</b>	Nexa Resources SA (TSX:NEXA)
<b>Commodity:</b>	Copper, Molybdenum
<b>Mine Type:</b>	Open pit
<b>Stage:</b>	Exploration
<b>Royalty (sliding scale NSR):</b>	Three royalties
<b>Total Resources:</b>	349.1Mt @ 0.40% Cu

Trident holds a portfolio of three royalties over the Pukaqaqa Copper project, an advanced stage copper molybdenum asset located in Peru and operated by South-American focused Nexa Resources. The Pukaqaqa Project has NI 43-101 compliant Measured and Indicated Resources of 309Mt at 0.41% Cu (approximately 1.26m tonnes of contained copper), with an additional Inferred Resource of 40.1Mt at 0.34% Cu (for 136,340 tonnes contained copper and related molybdenum credits).

The most recent technical report contemplates an open-pit mining operation to feed a 30,000 tonne-per-day processing plant to produce copper and molybdenum concentrates over an initial 19-year mine life.

## LINCOLN

USA // GOLD



### KEY FACTS

<b>Location:</b>	California, USA
<b>Operator:</b>	Seduli Holdings Pty (private)
<b>Commodity:</b>	Gold
<b>Mine Type:</b>	Underground
<b>Stage:</b>	Advanced (Paying MPS)
<b>Royalty:</b>	1.5% net smelter return royalty (over down dip extension zone)
<b>Total Resource:</b>	958Kt @ 9.29g/t Au for 286koz gold

Trident acquired a 1.5% NSR gold royalty covering the entire Lincoln gold project in California. The royalty includes a 5-mile area of interest which spans the majority of the exploration area. The royalty is fully secured by the project assets and reduces to a 0.75% NSR in perpetuity once the royalty has paid US\$3m.

The Lincoln Gold Mine is the only permitted project and processing plant on the Californian Mother Lode, providing it with significant leverage to aggressively explore and acquire additional tenure for further upside.

Despite achieving first gold pour in H1 2022, the operator Seduli Holdings Pty, suspended production operations to undertake resource expansion activities. Trident agreed to provide various waivers in relation to its security position in exchange for the implementation of a minimum payment schedule which will replace the revenue expected from Stage 1.

During the year Trident received US\$0.60m of payments from Lincoln under the minimum payment schedule.



## SONORA

MEXICO // LITHIUM



### KEY FACTS

<b>Location:</b>	Mexico
<b>Operator:</b>	Ganfeng Lithium (SEHK: 1772)
<b>Commodity:</b>	Lithium
<b>Mine Type:</b>	Open pit
<b>Stage:</b>	Advanced
<b>Royalty:</b>	50% interest in a 3.0% indirect gross revenue royalty (1.5% net to Trident)
<b>Total Reserves:</b>	244Mt @ 3,480ppm - 4,515kt LCE

In 2022 Trident announced that Sonoroy, a 50%-held joint venture between Trident and Marmottes Capital Limited, entered into an agreement to acquire a 3.0% Gross Revenue Royalty (1.5% attributable to Trident) over the Sonora Lithium Project. The terms of the agreement were the long-stop date to complete the acquisition of the royalty is the earlier of 31 January 2025, or the date which is six months after the first royalty payment.

However, Bacanora Minerals Ltd. have pursued legal action against the validity of the royalty. Subsequently, in September the General Directorate of Mines in Mexico issued a formal decision that nine lithium concessions, which comprise the Sonora Lithium Project, were cancelled. Gangfeng have indicated that they believe that its Mexican subsidiaries have complied with their obligations as required by Mexican law, and therefore have filed administrative review recourses before the Secretary of Economy.

The conditions requiring Trident to provide funding in respect of Sonoroy to enable it to complete the acquisition remain at Trident's discretion and includes a provision that, at the time of funding, no changes in Mexico's regulatory regime materially affects the Sonora project and that ongoing litigation regarding the royalty is favourably resolved. If Trident elects to exit the joint venture, the repayment date of an initial loan made by Trident to Sonoroy of US\$2.5m is due six months from notification of termination of the Sale and Purchase Agreement or Joint Venture Agreement. Trident will continue to monitor the situation carefully but currently intends to maintain its rights in respect of the asset. The long stop date to complete the transaction has been extended to 31 December 2026.



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# RESPONSIBLE AND SUSTAINABLE PRACTICES

We are committed to embedding responsible and sustainable practices within both our own business, as well as participating in an environmentally and socially responsible, ethical and sustainable value chain.

As a royalty and streaming business, we recognise the distinction between our internal practices and those of the operators and assets within our portfolio. As a predominately office-based business with a small team, our direct environmental and social impacts are minor relative to those that occur within our portfolio, which are typically outside of Trident's direct control. Nonetheless, we seek to invest in royalties or streams where the asset owner demonstrates a commitment to safe, efficient, cost-effective operations where ESG impacts are managed in a responsible manner.

## PROGRESSING OUR ESG APPROACH

Building on the foundations laid in 2022, we have carried this momentum forward in 2023. This has involved working to gain a better understanding of our ESG landscape and refining the development of our ESG approach. To do this, we have analysed our business, our sustainability context as well as the material ESG topics identified through an assessment conducted in 2022 involving a range of external and internal stakeholders.

Trident is committed to adopting responsible and sustainable practices within our own business in the following key areas:



Compliance



Corporate Governance & Ethics



Stakeholder relationships & partnerships



Promoting responsible & sustainable practices



Responsible employment practices

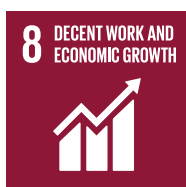
### Our ESG roadmap

Trident considers the application and development of its ESG commitments and practices as an ongoing and continuous process, and as such, we have set out a clear roadmap to drive improvement and development. We aim to provide transparent communications with stakeholders on our approach to ESG.



## UN SUSTAINABLE DEVELOPMENT GOALS

Addressing global challenges, the United Nations Sustainable Development Goals (“SDGs”) provide a blueprint to achieve a better and more sustainable future for all. Trident has committed to two priority SDGs following an analysis process. We believe that Trident can meaningfully contribute to SDG 8 and 9 and, as our ESG practices continue to develop, we will look to include additional goals to demonstrate our commitment to sustainable development.



**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.**

### Trident’s contribution

By investing in and financing mining projects at various stages of development, we are able to contribute to the positive impacts of these operations in our portfolio, which have the capacity to drive industry and socioeconomic development, cultivate innovation and provide employment opportunities.

### Example

Trident holds a number of offtakes for gold produced by Equinox Gold, which has stated its commitment to being a leader for responsible mining. In 2022, the Company employed 8,471 people and contractors, and invested US\$8.9 million to support community programmes.



**Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.**

### Trident’s contribution

We invest in the production of base, battery and industrial commodities which are essential components of global infrastructure expansion, driving economic development and sustainable industrialisation.

### Example

Trident holds a 60% interest in a gross revenue royalty over the Thacker Pass lithium project, which is an asset of national significance to the USA as it seeks to secure and develop its own critical minerals supply chain.

## GOVERNANCE AND ETHICS

Robust corporate governance and business ethics are fundamental to Trident’s long-term success. We endeavour to uphold strong practices throughout our activities, conducting business transparently, ethically and efficiently – see further detail on pages 52 to 55.

We are committed to compliance with applicable legal and regulatory, environmental, health and safety, and human rights requirements of the jurisdictions in which we operate, and also take international standards into account where appropriate.

We strive to uphold human rights, guided by the UN Guiding Principles on Business and Human Rights and the UN Declaration of Human Rights.

It is important to us that our employees feel able to raise concerns and believe this is vital to creating the right culture and to Trident’s long-term success. Therefore, we encourage a culture of speaking up and helping us do the right thing. As part of this, we operate a Whistleblowing Policy, which provides a channel for employees and other stakeholders to report unethical conduct or concerns.

At Trident we are committed to acting professionally, fairly, honestly and with integrity in all our business dealings and relationships wherever we operate. We also look to implement and enforce effective systems to counter bribery and corruption, including our Anti-Bribery and Anti-Corruption Policy. Trident conducts due diligence on anti-bribery and anti-slavery policies and practices before providing primary finance to businesses and will expect all partners to comply with anti-bribery and anti-slavery legislation.

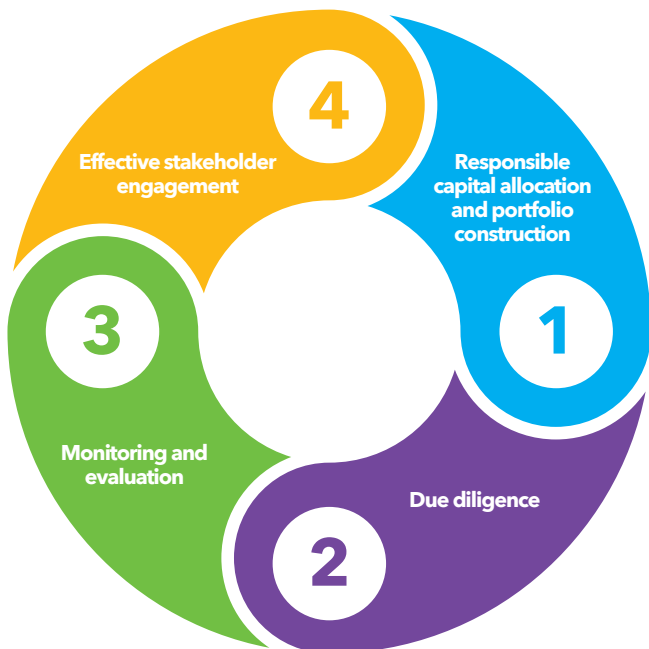
# PROMOTING RESPONSIBLE AND SUSTAINABLE PRACTICES

## Our approach to responsible investment

Trident strives to participate in an environmentally and socially responsible, ethical and sustainable value chain. Although Trident is not involved in, nor has any direct control over, the operational decisions of our partners, we are conscious of our indirect exposure to ESG risks arising from their business practices and actions and look to mitigate or minimise these wherever possible.

As part of our capital allocation and investment management process, we seek to apply robust due diligence, evaluation and ongoing engagement with partners and local stakeholders, with the ultimate aim of promoting responsible and sustainable mineral exploration, development, extraction - as shown below.

Trident’s team of mining investment professionals has extensive experience and expertise in all aspects of mine development and operation. This is fundamental to our ability to evaluate and structure potential investments. Our team applies this experience to assess ESG risks and opportunities (alongside financial, technical and political), supplemented by external expertise as required.



## Understanding how our approach differs

Trident invests across a wide range of royalties, streams and alternative investments which can broadly be categorised into “primary” or “secondary” investments. These require different approaches to due diligence and have varying degrees of monitoring and information rights.

### Primary

Primary investment opportunities involve the creation of a new royalty, stream or offtake in exchange for direct financing of the project partner. Trident usually has access to a greater degree of due diligence information in primary investments and can also often document specific requirements into the royalty agreement - ranging from specific ESG-related targets, to information reporting and potential compliance with other ESG requirements.

When evaluating new primary investment opportunities, Trident typically has direct access to the project partner and associated detailed documentation on which to conduct diligence. Consideration is also given to the application of internationally-recognised ESG principles and frameworks by partners, as part of Trident’s due diligence process.

### Secondary

Secondary (or existing) investments are royalties, streams, or offtakes that have been created by a third party and subsequently acquired by Trident at a later date. In these transactions, Trident may be limited to public information available on the asset, which varies significantly across jurisdiction and operator status. There is rarely the ability for Trident to alter the terms of the original agreement, with ESG-related rights limited to those outlined in the original agreement.

Notwithstanding this, the Company performs due diligence of all available materials in consideration of relevant ESG impacts when evaluating an investment.



## Responsible capital allocation and portfolio construction

As part of our ambition to participate in a responsible and sustainable value chain, Trident seeks to invest in royalties or streams where the project operator runs safe, efficient, cost-effective mines, and demonstrates a commitment to the responsible management of their ESG impacts.

Trident's royalty and offtake portfolio has been carefully constructed with a focus on high-quality assets in favourable jurisdictions, which are operated by well-established and reputable mining companies. We believe that this approach provides a diversified portfolio that is expected to generate the best returns for stakeholders in a sustainable manner.

Trident aims to build and maintain an attractive and balanced exposure to a wide range of commodities, including those needed for electrification and a more sustainable future. We believe there is an important role we can play in funding the production of critical minerals required to advance the global clean energy transition and consider Trident to be well positioned to participate in such opportunities. Trident's future growth is weighted towards energy transition metals, including our 1.05% gross revenue royalty in Thacker Pass – one of North America's largest lithium resources and currently under construction in Nevada.

As a result of the climate-related risks inherent in its business model, Trident's Board has taken the decision to avoid any investment in fossil fuels operations.

### Due diligence

Whilst all mining and development operations have potential ESG impacts, the nature of risks and issues can vary significantly depending on the project, jurisdiction and local context.

As part of our due diligence process undertaken prior to entering into a royalty or streaming agreement, we review potential ESG-related issues. This process, whether for primary or secondary investment opportunities, is based upon an understanding of the identified ESG risks of each operation, as well as an assessment of how ESG is being managed and monitored by the operator. As a minimum, Trident requires compliance with applicable laws and regulations in the jurisdictions in which our partners operate.

In addition, Trident's assessment considers ESG impacts which may include, but are not limited to:

- health and safety management;
- responsible and ethical approach to business;
- environmental management, including:
  - Energy use, carbon emissions and air quality;
  - Water stewardship;
  - Waste and tailings management;
  - Biodiversity management;
  - Closure planning and rehabilitation.
- responsible employment practices, human rights and approach to labour relations;
- community and broader stakeholder engagement and contribution; and
- responsible practices relating to project closure

### Monitoring and evaluation

We monitor the performance of our investments with regards to material ESG impacts through ongoing engagement with our partners, reviewing public reporting, receiving regular reports concerning ESG-related activities and conducting site visits, which include engaging with local community groups.

## PROMOTING RESPONSIBLE AND SUSTAINABLE PRACTICES CONTINUED

### Effective stakeholder engagement

A crucial element of Trident's investment management approach is based upon sustained formal and informal engagement with our partners. Engagement methods vary, but include site visits, management meetings and formal reporting obligations where appropriate.

By focusing on effective and transparent engagement with our partners, we aim to assess the success of their approach in the management of material ESG topics, as well as to promote and encourage continual improvement in practices and performance. See our Section 172 Statement on page 41 for further information.

### Communities

Mining projects often have an important role in their local communities. Maintaining strong community stakeholder relationships is essential to achieving social licence to operate, allowing for profitable, sustainable and successful mining activities. Trident endeavours to ensure that the companies it works with have appropriate procedures in place to facilitate effective engagement. Aspects of projects relating to local communities are considered as part of Trident's investment due diligence process. Whilst we have little direct contact with communities owing to our business model, community engagement practices are assessed as part of our investment due diligence, and we believe that mining projects have both the opportunity and a duty to positively contribute to local communities.

### Environmental

As an office-based business with a small team, we are aware that the most material environmental impacts occur within our portfolio of investments and are therefore not within Trident's direct control. Mining and development activities have the potential to create negative environmental impacts which must be responsibly managed to achieve long-term success and value generation.

Given the differing operating contexts of our asset operators as well as the variety of projects, there are different environmental risks and opportunities to consider across our portfolio.

Careful consideration is given within Trident's investment decision making process to the pertinent environmental and social aspects of any potential investment. Due diligence is completed on materials made available to Trident as part of primary investments, as well as a review of public information and Trident's own internal queries. We utilise external consults where necessary to complement Trident's internal due diligence capabilities.

As a minimum, Trident requires compliance with environmental laws and regulations in the locations in which our investee businesses operate.

## RESPONSIBLE EMPLOYEE PRACTICES

Health and safety is a crucial topic in our wider industry and one of the most material ESG considerations for our asset operators. Trident reviews and carefully considers the health and safety performance and track record of potential partners as part of due diligence activities when considering potential investments.

Within Trident's own business, the Company upholds responsible employment practices, with due consideration to key areas such as skills development and succession planning. We have a strong team with the requisite diverse experience, as well as the technical and financial acumen to successfully execute the Company's strategy.

Trident's Board demonstrates strong geographical diversity, which we believe is relevant in the context of the global reach of our portfolio. 40% of Trident's Non-Executive Directors are female (being 29% of the total Board of Directors).

We are committed to maintaining a cordial, respectful and positive working environment free from discrimination, harassment or violence, as well as one which encourages and fosters diversity and inclusion. It is only in this spirit that our diverse board is able to provide and harness their unique experiences and perspectives.

## SECTION 172 STATEMENT

This section serves as our section 172(1) statement and should be read in conjunction with the Operational Review on pages 24 to 34 of this report and the Company's Corporate Governance Statement on pages 52 to 55 of this report. Section 172 of the Companies Act 2006 requires Directors to act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, taking into account the factors listed in section 172 in regard to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Board views engagement with our shareholders and wider stakeholder groups as an essential undertaking. We have identified four key stakeholder groups and are aware of the importance for Trident of engaging effectively with and listening to each of these with the aim of understanding, their specific interests, and fostering longstanding and mutually beneficial relationships. By understanding the opinions and views of our stakeholders, we aim to build their needs into the decisions we take.

