

**Trident Royalties plc**  
(the 'Group', the 'Company' or 'Trident')

**Interim Results**  
**for the six-month period ended 30 June 2021**

## **TRIDENT ROYALTIES PLC**

Interim results for the six-month period ended 30 June 2021

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### **COMPANY INFORMATION**

#### **Directors**

Paul Smith	Non-Executive Chairman
Adam Davidson	Chief Executive Officer and Executive Director
Peter Bacchus	Non-Executive Director
Al Gourley	Non-Executive Director
Helen Pein	Non-Executive Director

#### **Company Secretary**

Ben Harber, Shakespeare Martineau LLP

#### **Registered address**

60 Gracechurch Street  
London  
EC3V 0HR

#### **Independent auditors**

PKF Littlejohn LLP  
15 Westferry Circus  
Canary Wharf  
London  
E14 4HD

#### **Appointed brokers**

Tamesis Partners LLP  
125 Old Broad Street  
London, EC2N 1AR

Shard Capital Partners LLP

20 Fenchurch Street  
London, EC3M 3BY

#### **Registrars**

Neville Registrars  
Neville House  
Steelpark Road  
Halesowen  
B62 8HD

#### **Nominated Adviser**

Grant Thornton UK LLP  
30 Finsbury Square  
London, EC2A 1AG

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### **CHAIRMANS STATEMENT**

Trident is well positioned to provide investors with diversified exposure to commodities, jurisdictions and phases of asset development. The 14 investments made to date have been highly accretive and this is testament to the ability of the Trident team to deliver extraordinary value for shareholders.

Trident currently has two paying royalties: Mimbula Copper mine; and the Koolyanobbing Iron Ore mine royalty. These two royalties made welcome contributions to our revenue figure since acquisition and operational developments at both assets are expected to enhance these royalty payments over coming quarters. A number of our other existing assets are also expected to commence cash generation in the next 18/24 months. This includes the Lincoln Gold Mine Royalty which was acquired on 31 August 2021. Given our business model and our focus on costs, as revenues build, they can be expected to substantially convert into profits and free cash flow.

Our priority is to build scale and the associated cash flows, using this established base. Increased scale and cash flows will lower our cost of capital and further improve the rating of our equity. We continue to work on an extensive pipeline of potential new royalties and streams. This is all underpinned by our robust capital allocation process and entrepreneurial approach to deal sourcing and structuring.

I thank the board and management of Trident for their efforts. I also would like to thank our shareholders for their continued support. Trident is at an exciting juncture in its development and we are focused on rewarding our shareholders for their support.

**Paul Smith**

Non-Executive Chairman

27 September 2021

**CHIEF EXECUTIVE OFFICER STATEMENT**

During this last six months, Trident has expanded and diversified its portfolio announcing its largest transaction to date whilst completing two previously announced transactions. Diversification and growth of our royalty portfolio is a key component of our ongoing strategy as we aim to provide exposure to a wide spectrum of the global mining sector, and this is an objective that we are increasingly close to achieving thanks to this expansion.

The Thacker Pass transaction was a milestone acquisition as it not only marked Trident's largest transaction to date, but also successfully diversified our portfolio by adding exposure to the lithium market, a key battery metal. Battery metals, and lithium in particular, have experienced a rapid increase in both demand and price during 2021. This reinforces our belief that exposure to commodities related to the worlds electric revolution will be increasingly valuable over the coming decades.

The Thacker Pass deal resulted in the acquisition of a 60% interest in a gross revenue royalty over the Thacker Pass Lithium Project for a total cost to Trident of US\$28m (in each case before the partial operator buyback option). It is a strong addition to our portfolio, being the largest known lithium reserve in the United States, with a mine life of 46 years based on current reserves, and has the potential for additional expansion and mine life upside through conversion of current resources to reserves. The operator, Lithium Americas Corp., is currently working on a feasibility study for Thacker Pass (the first phase of which is expected to target in excess of 30,000 tonnes of annual lithium carbonate production) with results expected by the end of the year. In addition, engineering is underway to consider a 20,000 tpa lithium hydroxide chemical conversion plant, to provide flexibility to meet potential customer and partner needs. The project is currently being advanced towards construction, and which is expected to commence in early 2022.

The royalty acquisition over Thacker Pass was a defining moment for Trident (at our current size and stage of growth) as the business continues towards establishing critical mass, and I am confident that as the project moves through the development phases, its value proposition will increasingly be reflected in Tridents share price.