The Board considers and discusses information from across the organisation to help it understand the impact of the Company's operations, and the interests and views of our key stakeholders. It also reviews strategy, financial and operational performance, as well as information covering areas such as key risks, and legal and regulatory compliance. This information is provided to the Board through reports sent in advance of each Board meeting, and through in-person presentations. As a result of these activities, the Board has an overview of engagement with stakeholders, and other relevant factors, which enables the Directors to comply with their legal duty under section 172 of the Companies Act 2006.

The following table acts as our section 172(1) statement by setting out the key stakeholder groups, their interests and how Trident Royalties Plc has engaged with them over the reporting period.

Stakeholders	Aims and objectives	How Trident engages
<b>Investors</b>	Our shareholders play a pivotal role in supporting our Company. We regularly engage with investors on our financial performance, strategy and business model and recognise the value of their feedback in shaping our decision making.	<ul style="list-style-type: none"> <li>Regular portfolio and trading updates</li> <li>RNS Announcements</li> <li>Investor relations section on website</li> <li>Webcasts</li> <li>AGM</li> <li>Social Media</li> <li>One-on-one meetings</li> <li>Investor conferences and events</li> </ul>
<b>Employees</b>	Six individuals are employed directly on a full-time basis within the Company and are vital to the success of its activities. By prioritising strong communication, we can collaborate effectively to fulfil the Company's strategy.	<ul style="list-style-type: none"> <li>The team is small and highly integrated with daily dialogue between the team and the Chief Executive Officer.</li> <li>Direct engagement with the Board to ensure the Company's values and purpose are upheld.</li> <li>Workforce remuneration policies focused on long term engagement and retention.</li> </ul>
<b>Counterparties and Operators</b>	Trident aims to have direct communication with the operators of the underlying assets in which it invests either through a direct contractual arrangement - or more ad-hoc methods.	<ul style="list-style-type: none"> <li>The team will conduct site visits where possible.</li> <li>Direct communication with senior personnel from the operator.</li> <li>Formal reporting obligations of operators where appropriate.</li> <li>Ongoing monitoring of developments through public announcements.</li> </ul>
<b>Community</b>	As a royalty and streaming company, Trident does not operate any of the underlying assets within its portfolio. While this limits the direct involvement the Company has with the communities impacted by the operations held in the royalty portfolio, the Board engages with the mine operators, seeking to influence and encourage compliance with relevant environmental, social and governance standards.	<ul style="list-style-type: none"> <li>Through dialogue with and reporting from the operator to understand updates on key community and environmental milestones and incidents.</li> <li>Conducting site visits, which include engaging with local community groups.</li> </ul>

On behalf of the Board

**Al Gourley**  
2 May 2024

## RISK MANAGEMENT

The Board has overall responsibility for the management and maintenance of systems and processes to manage and mitigate risk and ensure delivery of the Group's strategic priorities. The Board does not consider that given the current size of the Group, a separate Risk Committee is required and that risk management is sufficiently governed by the Board, its sub-committees and the senior management team. The management of risk is subject to regular review by the Board and changes will be implemented as necessary and as the Group continues to grow.

The Chief Executive Officer and senior management are responsible for the day-to-day implementation of the risk management process and provide regular feedback to the Board for consideration. The Group assesses each risk and the requirement for mitigation, taking into account the appetite for the impact of the risks on the strategic objectives of the business.

### Risks and uncertainties

The following section provides an overview of the principal risks and uncertainties that have the potential to impact the implementation of the Group's strategy and business model.

Risk and description	Business impact	Mitigation
<p><b>Royalty Acquisitions</b></p> <p>The growth and viability of the Group is dependent on its ability to successfully identify and acquire royalties. The availability of potential royalties which meet the Group'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.</p>	<p><b>Medium</b></p>	<p>The Board and executive team closely monitor the market and pays attention to general macro trends.</p> <p>The Group targets the entire resources universe (except for thermal coal); accordingly, it considers that it has a wide number of options available for investment compared to a number of its precious metal peers.</p> <p>In addition, the Group has an extremely active network of directors, employees and consultants that ensures that it generates numerous pipeline opportunities which may lead to investments by the Group.</p>
<p><b>Competition</b></p> <p>The Group will compete with a large number of funds and other royalty or stream companies for investments. Some of its competitors are substantially larger and have considerably greater financial resources than the Group. Competitors may have a lower cost of capital and many have access to funding sources that allows them to undertake transactions that wouldn't be commercial for Trident.</p>	<p><b>Medium</b></p>	<p>The Group considers that its target investments are often overlooked by other royalty companies that are either solely focused on precious metals or are looking for larger investments.</p> <p>Management considers that it is well placed to attract small/medium-sized operators that are looking for funding or early exits in the case of secondary royalties.</p>
<p><b>Portfolio diversification</b></p> <p>The Group acquired five new royalties in 2023, materially increasing the diversity of the portfolio. The Group currently has 12 cash flowing assets – however should there be a failure of an operator, or any dispute relating to any given royalty or offtake this may have a disproportionate and material adverse effect on the financial position and prospects of the Group at this stage of development.</p>	<p><b>Medium / High</b></p>	<p>Management is in regular contact with the operators of the producing assets and those in development. The current operations are all on sound financial footing with either consistent production or paths to production.</p> <p>The best way the Group can mitigate dependence upon any one operator is to expand and diversify its royalty portfolio to ensure a well-balanced source of income by location and commodity.</p> <p>The Group's overheads remain low and ensures a cash buffer of at least 12 months costs in the event of operator default.</p>

Risk and description	Business impact	Mitigation
<p><b>Investment decisions</b></p> <p>Prior to making or proposing any royalty acquisition or financing, the Group will undertake legal, financial and commercial due diligence on potential transactions to a level considered reasonable and appropriate by the Group. However, these efforts may not reveal all material facts or circumstances which could have a material adverse impact upon the value of the royalty. 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 transaction or asset owner.</p>	<p><b>Medium</b></p>	<p>The Board has enacted strict investment criteria that avoids overly competitive bidding, or a transaction for transactions sake approach. The Board constructively challenges the executive team on the due diligence process.</p> <p>The technical aspects of a royalty acquisition or financing are now also reviewed in detail by a Technical Committee which was established in September 2023. In addition, the executive team consists of a highly experienced and professional team that has demonstrated a track record of successful investments. The team has considerable technical, financial and tax expertise to identify assets which do not meet the Group's stringent investment criteria, the Group engages equally professional third-party consultants when appropriate.</p>
<p><b>Key personnel</b></p> <p>The Group is dependent upon the services of a small number of key management personnel who are highly skilled and experienced. The Group's ability to manage its activities will depend in part on the efforts of these individuals. The Group faces competition for qualified personnel, and there can be no assurance that the Group will be able to retain such personnel.</p>	<p><b>Medium</b></p>	<p>The Board will continually review its incentive schemes to ensure that its key personnel are rewarded and engaged appropriately, along with considering long term succession plans.</p>

The Group is subject to a number of financial risks, including capital risk, commodity price risk, credit risk, liquidity risk and foreign exchange risk. Full details are provided in note 24.

## THE EVOLUTION OF THE GROUP'S CAPITAL STRUCTURE CONTINUED DURING 2023

During 2023, Trident made significant progress across many areas of the business. The gold offtake portfolio continued to mature, with increasing production volumes and a 13% increase in cash flows. Looking forward, the commissioning of the Greenstone mine in Canada and developments at other assets should provide further growth in offtake revenues in 2024. An important milestone was achieved with the Koolyanobbing and Mimbula royalty investments, as the initial capital outlay was recovered during 2023, approximately three years after the initial investments.

The proceeds from the sale of the Australian gold royalty portfolio, were successfully redeployed during 2023 into a number of new assets, further enhancing the scale and diversity of the portfolio. We look forward to near term cash flow from the La Preciosa silver deposit in Mexico and positive project developments at the Antler, Paradox Basin and Dandoko projects.

The evolution of the Group's capital structure continued during 2023, with the announcement of a new revolving credit facility with BMO and CIBC, two leading financiers in the mining sector. The new facility provides several benefits; materially lowering interest costs, providing additional capacity with an accordion feature to increase the facility to US\$60m and reducing ongoing standby costs, as the facility is revolving and can be drawn as required. Trident is well positioned with a diverse portfolio of royalty assets, combined with a strong balance sheet to pursue future growth opportunities.

### Royalty and Offtake Transactions

The Group acquired the following royalties during the year:

- La Preciosa silver royalties in Mexico (1.25% NSR Royalty over the Gloria and Abundancia veins and a 2.00% GVR Royalty over the surrounding area) and a US\$8.75m milestone payment, acquired for US\$8m (US\$7m on completion and a further US\$1m upon receipt of the milestone payment);
- Dandoko gold project in Western Mali (1% NSR Royalty) acquired for total consideration of US\$6.25m (US\$3.75m upfront and a further US\$2.5m as production linked milestone payments);
- Paradox Basin lithium project in the USA (2.5% NSR Royalty) acquired for total consideration of US\$10m (US\$1.5m upfront and a further US\$8.5m as production linked milestone payments);
- Antler copper project in the USA (0.9% NSR Royalty covering the Antler deposit and five named exploration areas and a 0.45% NSR Royalty over a wider area) acquired for total consideration of A\$11m; and
- Kwale mineral sands project in Kenya (0.25% FOB Royalty).

In addition, on 22 February 2023 the Group completed the sale of several pre-production exploration stage gold royalties over assets in Australia for cash proceeds of up to US\$15.55m.

### Statement of Financial Position

Royalty intangible assets at 31 December 2023, consist of US\$104.98m cost, less US\$5.36m amortisation and additions of US\$28.41m relating to new acquisitions and US\$6.73m relating to the reclassification of Mimbula as a royalty intangible asset, resulting in a total net book value of US\$134.76m representing the Thacker Pass, Pukaqaqa, Koolyanobbing, Mimbula and Lincoln projects together with the acquisitions outlined.

The royalty financial instrument representing the fair value of the Mimbula royalty was reclassified as a royalty intangible asset in July 2023, following completion of the minimum payment schedule. The royalty financial instrument had been classified as fair value through profit and loss with the fair value gains and losses recognised in "revaluation of royalty financial assets" line item in the income statement. The value at the beginning of the financial year was US\$7.65m, US\$1.50m royalty income was received in during H1 and a fair value increase of US\$0.58m was recognised in the income statement, resulting in a value of US\$6.73m at reclassification.

Trade and other receivables totalling US\$9.81m (2022: US\$10.40m) includes US\$5.87m receivable from Macquarie bank relating to gold offtake trades which settled after the year end, US\$0.57m in respect of Q4 2023 royalty income due from Koolyanobbing and Mimbula receivable after the year-end. Other receivables also include US\$2.50m in respect of the Sonora lithium project cash deposit, treated as an interest free loan.

Trade and other payables totalling US\$2.20m (2022: US\$2.28m) consisted predominantly of US\$0.99m 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 year-end the net gold receivable amount was US\$4.88m.

Deferred contingent consideration of US\$8.19m represents contingent payments to the vendors of the La Preciosa, Paradox and Dandoko assets based on the operators meeting certain production targets. The amounts have been discounted and treated as non-current liabilities, given managements' assessment of when the projects will become operational and the targets achieved.

Total cash at the end of the year was US\$3.25m (US\$8.13m including the net gold trading receivables) and total debt was US\$30.00m.

Total net assets increased to US\$108.56m during the year from US\$104.87m at 31 December 2022 largely due to acquisitions outlined.

### Statement of Comprehensive Income and EBITDA

The Group reported a gross profit of US\$4.16m (2022: US\$2.99m) from reported net revenues of US\$9.52m (2022: US\$7.85m).

The increase in net revenue was from the gold offtake portfolio, Koolyanobbing and Lincoln. The fair value gain on Mimbula was US\$0.58m (2021: US\$2.19m) predominantly due to the payment of the minimum payment schedule in lieu of the mine currently in ramp up and therefore not materially depreciating in value.

**Statement of Comprehensive Income and EBITDA** continued

A profit on disposal of US\$6.94m was made on sale of Australian pre-production gold royalties – with gross proceeds of US\$14.30m. The Group made a foreign exchange gain totalling US\$0.02m (2022: US\$1.01m loss). Finance charges totalled US\$3.55m including US\$4.48m in interest payments to Macquarie Bank and US\$1.28m gain relating to amortised finance arrangement fees and warrant charges and other finance charges. Profit after taxation was US\$2.39m (2022: US\$3.68m loss) and basic earnings per share of 0.82c (2022: 1.28c loss).

The Group generated net revenue from its gold offtake portfolio of US\$6.88m (2022: US\$6.07m), US\$1.87m (2022: US\$1.43m) at Koolyanobbing, US\$0.60m (2022: US\$0.35m) from Lincoln and \$0.17m (2022: US\$Nil) from other assets. The amortisation charge was US\$5.37m (2022: US\$4.86m) and total Group overheads of US\$5.27m (2022: US\$4.67m) including US\$0.41m (2022: \$0.47m) non-cash share-based payments and other charges; resulting in an operating loss of US\$1.11m (2022: US\$1.67m). The gold offtakes, Koolyanobbing and Mimbula assets are amortised on a unit of production basis over the life of the assets.

**EBITDA and Adjusted EBITDA**

The below table summarises EBITDA and adjusted EBITDA:

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Profit/(loss) after tax	2,392	(3,684)
Income tax	1,411	(945)
Amortisation	5,365	4,857
Finance costs net of finance income	2,631	6,002
EBITDA	11,799	6,230
Net foreign exchange losses	(23)	1,007
Income from financial instrument through profit and loss	1,500	2,000
Revaluation of royalty financial assets	(578)	(2,193)
Share-based payments charge and other non-cash items	408	474
Profit on disposal of intangible asset	(6,944)	(1,862)
Adjusted EBITDA	6,162	5,656

The following table shows total royalty receipts for the period for royalty intangible assets, net offtake interests, disposals and financial assets:

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Royalty interests	2,643	1,780
Offtake interests (net proceeds)*	6,878	6,070
Royalties due or received from royalty financial assets	1,500	2,000
Proceeds from Mercedes gold offtake amendment – (gross)	-	3,706
Proceeds from the Australian gold royalties sale – (gross)	14,300	-
<b>Total</b>	<b>25,321</b>	<b>13,556</b>

\* Offtake interests

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 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 proceeds comprises gross offtake revenue of US\$522.0m less purchase costs of US\$515.1m.

**Cashflow and Borrowings**

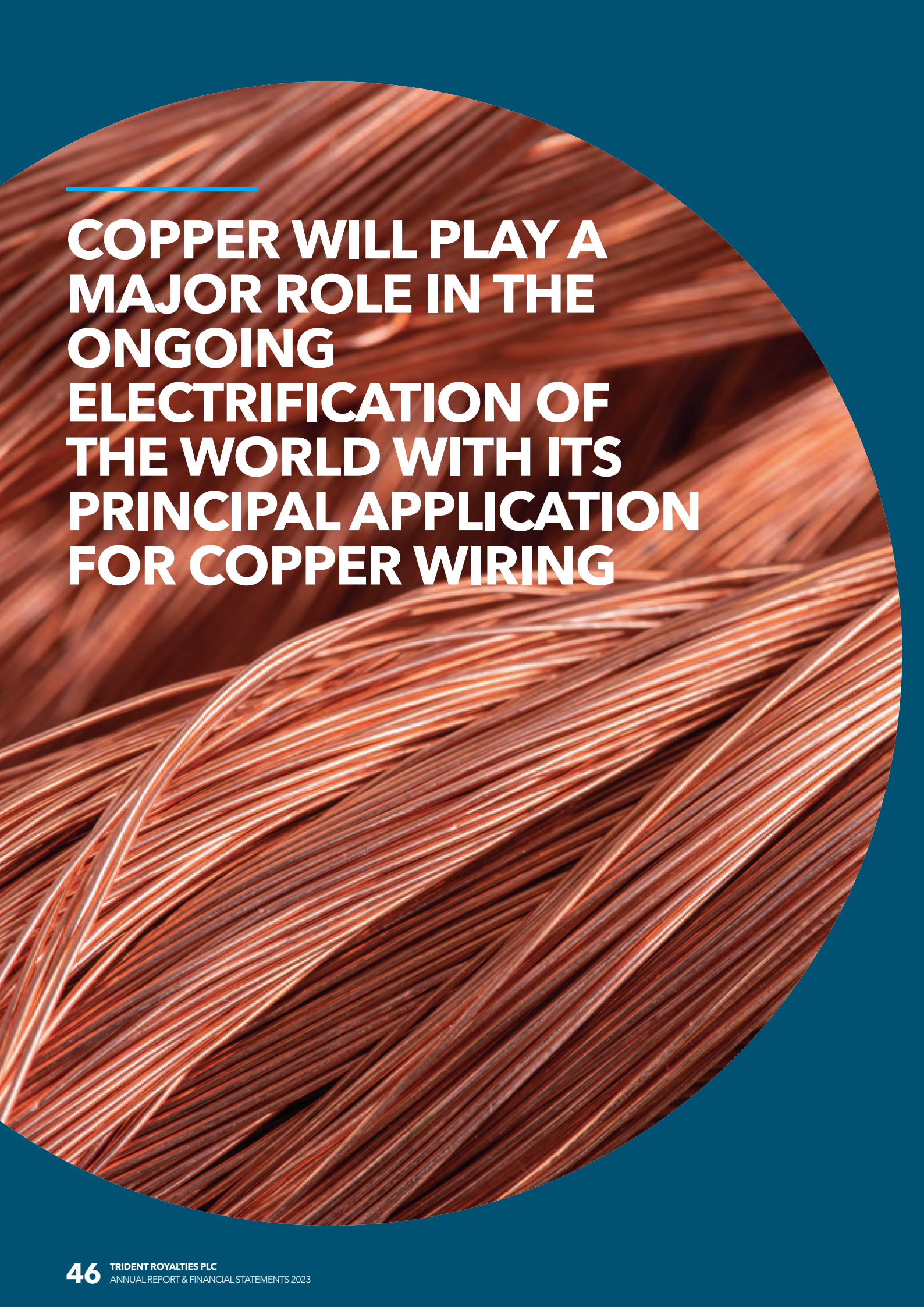
Net cash decreased in the period by US\$13.33m (2022: US\$28.37m). Financing outflows were US\$14.74m (2022: US\$30.06m inflow) resulting from the repayment of US\$10m of the Macquarie Bank facility and financing costs; US\$3.28m (2022: US\$54.90m) was invested into acquiring royalty assets, after allowing for proceeds received from asset sales, cash from royalty financial assets and finance income, as noted above, and US\$4.69m generated (2022: US\$3.53m used) in operating activities.

During 2023 the net gold trading receivable decreased by US\$0.24m to US\$4.88m. Depending on the timing and settlement of gold trades and the payments to operators, this figure fluctuates and can be a receivable or payable item. The Group had a separate US\$5.00m short term overdraft facility with Macquarie Bank to provide funding for the gold trading receivable over the 2-day settlement period if required. A similar US\$2.00m overdraft facility has been arranged with CIBC, alongside the new revolving credit facility and the Macquarie overdraft was terminated upon the refinancing.

The cash figure (excluding the net gold trading receivable) at 31 December 2023 was US\$3.25m (31 December 2022: US\$16.58m) with the majority held in US dollars with HSBC Bank plc and Macquarie Bank Limited. On 19 February 2024, Trident entered into a new fully secured US\$40m revolving credit facility with an option to increase the facility to US\$60m via an accordion feature with BMO Capital Markets and CIBC. The proceeds are to be applied to retire the existing US\$40m secured debt facility provided by Macquarie Bank Limited.

**Taxation**

During the period the Group paid US\$0.34m (2022: US\$Nil) in respect of tax due. A deferred tax asset was recognised totalling US\$1.49m (2022: US\$2.01m) primarily in relation to taxable losses incurred in the Company and US subsidiaries. Following the sale of the Australian gold royalties outlined above, the deferred tax losses held in the Australian subsidiary were used during the year; resulting in a deferred tax debit to the income statement of US\$1.97m (2022: US\$0.68m credit).



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# CORPORATE GOVERNANCE

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### Executive Directors



**Adam Davidson**

Executive Director and Chief Executive Officer

Adam Davidson has over 10 years' experience in the natural resources sector. Prior to joining Trident, Adam was a member of the investment team at Resource Capital Funds ("RCF"), a leading mining focused private equity firm. Prior to RCF, he held positions with BMO Capital Markets in Metals & Mining Equity Research and with Orca 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 private gold producer RG Gold and currently serves on the Board of South Atlantic Gold Inc. He earned his MBA from the College of William & Mary and completed a post-graduate in Mining Studies from the University of Arizona.



**Richard Hughes**

Executive Director and Chief Financial Officer

Richard Hughes has over 15 years of experience in the natural resources sector. In 2019, he founded an independent consultancy providing corporate finance advisory services to both mining and royalty finance companies. Prior to this he was a senior member of the Metals and Mining Investment Banking team at RBC Capital Markets based in London from 2010 to 2018. Richard began his career at CIBC, where he was a member of the Global Mining Group. He has extensive mining capital markets and advisory experience across a breadth of jurisdictions and commodities. Richard holds an MA (Oxon) in Economics and Management from the University of Oxford.

### Non-Executive Directors



**Al Gourley**

Non-Executive Chairman

Al Gourley is a senior Partner of Fasken Martineau, an international law firm, where his practise focuses on finance and asset transactions in the natural resource industry. Mr. Gourley 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. Mr. Gourley 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). Mr. Gourley 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. Mr. Gourley holds a BBA from Schulich School of Business and an LLB from the University of Ottawa.



**Peter Bacchus**  
Non-Executive Director

Peter Bacchus is currently Chairman and Chief Executive of Bacchus Capital, an independent investment banking boutique with particular expertise in the natural resources sector. Peter has over 25 years of experience as a leading global M&A adviser, with particularly deep experience within natural resources having advised some of the largest companies in the sector. Throughout Peter's career he has been at the forefront of several large and transformative M&A transactions, financed substantial deals, and advised on development projects worldwide. Peter previously acted as the Global Head of Mining and Metals at Morgan Stanley and European Head of Investment Banking at Jefferies. Before relocating to London in 2006, he was based in Australia and Indonesia, where he was Asia-Pacific Head of Industrials and Natural Resources investment banking at Citigroup. Peter currently sits on the board of New York and Johannesburg Stock Exchange listed Gold Fields Limited. He is also Chairman of Africa-focused conservation charity, Space for Giants. Peter holds an MA from St John's College, Cambridge and is a Member of the Institute of Chartered Accountants in England and Wales.



**Helen Pein**  
Non-Executive Director

Helen Pein has had a successful career spanning more than 30 years as an economic geologist in the natural resource sector. Helen is currently a director of Pan Iberia Ltd. (UK) and founder member of Panex Resources Pty. Ltd. (Mauritius and SA) a private company focusing on finding and developing global mining projects. Helen was formerly a director and shareholder of Pangea Exploration (Pty) Ltd for 20 years. She was part of the executive team which was directly responsible for the discovery and evaluation of a number of world class gold and mineral sands deposits throughout Africa (Burnstone, Tuluwaka, Buzwagi, Corridor Sands and Kwale). From 2012, Pangea was affiliated to Private Equity Company, Denham Capital International, providing asset analysis and technical evaluation of mining investments in Africa. Helen is a recipient of the Gencor Geology Award and Fellow of the Geological Society of South Africa and member of the International Society for Economic Geologists. She holds a B.Sc. Geoscience and a B.Sc. Geology (Hons) (Cum Laude), from the University of Stellenbosch SA. Helen sits on both the Nomination and Remuneration Committees.



**David Reading**  
Non-Executive Director

David previously held Chief Executive Officer positions at Aureus Mining (TSX & AIM: AUE) and European Goldfields and was formerly Chief Geologist and SVP Exploration & New Business for Randgold Resources. From 2018 to 2020 David served as Special Advisor to the board of directors and CEO of Continental Goldfields Inc (TSX: CNL), undertaking a full review of all geology and exploration data and previous work providing strategic advice and being extensively involved in its sale to Zijin. Mr. Reading has over 40 years' experience in the mining industry covering all stages of mine development, including exploration, feasibility, financing, construction and operations. He has an MSc in Economic Geology and is a Fellow of the Institute of Materials, Minerals and Mining and is a Fellow of the Society of Economic Geologists.



**Leslie Stephenson**  
Non-Executive Director

Leslie Stephenson has over 30 years' experience in the financial services industry. Leslie has worked for two major insurance companies in the US and has worked in banking and held senior roles at HSBC, specifically around strategic planning and risk management. Leslie left HSBC in 2022.

Leslie was also previously the Head of Governance & Control for the UK Remediation Management Office, which carried out a regulatory review of the UK bank. Leslie currently sits on the board of the Canada-UK Council and previously was Vice President of the Canada-UK Chamber of Commerce. Leslie holds an MBA from Richard Ivey School of Business and a BA from Western University.

# THE DIRECTORS OF THE COMPANY PRESENT THEIR REPORT, TOGETHER WITH THE AUDITED GROUP FINANCIAL STATEMENTS OF TRIDENT ROYALTIES PLC FOR THE YEAR ENDED 31 DECEMBER 2023.

## Principal Activities

The Group's principal activity is to invest in mining royalties and offtakes across the natural resources sector. Its current activities are located in the United Kingdom, Australia, US, Zambia, Peru, Canada, South Africa, Mexico, Brazil, Mali and Kenya. Trident is domiciled and incorporated in England and Wales with registration number 11328666.

## Review of Business

A review of the current and future development of the Group's business is given in the Strategic Report on pages 8 to 47 which forms part of, and by reference is incorporated in, this Directors' Report.

The Group's Financial Risk Management objectives and policies are discussed in note 24. The principal risks and uncertainties faced by the Group are set out on pages 42 and 43.

## Results and Dividends

The results of the Group for the year ended 31 December 2023 are set out in the Consolidated Statement of Comprehensive Income. The Directors do not recommend the payment of a dividend for the year.

## Directors and Directors' Interests

The Directors who served during the year to date are as follows:

Adam Davidson
Richard Hughes
Peter Bacchus
Al Gourley
Helen Pein
David Reading
Leslie Stephenson (appointed 14 August 2023)
Paul Smith (resigned 29 June 2023)

The direct and beneficial shareholdings of the Board in the Company as at 31 December 2023 were as follows:

	Shares held at 31 December 2023	Shares held at 31 December 2022
Adam Davidson	330,000	300,000
Richard Hughes	800,000	475,000
Peter Bacchus	236,140	202,015
Al Gourley*	7,534,125	7,500,000
Helen Pein	139,593	105,468
David Reading	192,390	175,000
Leslie Stephenson	-	-

\* 34,125 shares held directly, and 7,500,000 shares held through Albert C Gourley Professional Corporation, a corporation controlled by Mr. Gourley

Details of share options issued to the Executive Directors during the year are provided in the Remuneration Report and note 23.

**Substantial Shareholders**

As at 31 December 2023, the total number of issued Ordinary Shares with voting rights in the Company was 292,730,176. The Company has been notified of the following interests of 3% or more in its issued share capital.

Shareholder	Number of ordinary shares	% of issued share capital
Regal Funds Management Pty Limited	35,461,858	12.11
LIM Asia Special Situations Master Fund Limited	25,428,837	8.69
Ponderosa Investments (WA) Pty Limited	16,124,196	5.51
Ruffer LLP	15,582,647	5.32
Amati UK Smaller Companies Fund	14,232,467	4.86
BlackRock World Mining Trust Plc	11,568,558	3.96

**Changes in Share Capital**

Details of transactions during the year, and subsequent to the year-end, that increased the share capital of the Company are detailed in note 22. As at 31 December 2023, 292,730,176 ordinary shares of 1p were in issue.

**Corporate Governance**

The Group has set out its full Corporate Governance Statement on pages 52 to 55. The Corporate Governance Statement forms part of this Directors' report and is incorporated into it by cross reference.

**Greenhouse Gas Disclosures**

The Group is an investment company, with 6 full time employees and the Board of Directors and no head office, and therefore has minimal carbon emissions. It is not practical to obtain emissions data and as such none is disclosed. Further information of the Group's environmental impact is given in its Environmental and Social Governance Statement on pages 35 to 40.

**Supplier Payment Policy**

It is the policy and normal practice of the Group to make payments due to suppliers in accordance with agreed terms and conditions, generally 30 days. Where suppliers offer early settlement discounts, these may be taken advantage of.

**Directors' Insurance**

During the year, Directors and Officers Liability Insurance was maintained for Directors and other Officers of the Group.

**Events after the Reporting Period**

Events since the balance sheet date are included in note 27.

**Going Concern**

The financial position of the Group and cash flows as at 31 December 2023 are set out on pages 67 and 69. The Group meets its day-to-day working capital and other funding requirements with its current cash, raised through equity placings and revenue from its cash generating royalties. The Group actively manages its financial risks as set out in note 24 and operates Board-approved financial policies, that are designed to ensure that the Group maintains an adequate level of headroom and effectively mitigates financial risks.

On the basis of current financial projections (at least 12 months from the date of the approval of the financial statements), 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 these financial statements.

**Section 172 Statement**

A statement of how the Board has performed its duties under section 172 of the Companies Act 2006 can be found on page 41 of the Strategic Report.

**Political Donations**

During the year, the Group did not make any political donations.

**Disclosure of Information to Auditors**

The Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditor**

A resolution proposing the re-appointment of PKF Littlejohn LLP as auditor is contained in the Notice of Annual General Meeting and will be put to shareholders at the Annual General Meeting.

This Directors' Report has been approved by the Board and signed on its behalf by:

**Al Gourley**

Non-Executive Chairman  
2 May 2024

## CORPORATE GOVERNANCE STATEMENT

The Company is committed to maintaining the highest standards in corporate governance throughout its operations and to ensure all its practices are conducted transparently, ethically and efficiently. The Company believes scrutinising all aspects of its business and reflecting, analysing and improving its procedures will result in the continued success of the Company and deliver value to shareholders. Therefore, and in accordance with the AIM Rules for Companies, the Company has chosen to formalise its governance policies by adopting the UK's Quoted Companies Alliance Corporate Governance Code 2018 ("QCA Code").

The 10 principles set out in the QCA Code are listed below, with an explanation of how the Company applies each of the principles and the reason for any aspect of non-compliance.

Principle	Trident Response
<b>Establish a strategy and business model which promote long-term value for shareholders</b>	The strategic vision of the Company is explained in the Strategic Report on pages 8 to 47. The Company's strategy follows the well understood royalty company model, however it seeks to create value through the acquisition of attractive and robust royalties in commodities and jurisdictions which are inherently less competitive relative to those with a precious metal focus.
<b>Seek to understand and meet shareholder needs and expectations</b>	The Board is committed to maintaining good communications and having constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting and any other General Meetings that are held throughout the year.
<b>Take into account wider stakeholder and social responsibilities and their implications for long term success</b>	The Board recognises that the long-term success of the Company will be enhanced by good relations with different internal and external groups and to understand their needs, interest and expectations, the Board has established a range of processes and systems to ensure that there is ongoing two-way communication, control and feedback processes in place with which to enable appropriate and timely response.
<b>Embed effective risk management, considering both opportunities and threats, throughout the organisation</b>	The Board maintains a risk register and regularly reviews the risks to which the Company is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible whilst recognising that its business opportunities carry an inherently high level of risk.
<b>Maintain the Board as a well-functioning, balanced team led by the Non-Executive Chairman</b>	The Board's composition and structure is discussed elsewhere in this corporate governance section together with a table of Board committee attendance.
<b>Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities</b>	The complementary skills and experience of the Board and Executive Management team are included on pages 48 and 49.
<b>Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement</b>	Review of the Company's progress against the long-term strategy and aims of the business provides a means to measure the effectiveness of the Board. This progress is reviewed in Board meetings held at least four times a year. The Chief Executive Officer's performance is reviewed once a year by the Remuneration and Nominations Committee and measured against a definitive list of short, medium and long-term strategic targets set by the Board.

Principle	Trident Response
<b>Promote a corporate culture that is based on ethical values and behaviours</b>	The corporate culture of the Company is promoted through its employees and contractors and is underpinned by compliance with local regulations and the implementation and regular review and enforcement of various policies including a Share Dealing Policy and Code, Anti-Corruption and Anti-Bribery Policy, Matters Reserved for the Board, Code of Business Ethics, Employee Leave Policy, Expenses Policy, Whistle Blowing Policy, Grievance Redressal and Disciplinary Policy, Social Media Policy and Media and Communications Policy so that all aspects of the Company are run in a robust and responsible way.
<b>Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board</b>	The Company's governance structures are predominantly its Committees as noted below.
<b>Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders</b>	The Company's financial and operational performance is summarised in the Annual Report and the Interim Report, with regular updates provided to stakeholders in other forums through the year, including press releases and regular updates to the Company's website.

### Board role and objectives

In leading the Company, the Board defines the purpose of the Company and makes key decisions in relation to strategic matters to deliver this. The Board is also responsible for making key decisions about financial planning, review of financial performance, setting the cultural tone for the Group, review of operational matters, the governance framework, investments and Director appointments. In doing so, the Board draws on each Director's unique skillset and wide range of experience in the natural resources sector, financial and operational aspects of businesses, public markets and of different geographies around the world.

The Board retains ultimate accountability for good governance and maintains full and effective control over the Company. The Company holds regular Board meetings at which financial, operational and other reports are considered and, where appropriate, voted on. The Board is responsible for the Group's strategy, performance, key financial and compliance issues approval of any major capital expenditure and the framework of internal controls.