Another key transaction completed during the period, after first being announced in December 2020, was the acquisition of a portfolio of three existing royalties over the Pukaqaqa Copper Project. The Project comprises 34 concessions in Peru. The three separate royalties include the Vaaldiam Royalty, Pukaqaqa Norte Royalty, and Pukaqaqa Sur Royalty, and the project is being advanced by Nexa Resources, a NYSE & TSX mid-tier producer and developer with a focus on Brazil and Peru. The most recent technical report outlines an open-pit mining operation targeting a 30,000 tonnes per day processing plant. The project retains significant potential to expand and upgrade the already sizeable mineral resource inventory as drilling is advanced, and, based on their initial study work, we understand it has the potential to produce around 35,000 tonnes of copper per year. With the current strong market for base metals and particularly strong performance of copper this year, it forms a crucial part of our portfolio offering significant revenue growth prospects. The royalty rate over the key tenement includes a step up from 1% to 2% dependent on the copper price, and given the current consensus pricing this could add material upside to the value of the royalty.

The Pukaqaqa Copper Project royalties provide Trident with increased copper exposure along with the currently producing Mimbula Copper Mine in Zambia, over which Trident holds a 1.25% Gross Revenue Royalty ('GRR'). The operator, Moxico Resources Plc, completed a US\$73 million equity financing in June 2021, which will be used to fast track the development of the mine with the intention to increase production by beginning construction of a self-operated solvent extraction and electrowinning processing facility to produce copper at an expected run-rate of 30,000 tpa by late 2022. Moxico is well funded to begin preparatory activities for the mining of the Mimbula Pit 2 and early site works have started for the heap leach pads and plant area. With the significant level of financing, the mine is set to deliver a material increase in production and I look forward to seeing its continued progress as one of our cash generative projects. In addition, the GRR is subject to a minimum payment schedule in which the higher of the minimum amount or the GRR are due – providing visibility on the revenue profile.

Our other producing asset, the Koolyanobbing Iron Ore Operation in Western Australia, has commenced the pre-stripping of a new deposit situated entirely within Trident's royalty area over which we hold a 1.5% Free On Board royalty. These activities are associated with the Claw deposit, which is expected to be included in the

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Koolyanobbing product blend. This was excluded from our previous economic evaluation and offers the potential to materially enhance our royalty payments in the near future. Mineral Resources Limited, the operator of Koolyanobbing, continues to highlight the importance of its Yilgarn Hub strategy of which Koolyanobbing is a central part. I believe this development at Koolyanobbing will prove highly beneficial to Trident and should translate into higher royalty payments in future quarters.

Trident has developed a significant footprint in Australia, and particularly in Western Australia, with a number of royalties over gold projects at varying levels of development. As a tier-1 jurisdiction which is consistently ranked as world leading jurisdiction for mining investment, it continues to offer attractive opportunities to Trident.

The most advanced of our Australian development assets is the Warrawoona Gold Project, in which we hold a 1.5% Net Smelter Royalty ('NSR') which covers a portion of the project resources. The project, which is fully permitted and has commenced construction, is on track to become one of Western Australia's next gold mine with project operator Calidus Resources Limited ('Calidus') targeting first production in Q2 2022. Trident's royalty predominately covers the down-dip extension of the main deposit, as well as the majority of near-mine exploration targets published by Calidus.

The Warrawoona Gold Project forms part of our 1.5% NSR over a package of existing gold royalties which cover three more projects in the Pilbara and Yilgarn regions of Western Australia, and include Talga Talga, Bullfinch and Mosquito Creek. The Talga Gold Royalty Package was completed in March of this year for a total of A\$800,000 after first being announced in August 2020. The Talga Talga Project has reported encouraging results from recent sampling and mapping and has defined a 3km long mineralised corridor, including encouraging gold assay results from rock samples. Novo Resources, the operator, is planning drill testing and bulk samples for mechanical ore sorter trials and has highlighted the potential to process material from Talga Talga at its newly acquired Golden Eagle processing plant. The operator and owner of the Bullfinch Gold Project over which Trident holds a 1% NSR, Torque Metals Limited, successfully listed on the ASX and completed an equity raise with part of the raised funds to be utilised at Bullfinch. The owner of Mosquito Creek, Nimble Resources Pty Limited, successfully entered into a JV agreement with Calidus at the start of this year. With each project at varying stages of development, they highlight our acquisition strategy of holding highly accretive early-stage assets alongside the cash generative royalties.

The Lake Rebecca Gold Project in Australia started 2021 on a strong note, releasing impressive technical and drilling updates for the four deposits comprising the project, all of which are covered by Trident's 1.5% NSR gold royalty. Since these encouraging results, the operator, Apollo Consolidated Limited ('Apollo'), has increased the Indicated Mineral Resource at the project by 50% for a total 1.105 Moz gold Mineral Resource. Ongoing drilling has continued to provide significant gold intersections and the technical evaluation studies are progressing, offering the potential to further increase its gold resources and build upon the MRE. Apollo retains a strong cash balance, making Lake Rebecca well positioned to aggressively advance the project towards construction.