The Board is meeting by video-conference and doing so for regular updates to be able to closely monitor and consider developments in the Group and more widely during this period. As well as the Executive Directors, senior management are invited to attend and present at meetings of the Board and its Committees where appropriate.

All Directors devote ample time in order to discharge their duties both at and outside of Board meetings. The Board is well briefed in advance of meetings and receives high-quality, comprehensive reports to ensure matters can be given thorough consideration. All Directors on the Board have access to, and the support of, the Company Secretary who acts as secretary to the Board and its Committees, reporting directly to their Chairs, advising on, and assisting on compliance with, relevant governance regulations and procedures. In addition, all Directors have unrestricted access to the Company's external advisers.

### Board Composition

The Board is comprised of a diverse group of experienced Directors, both from the UK and abroad, each with a wealth of expertise and a depth of knowledge appropriate to their role. Many have worked across a variety of jurisdictions and have extensive business and financial experience in the sector in which the Group operates. As at 31 December 2023, the Board of the Company consisted of the Non-Executive Chairman, the Chief Executive Officer, the Chief Financial Officer and four Non-Executive Directors. Four of the Non-Executive Directors are considered to be independent and ensure the Board independence requirement. All the Non-Executive Directors are independent in character and judgement and have the range of experience and calibre to bring independent judgement on issues of strategy, performance, resources and standards of conduct which is vital to the success of the Group. The Board believes that there is an adequate balance between the Non-Executive and Executive Director, both in number and in experience and expertise, to ensure that the Board operates independently of executive management.

The Company constantly keeps under review the constitution of the Board and may seek to add more members as required as the Company grows and develops.

### **Board Committees**

As described above Trident draws from the principles of the QCA Code for guidance in structuring its governance framework. The Board is supported by three Committees, specifically the Audit Committee, Remuneration and Nomination Committee and the Technical Committee. These standing Committees focus on the areas of the Group's operation which the Board views as having key importance to the Group's shareholders and other stakeholders.

### **Audit Committee**

The Audit Committee comprises Peter Bacchus as Chairman, Leslie Stephenson and Al Gourley.

The Audit Committee reviews reports from management and from PKF Littlejohn LLP ("PKF"), the Company's statutory auditor, relating to the interim and annual accounts and to the system of internal financial control.

The Audit Committee is responsible for assisting the Board's oversight of the integrity of the financial statements and other financial reporting, the independence and performance of PKF, the regulation and risk profile of the Company and the review and approval of any related party transactions. The Audit Committee may hold private sessions with management and PKF without management present. Further, the Audit Committee is responsible for making recommendations to the Board on the appointment of PKF and the audit fee and reviews reports from management and PKF on the financial accounts and internal control systems used throughout the Company. The Committee makes recommendations to the Board on the appointment, retention and removal of the external auditor and the tendering of external audit services and will ensure that consideration of audit rotation takes place every 3 years.

The Audit Committee meets at least two times a year and is responsible for ensuring that the Company's financial performance is properly monitored, controlled and reported. The Audit Committee is responsible for the scope and effectiveness of the external audit and compliance by the Company with statutory and other regulatory requirements.

The Audit Committee also reviews arrangements by which the staff of the Company and the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for the proportionate and independent investigation of such matters with appropriate follow-up action.

Where necessary, the Audit Committee obtains specialist external advice from appropriate advisers.

### **Remuneration and Nomination Committee**

The Remuneration and Nomination Committee comprises Leslie Stephenson, as Chair, David Reading and Helen Pein.

The Committee has responsibility for considering all criteria for new Executive and Non-Executive Director appointments, material elements of remuneration policy, the remuneration and incentivisation of Executive Directors and senior management (as appropriate) and to make recommendations to the Board on the framework for executive remuneration and its cost.

The Committee is responsible for considering all material elements of remuneration policy, the remuneration and incentivisation of Executive Directors and senior management (as appropriate) and to make recommendations to the Board on the framework for executive remuneration and its cost. The role of the Committee is to keep under review the Company's remuneration policies to ensure that the Company attracts, retains and motivates the most qualified talent who will contribute to the long-term success of the Company. The Committee also reviews the performance of the Chief Executive Officer and sets the scale and structure of his remuneration, including the implementation of any bonus arrangements, with due regard to the interests of shareholders.

The Committee is also responsible for granting options under the Company's share option plan and, in particular, the price per share and the application of performance standards which may apply to any grant, ensuring in determining such remuneration packages and arrangements, due regard is given to any relevant legal requirements, the provisions and recommendations in the AIM Rules and The QCA Code.



The Remuneration and Nomination Committee:

- is responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- evaluates the balance of skills, knowledge, experience and diversity of the Board and, in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment;
- reviews annually the time required from the Non-Executive Directors and assesses whether each Non-Executive Director is spending enough time to fulfil their duties;
- considers and makes recommendations to the Board about the re-appointment of any Non-Executive Director at the conclusion of their specified term of office or retiring in accordance with the Company's Articles of Association;
- determines and agrees with the Board the framework or broad policy for the remuneration of the Chief Executive Officer;
- determines targets for any performance-related pay schemes operated by the Company;
- determines the total individual remuneration package of the Chief Executive Officer and Chief Financial Officer, including bonuses, incentive payments and share options;
- ensures that contractual terms on termination and any payments made are fair to the individual, as well as the Company, and that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- is aware of and advises on any major changes in employees' benefit structures throughout the Company;
- ensures that provisions regarding disclosure, including pensions, as set out in the (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, are fulfilled;
- determines the remuneration of Non-Executive Directors; and
- is exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise on Remuneration.

#### Technical Committee

The Technical Committee is comprised of David Reading, as chairman, and Helen Pein as alternate chairman.

The Technical Committee's primary function is to assist the Board of Directors in discharging its oversight responsibilities on technical risk relating to the acquisition of new assets, including royalties, offtakes and streams.

The Technical Committee's focus is to understand and evaluate the Company's approach to due diligence in respect of critical project or asset risk areas, such as resource or reserve calculations, mine design, expectations as to production levels and metal recoveries, as well as operational team competence, exploration upside and ESG matters.

Meetings of the Technical Committee are held at regular intervals depending on priority and activity levels. Members of the management team attend meetings of the Technical Committee, as required, depending on their involvement with particular projects or assets being reviewed.

The Technical Committee reports to the Board in advance of any Board meeting to consider the merits of a particular project or asset.

#### Board and Committee Attendance

The table below sets out the number of Board Committee meetings held during the year ended 31 December 2023 and each Director's attendance at those meetings.

Director	Remuneration			Technical Committee <sup>3</sup>
	Board Meetings	& Nomination Committee	Audit Committee	
Paul Smith <sup>1</sup>	2	-	1	-
Adam Davidson	7	-	-	-
Peter Bacchus	6	-	2	-
Al Gourley	6	-	2	-
Helen Pein	7	2	-	2
David Reading	7	2	-	2
Richard Hughes	7	-	-	-
Leslie Stephenson <sup>2</sup>	4	2	-	-
<b>Total Meetings</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>2</b>

1 Paul Smith resigned 29 June 2023

2 Leslie Stephenson appointed 14 August 2023

3 Technical Committee established in September 2023

Further information about the Group's approach to Corporate Governance is provided on the Company's website at [www.tridentroyalties.com](http://www.tridentroyalties.com).

Approved on behalf of the Board on 2 May 2024

**Adam Davidson**  
Chief Executive Officer

## REMUNERATION REPORT

The table below sets out the total remuneration in respect of qualifying services for both Executive and Non-Executive Directors for the year ended 31 December 2023.

		Salary/fees US\$'000	Bonus - cash US\$'000	Bonus - shares US\$'000	Other US\$'000	Total US\$'000
<b>Executive Directors:</b>						
Adam Davidson	2023	412	165	41	-	618
	2022	385	231	-	-	616
Richard Hughes <sup>1</sup>	2023	258	128	32	2 <sup>4</sup>	420
	2022	63	44	-	0.1	107
<b>Non-Executive Directors<sup>5</sup>:</b>						
Peter Bacchus	2023	80	-	-	2 <sup>4</sup>	82
	2022	93	-	-	1 <sup>4</sup>	94
Al Gourley	2023	104	-	-	-	104
	2022	91	-	-	-	91
Helen Pein	2023	99	-	-	-	99
	2022	87	-	-	-	87
Paul Smith <sup>2</sup>	2023	164	-	-	-	164
	2022	155	-	-	-	155
David Reading <sup>3</sup>	2023	107	-	-	-	107
	2022	37	-	-	-	37
Leslie Stephenson <sup>6</sup>	2023	27	-	-	0.6 <sup>4</sup>	28
	2022	-	-	-	-	-

1 Richard Hughes was appointed to the Board on 20 September 2022

2 Paul Smith resigned 29 June 2023

3 David Reading was appointed to the Board on 27 June 2022

4 The Company made pension contributions of US\$2k on behalf of Richard Hughes and Peter Bacchus and US\$0.6k on behalf of Leslie Stephenson

5 Given the payment timings, the amounts paid to Non-Executive Directors in 2022 includes cash conservation payments relating to the 2021 and 2022 financial years

6 Leslie Stephenson was appointed to the Board on 14 August 2023

### Executive Directors

The discretionary bonuses of the Executive Directors were assessed against a number of objectives and criteria by the Remuneration Committee, resulting in a total award split between cash and shares to Adam Davidson of US\$206k (2022: US\$231k) and to Richard Hughes of US\$160k (2022: \$44k).

Adam Davidson has a rolling service contract that is subject to twelve months' notice. Richard Hughes has a rolling service contract that is subject to six months' notice. On 1 January 2024, Richard Hughes' base salary increased from £200k to £230k per annum Adam Davidson's base salary remained at US\$412k per annum.

### Non-Executive Directors

Each Non-Executive Director appointment is subject to periodic renewal, in terms of the Company's Articles of Association, at the AGM. For Non-Executive Directors, these engagements can be terminated by either party on six months' notice.

On 1 January 2023, the Non-Executive Directors signed updated letters of appointment. Under the terms of these letters, the Non-Executive Directors were entitled to an annual fee totalling £32.1k, plus a cash conservation sum of £26.8k payable 2/3 in shares and 1/3 in cash (the share total calculated by reference to the 5-day VWAP prior to admission of the shares), plus £5k for each Committee they chair. The Non-Executive Chairman was entitled to an annual fee totalling £64.2k plus a cash conservation sum of £42.8k payable 2/3 in shares and 1/3 in cash (the share total calculated by reference to the 5-day VWAP prior to admission of the shares).

On 15 February 2023, it was agreed that going forward the share-based portion of the cash conservation sum would now be paid in cash rather than through the issuance of new shares. It was also agreed that David Reading and Helen Pein will each receive an additional £20k annual payment in respect of the additional technical advice and support provided to the Company for the review and analysis of new royalty opportunities and portfolio assets.

In December 2023, the Non-Executive Directors signed updated letters of appointment. Under the terms of these letters, the Non-Executive Directors were entitled to an annual fee totaling £60k, plus £15k for each Committee they chair and £5k for each Committee of which they are a member. It was also agreed that Peter Bacchus receive an additional £5k for additional guidance provided to the Board and its committees.

#### Directors Option Awards

No option awards were granted to Directors in the year.

During the prior year Adam Davidson was awarded 3,150,000 options which vest and become exercisable in 5 tranches from the date of grant (1 February 2022) with an exercise price of 50 pence and vesting target share prices of 80, 90, 100, 110 and 120 pence respectively. The options lapse after the 7th anniversary from the date of grant.

In addition, Richard Hughes was awarded 1,600,000 options which vest and become exercisable in 5 tranches from the date of grant (20 September 2022) with an exercise price of 50 pence and vesting target share prices of 80, 90, 100, 110 and 120 pence respectively. The options lapse after the 7th anniversary from the date of grant.

Approved on behalf of the Board on 2 May 2024

#### Adam Davidson

Chief Executive Officer

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether, for the group and company, UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The company is compliant with AIM Rule 26 regarding the company's website.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

Approved on behalf of the Board on 2 May 2024

#### Adam Davidson

Chief Executive Officer

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**ROYALTIES TYPICALLY  
PROVIDE INVESTORS  
WITH TOP LINE EXPOSURE  
TO A VARIETY OF  
COMMODITIES WITHOUT  
DIRECT EXPOSURE TO  
CAPITAL OR OPERATING  
COST INFLATION**

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## FINANCIAL STATEMENTS

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# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF TRIDENT ROYALTIES PLC

### Opinion

We have audited the financial statements of Trident Royalties plc (the "parent company") and its subsidiaries (the "group") for the year ended 31 December 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statement of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

### In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's Profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- A review of budgets for the period to 31 May 2025, including checking the mathematical accuracy of the budgets and assessing the reasonableness of significant assumptions used by management;
- Performing a comparison of budgets to current year results, and post-year end results to date, to assess completeness and accuracy of forecast financial information;
- Discussing with management key plans and expectations over the period to 31 May 2025 in respect of business performance and development of asset portfolio;
- Assessing the adequacy of financing facilities and working capital balances to allow the group and parent company to meet its liabilities as they fall due over the going concern period; and
- Reviewing the latest available post-year end bank statements, regulatory announcements, and board minutes, and assessing any external industry wide factors which might affect the group and the parent company.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Our application of materiality**

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial statements as a whole was set at US\$1,531,000 (2022: US\$1,400,000), with performance materiality set at US\$1,071,000 (2022: US\$980,000) and triviality threshold set at US\$76,000 (2022: US\$70,000). Considering group operations and controls are centrally managed, and the low level of historically identified misstatements, a performance materiality threshold of 70% was considered appropriate. We agreed that we would report to Those Charged with Governance all misstatements below that threshold that we believe warrant reporting on qualitative grounds.

Materiality has been calculated as 1% of the benchmark of gross assets, which we have determined, in our professional judgement, to be one of the principal benchmarks within the financial statements relevant to members of the group in assessing financial performance. The group continued its growth in the year through investment in new royalty assets, and these assets represent the most significant balance in the group financial statements, therefore we consider gross assets to be the best indicator of the group performance as a whole and most relevant to the users of the financial statements.

The materiality applied to the parent company financial statements was US\$1,050,000 (2022: US\$210,000), based on 1% of gross assets, as the most significant balances in the Company's statement of financial position are the royalty assets and intragroup receivables. Performance materiality was set at US\$735,000 (2022: US\$147,000).

The remainder of the components were audited at overall component materiality levels ranging between US\$104,000 to US\$1,500,000, based on their relative asset contribution to the group, with performance materiality levels of 70% of overall materiality levels, depending on the scoping and risk assessment of the components.

There were no misstatements identified during the course of our audit that were individually, or in aggregate, considered to be material.

### **Our approach to the audit**

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain, such as the impairment of intangible assets and intragroup receivable balances (at the parent company level). We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

The group has six significant components within the consolidated financial statements, two based in the United Kingdom (Trident Royalties Plc and TRR UK Services Ltd), one based in Switzerland (TRR Services Schweiz), one based in Australia (TRR Services Australia Pty Ltd) and two in the United States of America (Trident Offtakes LLC and Trident Services LLC). Component offices were not visited due to the fact that the finance function is centrally managed, and all data was provided to the audit team remotely.

In addition, we identified components which were not significant to the group and performed an audit of specific account balances and classes of transactions to ensure that balances which were material to the group were subject to audit procedures.

This approach gave the audit team sufficient coverage on group revenue, gross assets and result for the year.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our scope addressed this matter
<p><b>Accounting treatment and recoverability of royalty interest assets</b></p> <p>The group has continued to increase its holdings in royalty interests significantly in the year. Investments in royalty interest assets represented US\$135m (90%) (2022: US\$105m (92%)) of the group's total assets. Further details can be found in notes 2, 12 &amp; 13 to the financial statements. The investments comprise upfront and deferred payments for royalty entitlements, including associated direct acquisition costs. The group accounts for investments in royalty interests in one of two ways, as detailed below:</p> <ul style="list-style-type: none"> <li>• Financial assets at Fair Value through Profit or Loss - if there is a contractual right to receive cash (i.e. minimum payments). Royalties are not recognised in revenue and reduce the financial asset (note that no such assets are held at 31 December 2023); or</li> <li>• Intangible assets - if no contractual right to receive cash. Such assets are amortised over the life of the mine and royalties recognised as revenue.</li> </ul> <p>Value in use calculations is performed for each project based on discounted future cash-flows and compared to carrying value, where indicators of impairments are noted. The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting and discounting cash flows. Where royalty interest assets are not yet revenue generating, management assess whether there are any indicators of impairment, having regard to progress of the underlying exploration project towards commercial mining activity and other publicly available information regarding successful progression of the project, securing funding, permitting, and other relevant matters.</p> <p>There is a risk that royalty interest assets have not been correctly valued and classified in accordance with the requirements of IFRS.</p> <p>We have determined this to be a key audit matter based on the financial significance of these assets to the group combined with the requirement for management to use their judgment in assessing their recoverability.</p>	<p><b>Our work in this area included;</b></p> <ul style="list-style-type: none"> <li>• A review of the technical accounting memorandums prepared by management along with the accounting policies adopted by the Group for compliance with IFRS 9 (if deemed to be a financial asset) or IAS 38 (if deemed to be an intangible asset);</li> <li>• A review of the asset acquisition accounting treatment including contingent consideration for compliance with IFRS, including verification of key terms back to underlying acquisition agreement;</li> <li>• Re-performance of amortisation charges during the period and review of the useful economic lives;</li> <li>• Verification of ownership of the royalty interests and corroboration to the relevant agreements;</li> <li>• Review of management's impairment assessment for each project / interest, corroborating and providing challenge to key inputs and assumptions;</li> <li>• An assessment of each royalty interest for indicators of impairment in accordance with IAS 36, including obtaining an understanding of the status and timing of project activity, actual versus budgeted production quantities, commodity price changes and publicly available information in respect of the project owners; and</li> <li>• Reviewing the associated disclosures in the financial statements.</li> </ul>
<p><b>Recoverability of related party balances (parent company)</b></p> <p>There is a risk around the recoverability of investments and inter-company balances on the parent's balance sheet, which is directly related to the recoverability of the underlying asset performance. The parent company held balances receivable from subsidiaries to the value of US\$99.7m (2022: US\$90.6m) at year end, as shown in note 16 to the financial statements. Management considers the requirements of IFRS 9 and IAS 36 when assessing recoverability and the recognition of expected credit losses and impairments. As a result of the estimation and judgement management are required to exercise in making their assessment, we have determined this to be a key audit matter.</p>	<p><b>Our work in this area included:</b></p> <ul style="list-style-type: none"> <li>• Considering whether indicators of impairment exist as at 31 December 2023 by reference to underlying asset values in the respective entities, as well as the value in use models supporting these assets;</li> <li>• Considering the appropriateness of management's assessment of expected credit losses in relation to intercompany receivables in accordance with IFRS 9; and</li> <li>• Reviewing the associated disclosures in the financial statements.</li> </ul>



### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through detailed discussions with management about the potential instances of non-compliance with laws and regulations both in the UK and in overseas subsidiaries. We also selected a specific audit team based on experience with auditing entities within this industry of a similar size.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
  - Companies Act 2006
  - AIM Rules
  - Local industry regulations in Australia, the United States of America, Switzerland and the United Kingdom
  - Local tax and employment law
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
  - Making enquiries of management
  - A review of Board Minutes
  - A review of legal ledger accounts
  - A review of RNS Announcements
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there were no other significant fraud risks.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Imogen Massey (Statutory Auditor)**

For and on behalf of PKF Littlejohn LLP  
Statutory Auditor

15 Westferry Circus  
Canary Wharf  
London E14 4HD

2 May 2024

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**FINANCIAL STATEMENTS**  
FOR THE YEAR ENDED  
31 DECEMBER 2023



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 December 2023	Year ended 31 December 2022
	Notes	US\$'000	US\$'000
<b>Continuing operations</b>			
Royalty and offtake related revenue	3	9,521	7,850
Amortisation of royalty intangible assets	12	(5,365)	(4,857)
<b>Gross profit</b>		<b>4,156</b>	<b>2,993</b>
Administrative expenses	4	(5,267)	(4,667)
<b>Operating loss</b>		<b>(1,111)</b>	<b>(1,674)</b>
Revaluation of royalty financial assets	13	578	2,193
Profit on disposal of intangible assets	14	6,944	1,862
Finance income	7	915	241
Other finance costs	8	(3,546)	(6,244)
Net foreign exchange gains/(losses)		23	(1,007)
<b>Profit/(loss) before taxation</b>		<b>3,803</b>	<b>(4,629)</b>
Income tax	9	(1,411)	945
<b>Profit/(loss) attributable to owners of the parent</b>		<b>2,392</b>	<b>(3,684)</b>
<b>Other comprehensive income</b>			
Items that may be subsequently reclassified to profit and loss:			
Exchange gains on translation of foreign operations		36	141
<b>Other comprehensive income for the period, net of tax</b>		<b>36</b>	<b>141</b>
<b>Total comprehensive income/(loss) attributable to owners of the parent</b>		<b>2,428</b>	<b>(3,543)</b>
<b>Earnings per share:</b>			
Basic and diluted earnings/(loss) per share (U.S. cents)	10	0.82	(1.28)

The notes on pages 73 to 94 are an integral part of these financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

REGISTERED COMPANY NUMBER: 11328666

	Notes	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
<b>Non-current assets</b>			
Royalty intangible assets	12	134,755	104,975
Royalty financial assets at fair value through profit and loss	13	-	7,653
Deferred tax asset	9	1,489	2,005
<b>Total non-current assets</b>		<b>136,244</b>	<b>114,633</b>
<b>Current assets</b>			
Trade and other receivables	17	9,805	10,398
Cash and cash equivalents	18	3,248	16,577
		<b>13,053</b>	<b>26,975</b>
Assets classified as held for sale	14	-	6,750
<b>Current assets</b>		<b>13,053</b>	<b>33,725</b>
<b>Total assets</b>		<b>149,297</b>	<b>148,358</b>
<b>Current liabilities</b>			
Trade and other payables	19	2,203	2,277
Current tax liabilities	9	225	-
Borrowings	21	5,064	6,775
<b>Total current liabilities</b>		<b>7,492</b>	<b>9,052</b>
<b>Non-current liabilities</b>			
Contingent consideration	20	8,188	408
Borrowings	21	23,814	31,576
Derivative financial liability	21	607	2,452
Deferred tax liability	9	637	-
<b>Total non-current liabilities</b>		<b>33,246</b>	<b>34,436</b>
<b>Total liabilities</b>		<b>40,738</b>	<b>43,488</b>
<b>Net assets</b>		<b>108,559</b>	<b>104,870</b>
<b>Equity attributable to owners of the parent</b>			
Share Capital	22	3,855	3,835
Share Premium	22	107,220	106,387
Share-based payments reserve	23	919	511
Foreign exchange reserve		295	259
Retained Earnings		(3,730)	(6,122)
<b>Total equity</b>		<b>108,559</b>	<b>104,870</b>

The notes on pages 73 to 94 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 2 May 2024 and are signed on its behalf by:

**Adam Davidson**  
Director

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital US\$'000	Share premium US\$'000	Share based payments reserve US\$'000	Foreign exchange reserve US\$'000	Retained earnings US\$'000	Total US\$'000
Balance at 1 January 2021	3,307	87,046	403	118	(2,804)	88,070
Loss for the year	-	-	-	-	(3,684)	(3,684)
Other comprehensive income:						
Exchange gains on translation of foreign operations	-	-	-	141	-	141
Total comprehensive income	-	-	-	141	(3,684)	(3,543)
Transaction with owners in their capacity as owners:						
Issue of share capital	528	19,613	-	-	-	20,141
Share issue costs	-	(272)	-	-	-	(272)
Share-based payment charge	-	-	108	-	366	474
Total transactions with owners recognised directly in equity	528	19,341	108	-	366	20,343
Balance at 31 December 2022	3,835	106,387	511	259	(6,122)	104,870
Profit for the year	-	-	-	-	2,392	2,392
Other comprehensive income:						
Exchange gains on translation of foreign operations	-	-	-	36	-	36
Total comprehensive income	-	-	-	36	2,392	2,428
Transaction with owners in their capacity as owners:						
Issue of share capital	20	833	-	-	-	853
Share-based payment charge	-	-	408	-	-	408
Total transactions with owners recognised directly in equity	20	833	408	-	-	1,261
<b>Balance at 31 December 2023</b>	<b>3,855</b>	<b>107,220</b>	<b>919</b>	<b>295</b>	<b>(3,730)</b>	<b>108,559</b>

The notes on pages 73 to 94 are an integral part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 December 2023	Year ended 31 December 2022
	Notes	US\$'000	US\$'000
<b>Cash flow from Operating Activities</b>			
Profit/(loss) before taxation		3,803	(4,629)
Revaluation of royalty financial assets	13	(578)	(2,193)
Profit on sale of intangible asset	14	(6,944)	(1,862)
Finance income	7	(915)	(241)
Other finance costs	8	3,546	6,244
Net foreign exchange losses		37	1,442
Amortisation of royalty intangible asset	12	5,365	4,857
Share-based payments charge		408	474
<b>Net cash generated before changes in working capital</b>		<b>4,722</b>	<b>4,092</b>
Movement in payables		(60)	1,424
Movement in receivables		62	(9,048)
<b>Net cash generated/(used) in operating activities before tax</b>		<b>4,724</b>	<b>(3,532)</b>
Corporate income tax paid		(34)	-
<b>Net cash generated/(used) in operating activities</b>		<b>4,690</b>	<b>(3,532)</b>
<b>Cash flows from investing activities</b>			
Payments for acquisition of royalty intangible assets <sup>1</sup>	12	(19,485)	(60,518)
Net cash received from sale of intangible assets	14	13,292	3,528
Cash received from royalty financial assets	13	2,000	1,875
Finance income	7	915	215
<b>Net cash used in investing activities</b>		<b>(3,278)</b>	<b>(54,900)</b>
<b>Cash flows from financing activities</b>			
Issue of share capital	22	-	6,438
Share issue costs	22	-	(272)
Proceeds from borrowings	21	-	40,000
Repayment of borrowings	21	(10,000)	(10,000)
Issue costs of credit facility		-	(1,576)
Finance costs	8	(4,742)	(4,529)
<b>Net cash (used)/generated from financing activities</b>		<b>(14,742)</b>	<b>30,061</b>
Net (decrease) in cash and cash equivalents during the year		(13,330)	(28,371)
<b>Cash at the beginning of year</b>	18	<b>16,577</b>	<b>45,637</b>
Effect of foreign exchange rate on cash and cash equivalents		1	(689)
<b>Cash and cash equivalents at the end of the year</b>	18	<b>3,248</b>	<b>16,577</b>

1 During 2023, non-cash consideration of US\$0.75m in shares and US\$8.19m of contingent consideration were recognised in relation to the acquisition of royalty intangible assets. See note 12 for further details.

The notes on pages 73 to 94 are an integral part of these financial statements.

## COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

REGISTERED COMPANY NUMBER: 11328666

		Year ended 31 December 2023	Year ended 31 December 2022
	Notes	US\$'000	US\$'000
<b>Non-current assets</b>			
Investment in subsidiaries	15	113	113
Royalty intangible asset	12	6,685	-
Royalty financial assets at fair value through profit and loss	13	-	7,653
Amount due from subsidiary undertakings	16	99,704	90,553
Deferred tax asset	9	323	221
<b>Total non-current assets</b>		<b>106,825</b>	<b>98,540</b>
<b>Current assets</b>			
Trade and other receivables	17	3,615	4,041
Cash and cash equivalents	18	1,667	9,537
<b>Current assets</b>		<b>5,282</b>	<b>13,578</b>
<b>Total assets</b>		<b>112,107</b>	<b>112,118</b>
<b>Current Liabilities</b>			
Trade and other payables	19	486	322
<b>Current liabilities</b>		<b>486</b>	<b>322</b>
<b>Non-current Liabilities</b>			
Derivative financial liability	21	607	2,452
<b>Total liabilities</b>		<b>1,093</b>	<b>2,774</b>
<b>Net assets</b>		<b>111,014</b>	<b>109,344</b>
<b>Equity</b>			
Share Capital	22	3,855	3,835
Share Premium	22	107,220	106,387
Share-based payments reserve	23	919	511
Foreign exchange reserve		(23)	(23)
Retained Earnings		(957)	(1,366)
<b>Total equity</b>		<b>111,014</b>	<b>109,344</b>

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Parent Company Statement of Comprehensive Income. The profit for the Parent Company for the year was US\$0.41m (2022: US\$1.32m loss).

The notes on pages 56 to 84 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 2 May 2024 and are signed on its behalf by.

**Adam Davidson**

Director



## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital US\$'000	Share premium US\$'000	Share based payments reserve US\$'000	Foreign exchange reserve US\$'000	Retained losses US\$'000	Total US\$'000
Balance at 1 January 2022	3,307	87,046	403	(23)	(412)	90,321
Loss for the year	-	-	-	-	(1,320)	(1,320)
Total comprehensive income for the year	-	-	-	-	(1,320)	(1,320)
Issue of share capital	528	19,613	-	-	-	20,141
Share issue costs	-	(272)	-	-	-	(272)
Share options lapsed	-	-	(366)	-	366	-
Share-based payment charge	-	-	474	-	-	474
Total transactions with owners recognised directly in equity	528	19,341	108	-	366	20,343
Balance at 31 December 2022	3,835	106,387	511	(23)	(1,366)	109,344
Profit for the year	-	-	-	-	409	409
Total comprehensive income for the year	-	-	-	-	409	409
Issue of share capital	20	833	-	-	-	853
Share-based payment charge	-	-	408	-	-	408
Total transactions with owners recognised directly in equity	20	833	408	-	-	1,261
<b>Balance at 31 December 2023</b>	<b>3,855</b>	<b>107,220</b>	<b>919</b>	<b>(23)</b>	<b>(957)</b>	<b>111,014</b>

The notes on pages 73 to 94 are an integral part of these financial statements.

**COMPANY STATEMENT OF CASH FLOWS**  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
<b>Cash flows from operating activities</b>			
Profit/(loss) before taxation		332	(1,364)
Revaluation of royalty financial asset	13	(578)	(2,193)
Finance income		(463)	(113)
Intercompany interest received		(250)	(831)
Other finance (income)/costs	8	(1,645)	1,694
Net foreign exchange losses/(gains)		(5)	127
Amortisation of royalty intangible asset		64	-
Share-based payments charge		408	474
<b>Net cash used before changes in working capital</b>		<b>(2,137)</b>	<b>(2,206)</b>
Increase in payables		249	86
Increase in receivables		(272)	(2,154)
<b>Net cash used in operating activities before tax</b>		<b>(2,160)</b>	<b>(4,274)</b>
Corporate income tax paid		-	-
<b>Net cash used in operating activities</b>		<b>(2,160)</b>	<b>(4,274)</b>
<b>Cash flows from investing activities</b>			
Cash received from royalty financial asset	13	2,000	1,875
Finance income		463	113
Net foreign exchange gains		-	7
Loans granted to subsidiary undertakings	16	(22,994)	(28,696)
Loan repayments from subsidiary undertakings	16	14,817	-
<b>Net cash used in investing activities</b>		<b>(5,714)</b>	<b>(26,701)</b>
<b>Cash flows from financing activities</b>			
Issue of share capital	22	-	6,438
Share issue costs	22	-	(272)
<b>Net cash generated from financing activities</b>		<b>-</b>	<b>6,166</b>
Net decrease in cash and cash equivalents during the year		(7,874)	(24,809)
<b>Cash at the beginning of year</b>		<b>9,537</b>	<b>34,480</b>
Effect of foreign exchange rate on cash and cash equivalents		4	(134)
<b>Cash and cash equivalents at the end of the year</b>		<b>1,667</b>	<b>9,537</b>

The notes on pages 73 to 94 are an integral part of these financial statements.

### 1. GENERAL INFORMATION

Trident Royalties plc 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, incorporated and domiciled in England and Wales. The address of the registered office is 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied throughout the year presented, unless otherwise stated.

#### Basis of preparation

The Group's consolidated financial statements and the Parent Company financial statements have been prepared in accordance with UK-adopted international accounting standards and the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention except for financial assets at fair value through profit and loss account, contingent consideration and financial derivative liabilities which are measured at fair value. The principal accounting policies adopted are set out below. The Group financial statements are presented in US Dollars (US\$) and rounded to the nearest thousand.

The preparation of the Group financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are explained below.

#### Going Concern

The financial position of the Group and cash flows as at 31 December 2023 are set out on pages 67 and 69. The Group meets its day-to-day working capital and other funding requirements with its current cash, raised through equity placings, proceeds from the disposal of assets and revenue from its cash generating royalties. The Group actively manages its financial risks as set out in note 24 and operates Board-approved financial policies, that are designed to ensure that the Group maintains an adequate level of headroom and effectively mitigates financial risks.

On the basis of current financial projections (at least 12 months from the date of approval of the financial statements), 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 these financial statements.

#### Standards, interpretations and amendments to published standards not yet effective

The Directors have considered those standards and interpretations, which have not been applied in the financial statements, that are in issue but not yet effective and do not consider that they will have a material impact on the future results of the Group or Company.

#### Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

At 31 December 2023, the consolidated financial statements combine those of the Company with those of its subsidiaries. Subsidiaries are entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Group financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Investments in subsidiaries are accounted for at cost less impairment within the Company financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED**

**Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which is considered to be the Board.

**Foreign currency**

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their “functional currency”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss.