Our final Australian gold asset is the advanced stage Spring Hill Gold Project located in Australia's Northern Territory, over which we hold a variable gold price royalty and which has been progressively advancing its permitting activities. The receipt of environmental approval has now been received, marking a key milestone in clearing the way for the next steps as it moves into an exciting phase in its development and advances towards production.

Trident has made significant growth during the period under review through a combination of new acquisitions, as well as organic growth and progress through our existing portfolio of royalties. Trident also announced the successful arrangement and drawdown of an initial \$10 million loan facility, providing access to alternative forms of capital and reducing reliance on equity markets. Post the period under review, Trident announced the acquisition of a NSR royalty from Seduli Sutter Operations Corporation over production from the Lincoln Gold Mine in California. This near term, cash generative royalty over a high grade gold asset, situated at the centre of the California "Mother Lode" represents a highly compelling investment opportunity for us as it restarts mining and gold production in the coming months.

The rest of 2021 and the start of 2022 is set to be another highly active period for Trident, with advances expected at a number of our royalty assets, Trident utilising the capital raised to continue building upon our

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strategy and evaluating numerous opportunities for Trident to deliver growth, dividend income and provide an inflation hedge to investors. I would like to extend my thanks to our shareholders, partners and the Board for their support in our strategy as we continue on this positive trajectory.

**Adam Davidson** Chief Executive Officer  
27 September 2021

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### FINANCIAL REVIEW

#### Overview

Following a highly productive 2020, in which Trident successfully changed its strategy to focus on building a diversified mining royalty and streaming company, Trident continued to make highly accretive investments during the six months to 30 June 2021. The significant acquisition of a 60% interest in an existing GRR over the Thacker Pass Lithium Project for US\$28.00m was the largest transaction of the Group to date, part funded by an oversubscribed share placing in March. Whilst the revenue and profits of the Group have suffered due to reduced production on our paying tenements, the Group has maintained cost and balance sheet discipline and is expecting to see better results in the second half of the year as production returns.

#### Royalty acquisitions

The Group completed the acquisitions of the following royalties during the period for total consideration of US\$31.94m (including costs):

- A 60% interest in a lithium gross GRR over production from the Thacker Pass lithium operation in Nevada USA for US\$28.0m, paid US\$26.0m in cash and US\$2.0m in equity. The 8% royalty reduces to 4% after royalties of US\$22.0m have been paid, or 1.75% (of which 1.05% is attributable to Trident) following a one-off payment of US\$22.0m by the operator (of which US\$13.2 million is attributable to Trident);
- Pukaqaqa copper royalty (sliding scale 1-2% NSR) over production from the Pukaqaqa copper development operation in Peru for US\$3.0m paid in equity; and
- West Australian gold royalties over a variety of tenements and projects for A\$0.80m (US\$0.63m), payable in cash and equity.

#### Condensed Consolidated Statement of Financial Position

Following the royalty acquisitions, total net assets of the Group increased from US\$25.51m at the end of 2020 to US\$58.45m as at 30 June 2021.

Royalty intangible assets consist of US\$43.90m cost, less US\$1.30m amortisation for total net book value of US\$42.60m (31 December 2020: US\$11.02m) representing the Koolyanobbing, Spring Hill and Lake Rebecca projects together with the acquisitions described above.

Royalty financial assets were valued at US\$7.38m (31 December 2020: US\$7.45m) representing the fair value of the Mimbula copper royalty in Zambia. The royalty financial asset has been designated as fair value through profit and loss with the fair value gains and losses recognised in 'revaluation of royalty financial assets' line item in the income statement. The royalty received US\$0.75m royalty income during the period and fair value increase of US\$0.68m was recognised in the income statement.

Trade and other receivables totalling US\$1.0m (31 December 2020: US\$0.78m) includes US\$0.38m in respect of 2nd quarter 2021 royalty income due from Koolyanobbing and Mimbula received after the period-end. Other receivables also include US\$0.50m in respect of prepaid legal and other fees in relation to the new debt facility.

Trade and other payables totalling US\$0.54m (31 December 2020: US\$0.34m) consisted predominantly of trade payables, social security and taxation and accruals with all amounts within agreed payment terms.

Deferred contingent consideration of US\$0.45 (31 December 2020: US\$0.46m) represents A\$0.60m contingent payment due on the Spring Hill project based on the operator meeting certain production targets.