Exchange gains and losses arising on the retranslation of monetary financial assets are treated as a separate component of the change in fair value and recognised in profit or loss. Exchange gains and losses on non-monetary OCI financial assets form part of the overall gain or loss in OCI recognised in respect of that financial instrument.

**Translation into presentation currency**

The Group presents its financial information in US Dollars (US\$), which is the functional currency of the Group and Company.

The functional currency of all the Company’s subsidiaries is US\$ except for TRR Services Australia Pty Ltd which has an AUD functional currency.

- Assets and liabilities for each financial reporting date presented (including comparatives) are translated at the closing rate of that financial reporting period.
- Income and expenses for each income statement (including comparatives) is translated at exchange rates at the dates of transactions. For practical reasons, the Company applies average exchange rates for the period.
- All resulting changes are recognised as a separate component of equity.
- Equity items are translated at exchange rates at the dates of transactions.

The following exchange rates were used in the retranslation of these financial statements.

	At 31 December 2023	At 31 December 2022
US\$/AUD closing rate at financial reporting date	0.6812	0.6806
US\$/AUD average exchange rate during the reporting period	0.6737	0.6926

**Intangible assets**

**Royalty arrangements**

Royalty arrangements which are identified and classified as intangible assets are initially measured at cost, including any transaction costs, less provision for impairment where required.

Upon commencement of production at the underlying mining operation intangible assets are amortised on a units of production basis matching the depletion of the ore body over the life of the mine. Amortisation rates are adjusted on a prospective basis for all changes to estimates of the life of mine reserves.

**Impairment**

At each reporting date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets are impaired. If such an indication is identified, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. The recoverable amount is the higher of fair value (less costs of disposal) and value in use. In assessing value in use, the estimated cash flows are discounted to their present value using a pre-tax discount rate. If the recoverable amount of the asset is estimated to be less than its carrying value, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is also recognised in the income statement. Should an impairment loss subsequently reverse, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment loss is also recognised in the income statement.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

#### Assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

#### Investments

Investment in subsidiaries are recorded at cost less provision for impairment.

#### Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

Current tax is calculated at the tax rates (and laws) that have been enacted or substantively enacted in the countries in which the Group operates by the Statement of Financial Position date and is based on taxable profit or loss for the year.

#### Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit or loss and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### Share-based payments

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions. Non-market and performance vesting conditions are included in assumptions about the number of options that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit and loss, with a corresponding adjustment to equity.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

#### Financial Instruments

Financial instruments comprise cash and cash equivalents, borrowings, financial assets and liabilities, derivative financial liabilities and equity instruments. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and comprise trade and other receivables and trade and other payables respectively.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at hand and current and deposit balances at banks.

#### Borrowings

Interest bearing debt facilities are initially recognised at fair value, net of directly attributable transaction costs. Transaction costs are recognised in the income statement on a straight-line basis over the term of the facility.

#### Trade and other receivables

Trade and other receivables are accounted for under IFRS 9 using the expected credit loss model and are initially recognised at fair value and subsequently measured at amortised cost less any allowance for expected credit losses.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model.

#### Royalty financial assets at fair value through profit and loss

Royalty financial assets are recognised or derecognised on completion date where a purchase or sale of the royalty is under a contract, and are initially measured at fair value, including transaction costs.

All of the Group's royalty financial assets have been classified as at fair value through profit and loss ("FVTPL").

The royalty financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in the "revaluation of royalty financial assets" line item of the income statement. Fair value is determined in the manner described in note 13.

#### Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### Contingent consideration

Contingent consideration is initially recognised at its fair value based on the expected future cash flows. After initial recognition the contingent consideration is remeasured at the end of each reporting period with any gains or losses recognised in the royalty intangible asset balance on the balance sheet.

#### Warrant liability at fair value through profit and loss

The warrant liability is initially measured at fair value, including transaction costs. The liability is measured at fair value at the end of each reporting period, with any gains or losses recognised as other finance costs in the income statement. Fair value is determined by the calculation described in note 21.

#### Equity instruments and reserves description

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Ordinary shares are classified as equity.

Deferred shares are classified as equity but have restricted rights such that they have no economic value.

Share capital account represents the nominal value of the ordinary and deferred shares issued.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Share based payment reserve represents equity-settled share-based employee remuneration until such share options are exercised.

Foreign exchange reserve represents

- differences arising on the opening net assets retranslation at a closing rate that differs from opening rate; and
- differences arising from retranslating the income statement at exchange rates at the dates of transactions at average rates and assets and liabilities at the closing rate.

Retained earnings include all current and prior period results as disclosed in the Statement of Comprehensive Income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

**Revenue recognition**

The revenue of the Group comprises mainly royalty income. It is measured at the fair value of the consideration received or receivable after deducting discounts, value added tax and other withholding tax. The royalty income becomes receivable on extraction and sale of the relevant underlying commodity, and by determination of the relevant royalty agreement.

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 the 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.

Interest income is accrued on a time basis, by reference to the carrying value and at the effective interest rate applicable.

**Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The Group's estimate in respect of contingent consideration that may be payable following the acquisition of Royalty Intangible Assets, is capitalised as an asset acquisition cost. The value of the provision is determined by the amounts deemed payable by management at the balance sheet date.

**Critical accounting estimates and judgements**

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results ultimately may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting judgements**

**Classification of royalty arrangements: initial recognition and subsequent measurement**

The Directors must decide whether the Group's royalty arrangements should be classified as:

- Intangible assets in accordance with IAS 38 Intangible Assets; or
- Financial assets in accordance with IFRS 9 Financial Instruments

The Directors use the following selection criteria to identify the characteristics which determine which accounting standard to apply to each royalty arrangement:

**Type 1 - Intangible assets:** Royalties, are mainly classified as intangible assets by the Group. The Group considers the substance of a simple royalty to be economically similar to holding a direct interest in the underlying mineral asset. Existence risk (the commodity physically existing in the quantity demonstrated), production risk (that the operator can achieve production and operate a commercially viable project), timing risk (commencement and quantity produced, determined by the operator) and price risk (returns vary depending on the future commodity price, driven by future supply and demand) are all risks which the Group participates in on a similar basis to an owner of the underlying mineral licence. Furthermore, in a royalty intangible, there is only a right to receive cash to the extent there is production and there are no interest payments, minimum payment obligations or means to enforce production or guarantee repayment. These are accounted for as intangible assets under IAS 38.

**Type 2 - Financial royalty assets (royalties with additional financial protection):** In certain circumstances where the risk is considered too high, the Group will look to introduce additional protective measures. This has taken the form of minimum payment terms. Once an operation is in production, these mechanisms generally fall away such that the royalty will display identical characteristics and risk profile to the intangible royalties; however, it is the contractual right to enforce the receipt of cash which results in these royalties being accounted for as financial assets under IFRS 9.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Critical accounting judgements continued

Accounting classification	Substance of contractual terms	Accounting treatment	Examples
Royalty intangible assets and offtake interests	<p>Simple royalty with no right to receive cash other than through a royalty related to production.</p> <p>An offtake contract is a contract where an operator agrees to sell, and the purchaser agrees to buy, refined metal produced from the mine or mines over which the offtake is granted. The key commercial terms include those relating to the amount of metal to be purchased, the delivery mechanics, and the payment terms.</p>	<ul style="list-style-type: none"> <li>Investment is presented as an intangible asset and carried at cost less accumulated amortisation and any impairment provision</li> <li>Royalty or offtake income is recognised as revenue in the income statement</li> <li>Intangible asset is assessed for indicators of impairment at each period end</li> </ul>	<ul style="list-style-type: none"> <li>Koolyanobbing</li> <li>Thacker Pass</li> <li>Lincoln gold</li> <li>Sugar Zone offtake</li> <li>Equinox Gold offtake</li> <li>Allied Gold offtake</li> <li>Blyvoor Gold offtake</li> <li>i80 Gold offtake</li> <li>Victoria Gold offtake</li> <li>Mimbula</li> <li>Kwale</li> <li>La Preciosa</li> <li>Dandoko</li> <li>Paradox</li> <li>Antler</li> </ul>
Royalty financial instruments	Royalty arrangement with a contractual right to receive cash (e.g. through a minimum payment profile).	<ul style="list-style-type: none"> <li>Financial asset is recognised at fair value on the balance sheet</li> <li>Fair value movements taken through the income statement (FVTPL)</li> <li>Royalty income is not recognised as revenue in the income statement and instead reduces the fair value of the asset</li> </ul>	<ul style="list-style-type: none"> <li>Mimbula (till 1st July 2023)</li> </ul>

The Directors are cognisant that the Lincoln gold royalty is subject to a minimum payment schedule and is classified as a Royalty intangible asset. The classification decision was arrived at having considered that the minimum payment schedule was introduced as an amendment to the original royalty agreement in order to assist the operator with the progression of the asset development and with the intention to revert to a standard royalty arrangement upon commencement of production. The classification will be reviewed at each reporting date.

**Gold offtake revenue recognition**

The Directors have decided that Trident acts as an agent in the gold offtake transaction and accordingly should disclose revenue and costs net. The strict legal interpretation of IFRS 15 deems Trident to be the principal. However, the Directors consider that the substance of these instruments (and revenue and cost) is such that Trident will always sell the gold within the 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. Further details are disclosed in note 3 – Business and Geographical Reporting.

**Going concern**

The Group and Company financial statements have been prepared on a going concern basis as the Directors have assessed the Group’s and Company’s ability to continue in operational existence for the foreseeable future. The operations are currently being funded through existing cash reserves and royalty income.

The financial statements do not include the adjustments that would result if the Group or Company were not to continue as a going concern. See Going Concern section on page 73 for more details.

**Loans to subsidiaries**

Loans to subsidiaries have a carrying value at 31 December 2023 of US\$99.7m (2021: US\$90.6m). The Directors have assessed the carrying value, in accordance with the IFRS 9 Expected Credit Loss model and consider it to be equal to fair value on the basis that the loans will be recovered from the subsidiaries as they generate cash flow from their underlying investments in royalty assets. In the event that the underlying value of the royalty asset becomes impaired, and the loans are not considered to be recoverable, an impairment charge will then be recognised in the Statement of Comprehensive Income.



### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

#### Key sources of estimation uncertainty

##### Assessment of fair value of royalty arrangements held at fair value

The Mimbula royalty was held at fair value until its reclassification as a royalty intangible asset. Fair value was determined based on discounted cash flow models (and other valuation techniques) using assumptions considered to be reasonable and consistent with those that would be applied by a market participant. The determination of assumptions used in assessing fair values is subjective and the use of different valuation assumptions could have a significant impact on financial results.

In particular, expected future cash flows, which are used in discounted cash flows models, are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including commodity prices, exchange rate changes and reserves and resources and timing/likelihood of mines entering production if not already generating income.

The key assumptions relating to the Group's royalty financial asset classified as fair value through profit or loss is set out in note 13.

##### Impairment review of intangible assets

Intangible assets are assessed for indicators of impairment at each reporting date with the assessment considering variables such as the production profiles, production commissioning dates where applicable, forecast commodity prices and guidance from the mine operators.

Where indicators are identified, the starting point for the impairment review will be to measure the expected future cash flows from the royalty arrangement should the project continue/come into production. A pre-tax nominal discount rate is applied to the future cash flows. The discount rate of each royalty arrangement is specific to the underlying project, making reference to the risk-free rate of return expected on an investment with the same time horizon as the expected mine life, together with the country risk associated with the location of the operation. Changes in discount rate are most sensitive to changes in the risk-free rate, country risk premiums and the expected mine life.

The outcome of this net present value calculation is then risk weighted to reflect management's current assessment of the overall likelihood and timing of each project coming into production and royalty income arising. This assessment is impacted by news flow relating to the underlying operation in the year, in conjunction with management's assessment of the economic viability of the project based on commodity price projections.

##### Amortisation

The Group's amortisation policy is based on a depletion method using units of production. Management regularly review the life of its assets, the amortisation rates and methodology, and amortisation rates may be adjusted for changes to the estimates.

### 3. BUSINESS AND GEOGRAPHICAL REPORTING

The Group's chief operating decision maker is considered to be the Executive Board. The Executive Board evaluates the financial performance of the Group by reference to its diversified portfolio - split between precious, bulk, battery and base metal assets - its reportable segments.

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

Precious:	Lincoln Gold Mine, Gold Offtake Contracts, La Preciosa, Dandoko
Bulk:	Koolyanobbing, Kwale
Battery Metals:	Thacker Pass, Paradox
Base:	Mimbula, Pukaqaqa, Antler

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

Segmental information as at 31 December 2023:

	Precious US\$'000	Bulk US\$'000	Battery metals US\$'000	Base US\$'000	Other US\$'000	Total US\$'000
Royalty and offtake related revenue	7,478	1,930	-	113	-	9,521
Amortisation of royalty intangible assets	(4,148)	(1,153)	-	(64)	-	(5,365)
<b>Gross profit</b>	<b>3,330</b>	<b>777</b>	<b>-</b>	<b>49</b>	<b>-</b>	<b>4,156</b>
Administrative expenses	-	-	-	-	(5,267)	(5,267)
<b>Total segment operating profit/(loss)</b>	<b>3,330</b>	<b>777</b>	<b>-</b>	<b>49</b>	<b>(5,267)</b>	<b>(1,111)</b>
<b>Total segment assets</b>	<b>80,107</b>	<b>2,118</b>	<b>35,296</b>	<b>17,041</b>	<b>13,735</b>	<b>149,297</b>
<b>Total segment liabilities</b>	<b>(31,205)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,533)</b>	<b>(40,738)</b>

Segmental information as at 31 December 2022:

	Precious US\$'000	Bulk US\$'000	Battery metals US\$'000	Base US\$'000	Other US\$'000	Total US\$'000
Royalty and offtake related revenue	6,418	1,432	-	-	-	7,850
Amortisation of royalty intangible assets	(3,796)	(1,061)	-	-	-	(4,857)
Gross profit	2,622	371	-	-	-	2,993
Administrative expenses	-	-	-	-	(4,667)	(4,667)
Total segment operating result	2,622	371	-	-	(4,667)	(1,674)
Total segment assets	82,732	2,445	28,234	11,714	23,233	148,358
Total segment liabilities	(40,081)	-	-	-	(3,407)	(43,488)

As at 31 December 2023, the Group had received royalty income from the Gold Offtake portfolio and Lincoln gold (precious segment), Koolyanobbing and Kwale (bulk segment) and Mimbula (base segment). Additionally, a fair value gain of US\$0.6m (2022: US\$2.2m) was recognised in the base segment relating to the Mimbula asset for the period prior to its reclassification as a Royalty intangible asset (see note 13).

US\$6.9m (2022: US\$6.1m) of the precious revenue relates to net proceeds from gold offtake contracts - gross revenue was US\$522.0m (2022: US\$446.1m) with US\$151.1m (2022: US\$440.0m) costs.

4. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Employee benefit expense (note 6)	3,309	2,946
Legal and professional	1,126	1,068
Other operating expenses	832	653
<b>Total operating expenses</b>	<b>5,267</b>	<b>4,667</b>

5. AUDITOR REMUNERATION

During the year the Company obtained the following services from the auditor:

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Fees payable to the auditor for the audit of the Group and Company	55	69
<b>Total auditor's remuneration</b>	<b>55</b>	<b>69</b>
Other assurance services pursuant to legislation	-	-

Details of the Company's policy on the use of auditors for non-audit services, the reasons why the auditor was used rather than another supplier and how the auditor's independence and objectivity are safeguarded are set out in the Audit Committee Report.

6. EMPLOYEE BENEFIT EXPENSE

	Group Year ended 31 December 2023 US\$'000	Company Year ended 31 December 2023 US\$'000	Group Year ended 31 December 2022 US\$'000	Company Year ended 31 December 2022 US\$'000
Directors' salary and fees	1,617	1,014	1,185	585
Employee costs	1,051	68	1,103	455
Social security costs	233	115	184	90
Share based payments	408	408	474	474
<b>Total employee benefit expense</b>	<b>3,309</b>	<b>1,605</b>	<b>2,946</b>	<b>1,604</b>

Further disclosures in respect of Directors' remuneration are included within the Directors' Remuneration Report. The average number of employees (including Directors) during the year was 9 (2022: 9).

7. FINANCE INCOME

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Interest from bank deposits	915	241
<b>Total</b>	<b>915</b>	<b>241</b>

8. OTHER FINANCE COSTS

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Interest paid	4,483	3,774
Amortisation of financing costs (including warrant (credit)/charge)	(1,284)	2,220
Other finance charges	347	250
<b>Total</b>	<b>3,546</b>	<b>6,244</b>

A fair value credit of US\$1.6m (2022: US\$1.7 charge) relating to the outstanding warrants held in the Company was recognised in the year.

9. INCOME TAX

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
<b>Analysis of charge for year:</b>		
United Kingdom corporation tax	-	-
Overseas taxation	258	84
Adjustments in respect of prior years	-	-
Current tax expense	258	84
Deferred tax charge/(credit) in current year	1,476	(1,317)
Adjustments in respect of prior years	(323)	318
Effect of changes in tax rates	-	(30)
Deferred tax	1,153	(1,029)
<b>Income tax charge/(credit)</b>	<b>1,411</b>	<b>(945)</b>

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Factors affecting the tax charge for the year:		
<b>Profit/(loss) before taxation</b>	<b>3,803</b>	<b>(4,629)</b>
Tax on result calculated at UK Corporation tax of 23.5% (2022: 19%)	894	(880)
<b>Tax effects of:</b>		
<b>Items non-taxable/deductible for tax purposes:</b>		
Non-deductible expenses	47	107
Non-taxable income	-	-
<b>Temporary and other differences:</b>		
Foreign tax credits	34	83
Effect of differences between local and UK tax rates	502	(420)
Prior year adjustment to current and deferred tax	(323)	319
Deferred tax not recognised	(100)	(27)
Remeasurement of deferred tax for changes in tax rates	365	(127)
Other adjustments	(8)	-
<b>Income tax</b>	<b>1,411</b>	<b>(945)</b>

The Group is subject to taxation in United Kingdom, USA and Australia with applicable tax rates of 25.00%, 21.00% and 30.00% respectively. The Group does not have any unresolved tax matters or disputes with the tax authorities in the jurisdictions in which it operates.

**9. INCOME TAX CONTINUED**
**Deferred taxation**

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

Group	Tax losses US\$'000	Other US\$'000	Total US\$'000
<b>At 1 January 2022</b>	1,482	(439)	<b>1,043</b>
Credit/(charge) to income statement	1,317	(289)	<b>1,028</b>
Exchange differences	-	(66)	<b>(66)</b>
31 December 2022	2,799	(794)	<b>2,005</b>
(Charge)/credit to income statement	(2,521)	1,382	<b>(1,139)</b>
Exchange differences	-	(14)	<b>(14)</b>
<b>At 31 December 2023</b>	<b>278</b>	<b>574</b>	<b>852</b>
Analysed as:			
Deferred tax asset	278	1,211	<b>1,489</b>
Deferred tax liability	-	(637)	<b>(637)</b>

The deferred tax asset predominantly relates to the US subsidiaries. Based on the forecast future cashflows for the royalty assets held by these subsidiaries the losses are expected to be fully utilised, accordingly the deferred tax asset has been recognised in full. The deferred tax liability principally relates to accelerated capital allowances in the Australian subsidiary.

Company	Tax losses US\$'000	Other US\$'000	Total US\$'000
<b>At 1 January 2022</b>	-	93	<b>93</b>
Credit to income statement	-	128	<b>128</b>
At 31 December 2022	-	221	<b>221</b>
Credit to income statement	-	102	<b>102</b>
<b>At 31 December 2023</b>	<b>-</b>	<b>323</b>	<b>323</b>

**10. 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.

**Net (loss)/profit attributable to shareholders**

	Year ended 31 December 2023 US\$'000	Year ended 31 December 2022 US\$'000
Profit/(loss)	<b>2,392</b>	(3,684)

The weighted average number of shares in issue for the purpose of calculating basic and diluted earnings per share and basic and diluted adjusted earnings per share are as follows:

**Weighted average number of shares in issue**

	2023	2022
Basic number of shares outstanding	<b>291,749,788</b>	288,853,068
Dilutive effect of Employee Share Option Scheme	<b>40,859</b>	-
Diluted number of shares outstanding	<b>291,790,647</b>	288,853,068
Earnings/(loss) per share - basic	<b>0.82 c</b>	(1.28) c
Earnings/(loss) per share - diluted	<b>0.82 c</b>	(1.28) c

The effect of the outstanding warrants and options in respect of the prior year as disclosed under note 23 would have been anti-dilutive (reducing the loss per share) and accordingly is not presented. In addition, the effect of the issue of ordinary shares shortly after year end, would also have been anti-dilutive, and accordingly is not considered. The issue, however, may be dilutive in future periods.

## 11. DIVIDENDS

There were no dividends paid or proposed by the Company in either period.

## 12. ROYALTY INTANGIBLE ASSETS

Group	Royalty interests US\$'000	Offtake interests US\$'000	Total US\$'000
<b>Cost</b>			
At 1 January 2022	46,167	-	46,167
Acquisitions	-	74,018	74,018
Disposals	-	(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	28,406	-	28,406
Additions	18	-	18
Disposals	-	-	-
Reclassified from royalty financial assets	6,731	-	6,731
Exchange differences	4	-	4
At 31 December 2023	73,808	72,185	145,993
<b>Accumulated Amortisation</b>			
At 1 January 2022	(1,267)	-	(1,267)
Amortisation	(1,062)	(3,795)	(4,857)
Disposal	-	166	166
Exchange differences	99	-	99
At 31 December 2022	(2,230)	(3,629)	(5,859)
Amortisation	(1,217)	(4,148)	(5,365)
Disposal	-	-	-
Exchange differences	(14)	-	(14)
At 31 December 2023	(3,461)	(7,777)	(11,238)
Net book value at 31 December 2022	36,419	68,556	104,975
<b>Net book value at 31 December 2023</b>	<b>70,347</b>	<b>64,408</b>	<b>134,755</b>
<b>Company</b>			
	Royalty interests US\$'000	Offtake interests US\$'000	Total US\$'000
<b>Cost</b>			
At 1 January 2022 and 31 December 2022	-	-	-
Acquisitions	-	-	-
Additions	18	-	18
Reclassified from royalty financial assets	6,731	-	6,731
At 31 December 2023	6,749	-	6,749
<b>Accumulated Amortisation</b>			
At 1 January 2022 and 31 December 2022	-	-	-
Amortisation	(64)	-	(64)
At 31 December 2023	(64)	-	(64)
Net book value at 31 December 2022	-	-	-
<b>Net book value at 31 December 2023</b>	<b>6,685</b>	<b>-</b>	<b>6,685</b>

**12. ROYALTY INTANGIBLE ASSETS CONTINUED**

**Amortisation**

Amortisation is charged on a units of production basis (over initial estimated reserves) on those assets in production. In the case of Koolyanobbing it is estimated that circa 20% (2022:52%) of the original acquired reserve remains.

**Impairment**

The royalty intangible assets are reviewed for impairment indicators at each reporting date. In the event that impairment indicators exist a full impairment review will take place to determine whether the discounted future cash flows exceed cost.

The sensitivity of the discounted future cash flows to changes in management’s key assumptions, such as commodity prices and production rates, has been reviewed to assess for indicators of impairment. It has been concluded that any reasonable change in the key inputs would not result in a material impairment.

**Material acquisitions**

**La Preciosa**

In May 2023 Trident acquired royalties and a milestone payment over the La Preciosa Silver Project in Mexico. The royalty assets comprise:

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

In consideration, Trident paid US\$7m in cash on completion and will pay a further US\$1m, in cash or shares at Trident’s election, upon receipt of the Milestone Payment or other circumstances as set out in the SPA.

**Dandoko**

In September 2023 Trident acquired a 50% interest in a 2% net smelter return royalty over the Dandoko Gold Project in Western Mali, Africa. The total consideration was US\$6.25m comprising US\$3m in cash and US\$0.75m in Trident shares paid on completion of the investment. Further consideration will be paid on the following milestones:

- US\$1.25m in cash on first royalty receipt from the royalty area, and
- US\$1.25m in cash on receipt of payment on 500,000 ounces gold sold from the royalty area.

**Antler**

In November 2023 Trident acquired royalties which comprises of:

- 0.90% net smelter return royalty covering Antler deposit and five named exploration targets (“Project Area Royalty”);
- 0.45% net smelter return royalty covering royalty over any ground subsequently acquired by New World within 5km of the Project Area Royalty boundary.

In consideration, Trident paid AUD 11m in cash.

**Paradox**

In September 2023 Trident acquired a 2.50% net smelter royalty in the Paradox Basin in Utah, USA. In consideration, Trident paid US\$1.5m on completion and will pay a further consideration on the achievement of the following milestones:

- US\$3.5m upon commencement of commercial production by Anson at Paradox (“First Contingent Payment”);
- US\$5.0m on the second anniversary of the First Contingent Payment

**Reclassified from royalty financial asset**

In July 2023 Trident’s entitlement to receive a minimum payment from the Mimbula Royalty ceased with royalty payments being received thereafter. Consequently, the Mimbula Royalty no longer meets the conditions to be classified as royalty financial asset and has been reclassified as a royalty intangible asset. See note 13 for further information regarding the terms of the royalty.

### 13. ROYALTY FINANCIAL ASSETS

In July 2020 the Group acquired the Mimbula Royalty from Moxico Resources plc a staged GRR over production from the operating Mimbula copper mine and associated stockpiles located in Zambia's prolific Copperbelt Province. The GRR was acquired for cash consideration of US\$5.00m. Trident is entitled to royalty payments on production which commenced on 1 July 2020 and extend in perpetuity.

Until June 2023 Trident was entitled to receive either a Minimum Payment ("MP") or a royalty payment, whichever was higher. Thereafter, Trident would only receive royalty payments. The royalty payments are calculated as a percentage of the gross revenue derived from sale of finished copper and copper concentrate. Per the terms of the agreement, the royalty percentage is calculated as follows:

- During the MP period, 1.25% of gross revenue;
- During the period commencing on the day after the expiry of MP period and ending on the date on which royalty payments have been made to Trident in respect of a total aggregate quantity of no less than 575,000 tonnes of copper cathode or other finished copper product, 0.3% of gross revenue; and
- during the period commencing on the day after the expiry of the MP period and continuing for the duration of the agreement, 0.2% of gross revenue.

#### Group and Company

	2023	2022
Fair Value	US\$'000	US\$'000
At 1 January	7,653	7,461
Royalties due or received	(1,500)	(2,000)
Revaluation of royalty financial asset recognised in profit or loss	578	2,192
Reclassified to royalty financial assets	(6,731)	-
<b>At 31 December</b>	<b>-</b>	<b>7,653</b>

On the 1 July 2023, following the expiry of the minimum payment period the Mimbula royalty was reclassified as a royalty intangible asset (see note 12).

### 14. ASSETS HELD FOR SALE

#### Group

	2023	2022
	US\$'000	US\$'000
At 1 January	6,750	-
Royalty intangible assets reclassified as held for sale	-	6,750
Disposal	(6,750)	-
<b>At 31 December</b>	<b>-</b>	<b>6,750</b>

In December 2022 the Group agreed to sell its pre-production gold royalties over Lake Rebecca, Spring Hill and four other projects acquired as a portfolio from Talga Resources to Franco-Nevada in exchange for cash proceeds of up to US\$15.8m. One early-stage royalty was removed from the portfolio prior to closing and the transactions proceeds were adjusted to be up to US\$15.6m. Cash consideration of US\$14.3m (US\$13.3m net of transaction costs) was received in the year with a further US\$1.3m to be paid upon first production from the Rebecca Gold Project. A profit on disposal of US\$6.9m was recognised in the year following the netting off of contingent consideration (US\$0.4m) attached to the Spring Hill royalty (see note 20). The sale of these investments was completed in February 2023.

There were no assets held for sale in the Company (2022: US\$Nil).

### 15. INVESTMENTS IN SUBSIDIARIES

#### Company

	US\$'000
<b>Cost</b>	
At 1 January 2022 and 1 January 2023	113
Investment in subsidiary	-
<b>At 31 December 2023</b>	<b>113</b>



15. INVESTMENTS IN SUBSIDIARIES CONTINUED

As at 31 December 2023 the Company held interests in the following subsidiary and joint venture companies:

Company	Country of registration	Proportion held	Registered Office	Nature of business
TRR Services, LLC	USA	100%	7233 S.Kellerman Way, Aurora, CO 80016	Service company
TRR ServicesAustralia Pty Limited	Australia	100%	Floor 2, 44A Kings Park Road, West Perth, WA 6005	Service company
TRR Services Schweiz AG	Switzerland	100%	Grafenauweg 8, 6300 Zug	Service company
TRR Services UK Ltd	United Kingdom	100%	6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR	Service company
TRR Holdings LLC	USA	100%	251 Little Falls Drive, Wilmington, DE 19808	Service company
TRR Offtakes LLC	USA	100%	251 Little Falls Drive, Wilmington, DE 19808	Service company
Tiomin Peru S.A.C	Peru	100%	Parque las Leyendas MZA, 13 Lote, °902A Al Costado de Metro De La Av La Marina, Lima, Peru	Dormant
TRR Sonora Limited	United Kingdom	100%	6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR	Dormant
Sonoroy Holdings Limited	United Kingdom	50%	Lynton House 7-12 Tavistock Square, London, England, WC1H 9BQ	Dormant

16. AMOUNT DUE FROM SUBSIDIARY UNDERTAKINGS

Company	2023 US\$'000	2022 US\$'000
Loans and contributions to subsidiaries	99,704	90,553
<b>Total</b>	<b>99,704</b>	<b>90,553</b>

During the year ended 31 December 2023 the maximum amount owed by the subsidiaries to the Parent Company was US\$99.7m (2022: US\$90.6m). The related party loans are unsecured, repayable upon demand and have a 6% interest rate where applicable. The fair value of loans to subsidiaries is the same as their carrying values stated above.

17. TRADE AND OTHER RECEIVABLES

	Group 2023 US\$'000	Company 2023 US\$'000	Group 2022 US\$'000	Company 2022 US\$'000
Trade receivables	9,270	2,655	9,938	3,015
Prepayments and accrued income	511	905	394	989
Current tax asset	-	-	29	-
Indirect taxes recoverable	24	55	37	37
<b>Total</b>	<b>9,805</b>	<b>3,615</b>	<b>10,398</b>	<b>4,041</b>

Due to the short-term nature of the current receivables, their carrying amount is considered to be approximate to their fair value.

18. CASH AND CASH EQUIVALENTS

	Group 2023 US\$'000	Company 2023 US\$'000	Group 2022 US\$'000	Company 2022 US\$'000
Cash at bank and on hand	3,248	1,667	16,577	9,537

All of the Company's cash and cash equivalents are held in accounts which bear interest at floating rates and the Directors consider their carrying amount approximates to their fair value. Details of the credit risk associated with cash and cash equivalents is set out in note 24.

## 19. TRADE AND OTHER PAYABLES

	Group 2023 US\$'000	Company 2023 US\$'000	Group 2022 US\$'000	Company 2022 US\$'000
Trade payables	1,343	231	1,556	85
Other taxation and social security	6	-	113	-
Accrued expenses	854	255	608	237
<b>Total</b>	<b>2,203</b>	<b>486</b>	<b>2,277</b>	<b>322</b>

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The Directors consider that the carrying amount of trade payables approximates to their fair value.

## 20. CONTINGENT CONSIDERATION

Group	US\$'000
At 31 December 2022	408
Additions	8,188
Disposal	(408)
<b>At 31 December 2023</b>	<b>8,188</b>

The brought forward Contingent consideration relates to the acquisition of the Spring Hill royalty which was sold on 23 February 2023. The 2023 additions relate to three royalties; Dandoko US\$1.83m, Paradox US\$5.43m, La Preciosa US\$0.93m. The above amounts represent managements estimate of the amounts due and their belief that the events that trigger payment of the additional consideration will be met. See note 12 for further information regarding the conditions attached to the contingent payments. The amounts are discounted and expected to fall due after more than one year.

## 21. BORROWINGS

Group	2023 US\$'000	2022 US\$'000
At 1 January	38,351	10,536
Repayment of debt facility	-	(10,536)
Secured loan facility at amortised cost	-	40,000
Prepayment of debt facility	(10,000)	-
Other movements	527	(1,649)
<b>At 31 December</b>	<b>28,878</b>	<b>38,351</b>

On 1 July 2021 the Group entered into a US\$10m secured loan facility agreement with a syndicate managed by Tribeca Investment Partners. The Facility was drawdown on 3 August 2021 and repaid in full on 6 January 2022.

On 10 January 2022, a new fully secured US\$40m loan facility was entered into with Macquarie Bank Limited. The facility had a 3-year term with interest charged at 7.75% plus SOFR. On 23 February 2023, the facility was restructured, with a one-year extension to December 2025 and a reduction in the coupon to 5.75% plus SOFR (subject to maintaining certain leverage ratios). On 29 November 2023, a US\$10m prepayment was made against the facility. Other movements includes non-cash amortisation of US\$0.53m (2021: US\$0.81m) on the arrangement fees of US\$2.46m incurred on the Macquarie Bank facility in the prior year which have been netted off against the borrowings in accordance with IFRS 9 "Financial Instruments". In the prior year's Annual Report and Accounts the amortised arrangement fees were not netted off against borrowings and were disclosed within the trade and other receivables balance. This has resulted in a restatement of the disclosed borrowings balance of US\$40.0m to US\$38.4m and a reduction in the trade and other receivables balance from US\$12.0m to US\$10.4m as at 31 December 2022.

### Maturity analysis

Group	2023 US\$'000	2022 US\$'000
Amounts due within one year	5,064	6,775
Amounts due after more than one year	23,814	31,576
<b>Total</b>	<b>28,878</b>	<b>38,351</b>

**21. BORROWINGS CONTINUED**
**Reconciliation of net cash flow to movement in debt**
**Group**

	2023 US\$'000	2022 US\$'000
Cash and cash equivalents	3,248	16,577
Secured loan facility	(30,000)	(40,000)
Net debt	(26,752)	(23,423)
Net (decrease)/increase in cash and cash equivalents in the year	(13,330)	(28,371)
Cash outflow/(inflow) from change in secured loan facility	10,000	(29,464)
Exchange differences	1	(689)
Change in net debt resulting from cash flows	(3,329)	(58,524)
Net debt at the start of the year	(23,423)	35,101
Net debt at the end of the year	(26,752)	(23,423)

The net gold receivable amount of US\$4.88m (2022: US\$5.12m) is not included in the net debt reconciliation shown above.

**Warrant liability**

As part of the Tribeca facility, 3,500,000 share warrants to subscribe for shares in the Company were issued exercisable at £0.5166 per share ("Tribeca Warrants"). The Tribeca Warrants expired on 2 August 2023.

As part of the Macquarie facility, 14,840,517 share warrants to subscribe for shares in the Company were issued exercisable at £0.51 per share ("Macquarie Warrants"). The Macquarie Warrants were exercisable immediately on issue and expired 36 months from drawdown. Following the restructuring of the facility on the 23 February 2023, the expiry date was extended for a further twelve months. As the US\$ value of the Macquarie Warrant exercise price is a variable amount they have been treated as a derivative financial liability and are classified as fair value through profit and loss. The inputs used to calculate the fair value of the Warrants on initial recognition is shown in note 23.

**Group and Company**

Fair Value	US\$'000
At 1 January 2023	2,452
Revaluation of derivative financial asset recognised in profit or loss	(1,845)
<b>At 31 December 2023</b>	<b>607</b>

**22. SHARE CAPITAL AND SHARE PREMIUM**
**Group and Company**

	Number of ordinary shares of 1p	Number Of deferred shares of 1p	Share capital US\$'000	Share premium US\$'000
At 1 January 2022	251,592,413	-	3,307	87,046
Share issue - placing	13,118,057	-	179	6,259
Share issue - royalty acquisitions	26,013,903	-	344	13,156
Share issue - non-executive directors' fees	406,227	-	5	198
Share issue expenses	-	-	-	(272)
At 31 December 2022	291,130,600	-	3,835	106,387
Share issue - non-executive directors' fees	174,366	-	2	101
Share issue - royalty acquisitions	1,425,210	-	18	732
<b>At 31 December 2023</b>	<b>292,730,176</b>	<b>-</b>	<b>3,855</b>	<b>107,220</b>

**Share issues during the year:**

On 17 January 2023, 174,366 ordinary shares were issued at 49p per share in lieu of non-executive directors' fees.

On 6 September 2023, 1,425,210 ordinary shares were issued at 42p as consideration for the acquisition of the Dandoko royalty.

**Shares issued subsequent to the year-end**

On 2 January 2024, 349,206 ordinary shares were issued at 33p per shares to directors and management of the Company.

**23. SHARE BASED PAYMENTS**

**Share options**

During 2023 and the previous year share options were granted to Directors and Senior Management of the Company. Under IFRS 2 "Share-based Payments", the Company considers these to be equity settled share-based payments and determines the fair value of the options issued to Directors and employees as remuneration and recognises the amount as an expense in the statement of income with a corresponding increase in equity.

Option exercise price	Expiry date	Vesting date	Fair value of individual option	At 1 January 2022	Issued	Expired or lapsed	At 31 December 2023
£0.2000	02/06/2030	02/06/2021	£0.0630	1,041,666	-	-	1,041,666
£0.2400	02/06/2030	02/06/2022	£0.0608	1,041,667	-	-	1,041,667
£0.2800	02/06/2030	02/06/2023	£0.0605	1,041,667	-	-	1,041,667
£0.2965	20/12/2030	20/12/2022	£0.1260	200,001	-	-	200,001
£0.3558	20/12/2030	20/12/2023	£0.1180	200,000	-	-	200,000
£0.4551	20/12/2030	20/12/2024	£0.1060	199,999	-	-	199,999
£0.3700	20/04/2028	20/12/2024	£0.1068	510,000	-	-	510,000
£0.5000	01/02/2029	01/02/2023	£0.1010	1,280,000	-	-	1,280,000
£0.5000	01/02/2029	31/12/2023	£0.0910	1,280,000	-	-	1,280,000
£0.5000	01/02/2029	31/12/2024	£0.0830	1,280,000	-	-	1,280,000
£0.5000	01/02/2029	31/12/2025	£0.0740	1,280,000	-	-	1,280,000
£0.5000	01/02/2029	31/12/2026	£0.0650	1,280,000	-	-	1,280,000
£0.5000	20/09/2029	20/09/2023	£0.1690	320,000	-	-	320,000
£0.5000	20/09/2029	31/12/2023	£0.1610	320,000	-	-	320,000
£0.5000	20/09/2029	31/12/2024	£0.1510	320,000	-	-	320,000
£0.5000	20/09/2029	31/12/2025	£0.1440	320,000	-	-	320,000
£0.5000	20/09/2029	31/12/2026	£0.1310	320,000	-	-	320,000
£0.5550	13/03/2030	13/03/2025	£0.2620	-	333,333	-	333,333
£0.6600	13/03/2030	13/03/2026	£0.2311	-	333,333	-	333,333
£0.7700	13/03/2030	13/03/2029	£0.2502	-	333,334	-	333,334
<b>Total</b>				12,235,000	1,000,000	-	<b>13,235,000</b>

On 13 March 2023, 1,000,000 share options were granted to a senior manager, with time-based vesting conditions. One third of the options will vest on 12 March 2025 and then one-third at the end of each subsequent year thereafter until all options have vested. The fair value of the share options was determined using a Black Scholes model using the following inputs:

Weighted average share price on date of grant (£)	£0.555	£0.555	£0.555
Exercise price (£)	£0.555	£0.666	£0.777
Length (years)	7	7	7
Expected volatility,%	36%	36%	36%
Expected dividend growth rate,%	0%	0%	0%
Risk-free interest rate (5-year bond),%	3.65%	3.65%	3.65%

The share options granted in 2022 with a £0.50 exercise price are subject to two vesting conditions. The options vest upon the occurrence of both the earliest vesting date and upon the remuneration committee determining the Hurdle volume-weighted average price less the total dividend per share (excluding any tax credit) ("VWAP") has been achieved for at least a period of 365 days consecutively at any time between the grant date to the seventh anniversary of the grant date ("Performance Period"). There are five hurdles and subsequent vesting dates, with 20% of the total options granted vesting once these are achieved.

**23. SHARE BASED PAYMENTS CONTINUED**

The fair value of the share options was determined using a Monte Carlo model that can simulate a range of possible outcomes. The Monte Carlo model uses a normal distribution of outcomes and is capable of capturing the market-based performance conditions which should be included in the option fair value, by allowing the simulation of daily VWAP share price. The Monte Carlo model used the following inputs:

**Grant date**

	1 February 2022	20 September 2022
Weighted average share price on date of grant	£0.409	£0.497
Exercise price	£0.50	£0.50
Expected volatility,%	36%	36%
Expected dividend growth rate,%	0%	0%
Risk-free interest rate (5-year bond),%	1.29%	3.24%

Share-based remuneration expense related to the share options in issue and those granted during the year is included in the administration expenses line in the consolidated income statement in the amount of US\$0.41m (2022: US\$0.47m).

Volatility was determined by reference to historic share price data and comparison to peer groups where historic data is limited to a short time period.

**Share warrants**

On 11 January 2022, 14,840,517 share warrants to subscribe for shares in the Company were issued to Macquarie Bank Limited. See note 20 for further information.

<b>Warrant exercise price</b>	<b>£0.51</b>
Fair value of one option, £	0.044
Option pricing model used	Black Scholes
Weighted average share price at grant date, £	0.352
Weighted average contractual life, years	3
Expected volatility,%	35%
Expected dividend growth rate,%	0%
Risk-free interest rate (5-year bond),%	0.73%

The fair value on initial recognition of the warrants was US\$879,000. Subsequent remeasurement of the warrants was determined using the Black Scholes pricing model with reference to updated key inputs being the share price of one ordinary share at 31 December and share price volatility (calculated as the volatility of one ordinary share over a period equivalent to the remaining expected term to redemption). Following the restructuring of the facility on 23 February 2023, the expiry date of the warrants was extended for a further 12 months to 31 December 2025.

**24. FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to a variety of financial risks which result from its operating and investing activities; market risk (foreign currency exchange risk and commodity price risk), liquidity risk, capital risk and credit risk. These risks are mitigated wherever possible by the Group's financial management policies and practices described below. The Group's financial risk management is carried out by the finance team led by the Chief Financial Officer and under policies approved by the Board. Group finance identifies, evaluates and mitigates financial risks in close co-operation with the Group's senior management team.

**Capital risk**

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Group's growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes. The Group is not subject to externally imposed capital requirements.

**Commodity price risk**

The royalty portfolio exposes the Group to commodity price risk through fluctuations in commodity prices of its royalty investments particularly the prices of iron ore, gold and copper. The Board consider that the strategy of the Group to build a diversified portfolio of royalty assets that mirrors the global natural resources sector is sufficient mitigation with regard to the exposure to commodity price risk. Prior to committing to royalty acquisitions the Board obtain independent price forecasts to ensure that such investments are priced in accordance with consensus pricing. The Group does not hedge against commodity price movements.

**24. FINANCIAL RISK MANAGEMENT CONTINUED**

**Credit risk**

Credit risk refers to the risk that the Group's financial assets will be impaired by the default of a third party (being non-payment within the agreed credit terms). The Group is exposed to credit risk primarily on its cash and cash equivalent balances as set out in note 18 and on its trade and other receivable balances as set out in note 17. The Group's credit risk is primarily attributable to its other receivables, being royalty receivables. It is the policy of the Group to present the amounts in the balance sheet net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment. In certain cases, the Group has the right to audit the reported royalty income.

For banks and financial institutions, only parties with a minimum credit rating of BBB are accepted. The majority of cash is held with HSBC Bank plc in the UK and Macquarie Bank Limited in Australia.

The Directors have considered the credit exposures and do not consider that they pose a material risk at the present time. The credit risk for cash and cash equivalents is managed by ensuring that all surplus funds are deposited only with financial institutions with high quality credit ratings. There are currently no expected credit losses.

**Liquidity risk**

Liquidity risk relates to the ability of the Group to meet future obligations and financial liabilities as and when they fall due. The Group currently has sufficient cash resources to pay the trade and other payables and contingent consideration when they fall due. The table below analyses the Group's financial liabilities, which will be settled on a gross basis. The amounts shown are the contractual undiscounted cash flows.

**Future expected payments**

Group	2023	2022
	US\$'000	US\$'000
Trade and other payables within one year	2,203	2,277
Contingent consideration due > one year	12,000	408
Borrowings due within one year	5,625	7,500
Borrowings due > one year	24,375	32,500

The US\$40m of borrowings, as at 31 December 2022 was restructured in February 2023, with the first repayment not due until mid-2024. A prepayment of US\$10m was made in the year on the Macquarie Bank loan facility resulting in undiscounted borrowings of US\$30m as at 31 December 2023. The Group has sufficient resources to service the borrowings and meet related financial covenants.

**Foreign exchange risk**

The Group is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the United States Dollar, British Pound (GBP) and the Australian Dollar.

The following table highlights the major currencies the Group operates in and the movements against the US Dollar during the course of the year:

	Average rate			Reporting spot rate		
	2023	2022	Movement	2023	2022	Movement
British Pound	1.25	1.23	(0.14)	1.27	1.21	(0.14)
Australian Dollar	0.69	0.69	(0.06)	0.68	0.68	(0.05)

The Group's exposure to foreign currency risk based on US Dollar equivalent carrying amounts of monetary items at the reported date:

	2023			2022		
	US\$	GBP	Other	US\$	GBP	Other
Cash and cash equivalents	2,863	20	365	15,383	280	914
Trade and other receivables	8,730	-	517	9,436	-	486
Trade and other payables	(1,415)	(485)	(293)	(1,585)	(321)	(259)
Contingent consideration	(8,188)	-	-	-	-	(408)
<b>Net exposure</b>	<b>1,990</b>	<b>(465)</b>	<b>589</b>	<b>23,234</b>	<b>(41)</b>	<b>733</b>

The royalty financial asset held in 2022 was denominated in US dollars.

The Group does not hedge against foreign exchange movements.

24. FINANCIAL RISK MANAGEMENT CONTINUED

**Exchange rate sensitivity**

The Group is mainly exposed to foreign exchange risk on the cash balances and trade and other payables denominated in currencies other than US\$ as detailed above. A +/- 10% change in the USD: GBP and USD: AUD rate and the impact of a +/- 10% change on the exchange rates on the translation of foreign subsidiaries into the Group's presentation currency would result in the following changes:

	2023 US\$'000		2022 US\$'000	
	Profit/(loss)	Equity	Profit/(loss)	Equity
British Pound	(7)	-	(32)	-
Australian Dollar	497	137	145	314

The sensitivity of the profit/(loss) to movements in the Australian Dollar was impacted in the year by the one-off profit on disposal of intangible assets in the Australian subsidiary.

25. FINANCIAL INSTRUMENTS

The Group and Company held the following investments in financial instruments:

	Group 2023 US\$'000	Company 2023 US\$'000	Group 2022 US\$'000	Company 2022 US\$'000
<b>Fair value through profit and loss</b>				
Royalty financial assets	-	-	7,653	7,653
Cash and cash equivalents	3,248	1,667	16,577	9,537
<b>Financial assets at amortised cost</b>				
Trade and other receivables	9,247	102,359	9,922	93,553
<b>Financial liabilities at amortised cost</b>				
Trade and other payables	2,193	485	2,165	321
Contingent consideration	8,188	-	408	-
Borrowings	28,878	-	38,351	-
<b>Financial liabilities at fair value through profit and loss</b>				
Warrant liability	607	607	2,452	2,452

Trade and other receivables and trade and other payables excludes all amounts considered to be statutory arrangements (such as VAT recoverable and corporation tax) and prepayments.

**Fair value hierarchy**

Prior to its reclassification on 1 July 2023, the Group and Company had one asset, the Mimbula investment that was measured at fair value. Mimbula was recognised as a royalty financial asset at fair value through profit and loss totalling 2023: US\$Nil (2022: US\$7.65m). The asset was deemed to be a level 3 asset under the fair value hierarchy criteria - some of the inputs for the fair value determination were not based on observable market data (mainly private resource data).

### 26. RELATED PARTY TRANSACTIONS

During the year legal fees totalling US\$0.30m (2022: US\$0.33m) were paid to Fasken Martineau DuMoulin LLP ("Fasken") and its worldwide affiliates. Fasken is a legal firm in which Al Gourley is a senior partner.

During the year the Group paid US\$0.05m (2022: US\$0.01m) to Bacchus Capital Advisers Limited, for the provision of office space and meeting facilities. Bacchus Capital Advisers Limited is a company controlled by Peter Bacchus.

There are no other related party transactions, or transactions with Directors that require disclosure except for the remuneration items disclosed in note 6. The disclosures in note 6 include the compensation of key management personnel as all employees are considered to be key. The Company's related parties consist of its subsidiaries and the transactions and amounts due from them are disclosed in note 15.

### 27. EVENTS OCCURRING AFTER THE REPORTING DATE

On 2 January 2024, 349,206 shares were issued at a price of 33 per Ordinary Share to certain directors and members of the management team as part of the 2023 bonus awards.

In January 2024, the Company completed the acquisition of an additional gold offtake contract over the Sugar Zone mine in Canada, owned and operated by Silver Lake Resources. The offtake contract covers 30% of gold dore production from the mine.

On 19 February 2024, the Company announced that, following the announcement on 29 November 2023, it had signed the facility agreement with BMO Capital Markets and CIBC for a new fully secured US\$40m revolving credit facility with an option to increase the facility to US\$60m via an accordion feature. The proceeds are to be applied to retire the existing US\$40m secured debt facility provided by Macquarie Bank Limited.

### 28. ULTIMATE CONTROLLING PARTY

The company does not have a single controlling party.



## COMPANY INFORMATION

### Directors

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

### Company Secretary

Ben Harber  
Shakespeare Martineau

### Registered address

60 Gracechurch Street,  
London, EC3V 0HR

### Independent auditors

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Statutory Auditor  
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London, E14 4HD

### Appointed brokers

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London, EC2V 6ET

### Tamesis Partners LLP

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London, EC2N 1AR

### Liberum Capital Limited

25 Ropemaker Street,  
London EC2Y 9LY

### Registrars

**Neville Registrars**  
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Halesowen, B62 8HD

### Nominated Adviser

**Grant Thornton UK LLP**  
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