#### Condensed Consolidated Statement of Comprehensive Income

Loss after taxation was US\$0.93m (2020: US\$0.55m loss) and basic loss per share of 0.64c (2020: 1.60). The results were primarily affected by the previously reported temporary lack of activity (by Mineral Resources Pty - the operator) on the Trident royalty tenement at Koolyanobbing; resulting in a low revenue figure for the period.

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The fair value gain on the Mimbula copper project was US\$0.68m (2020: nil) predominantly due to the increase in the consensus copper price. The Group made a foreign exchange loss totalling US\$0.34m (2020: US\$0.48m gain) mainly as a result of the slight weakening of the Australian dollar compared to the US dollar reporting currency.

The Group generated royalty income from its Koolyanobbing asset of US\$0.08m (2020: US\$0.95m). The amortisation charge was US\$0.01m (2020: US\$0.59m) and total Group overheads of US\$1.44m (2020: US\$1.07m) including US\$0.11m non-cash share-based payment charge; resulting in an operating loss of US\$1.38m (2020: US\$0.71m). The reduction in the amortisation charge is due to the Group adopting a units of production methodology to align the charge with the mine life and accordingly revenue.

Royalty receipts in respect of Mimbula (which is classified as a financial asset at fair value through profit and loss) are not included in the income statement, but credited against the asset on the balance sheet (note 7). The following table shows total royalty receipts for the period for royalty intangible assets and financial assets:

	<b>Six months ended 30 June 2021 US\$'000</b>	Six months ended 30 June 2020 US\$'000
Royalty related revenue	<b>77</b>	949
Royalties due or received from royalty financial assets	<b>750</b>	-
	<b>827</b>	949

### Cashflow and Borrowings

Net cash increased in the period by US\$1.14m (2020: US\$15.69m increase). Financing inflows were US\$28.28m (2020: US\$18.60m) from equity fund raises; which was invested US\$26.52m (2020: US\$2.89m) into acquiring royalty intangibles, and US\$1.00m (2020: US\$0.40m) was used on operating activities and income tax. The cash figure as at 30 June 2021 of US\$8.11m (31 December 2020: US\$6.97m) the majority of which was held in US dollars with HSBC Bank plc.

On 30 June 2021, Trident entered into a US\$10.00m secured loan facility agreement with a syndicate managed by Tribeca Investment Partners. The facility was drawn on 3 August 2021 providing further capital for the Group to deploy.

### Taxation

During the period the Group paid US\$0.12m (2020: nil) in respect of tax due in the US for the year ended 2020. A deferred tax asset was recognised totalling US\$0.35m (US\$0.21m) primarily in relation to taxable losses incurred in the Australian subsidiary. Given the expected increase in activity on the Australian royalty tenements in the second half of the year these losses are expected to be fully utilised and accordingly have been recognised in full; resulting in a deferred tax credit to the income statement of US\$0.13m (2020: nil).

### Events Occurring after the Reporting Date

On 31 August 2021, the Group completed the acquisition of a net smelter return royalty over the Lincoln Gold Mine in California, USA, operated by the Seduli Sutter Operations Corporation, for cash consideration of US\$2.5m.

**Martin Page** Chief Financial Officer



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**Condensed Consolidated Statement of Comprehensive Income  
for the six-months ended 30 June 2021**

	Notes	Six months ended 30 June 2021 Unaudited US\$'000	Restated* Six months ended 30 June 2020 Unaudited US\$'000
<b>Continuing operations</b>			
Royalty related revenue		77	949
Amortisation of royalty intangible assets	6	(11)	(591)
<b>Gross profit</b>		<b>66</b>	358
Administrative expenses		(1,442)	(1,070)
<b>Operating loss</b>		<b>(1,376)</b>	(712)
Revaluation of royalty financial assets	7	683	-
AIM listing fees		-	(204)
Finance income		-	21
Other finance costs		(31)	-
Net foreign exchange (losses)/gains		(337)	481
<b>Loss before taxation</b>		<b>(1,061)</b>	(414)
Income tax	4	131	(140)
<b>Loss attributable to owners of the parent</b>		<b>(930)</b>	(554)
<b>Other comprehensive income</b>			
Items that may be subsequently reclassified to profit or loss:			
Deferred tax relating to items that have or may be reclassified		10	-
Exchange gains arising on translation of foreign operations		(10)	10
<b>Other comprehensive income for the period, net of tax</b>		<b>-</b>	10
<b>Total comprehensive income attributable to the owners of the parent</b>		<b>(930)</b>	(544)
<b>Earnings per share:</b>			
Basic and diluted earnings per share (U.S. cents)	5	(0.64)	(1.60)

\* Details of the restatement are given in note 2

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**Condensed Consolidated Statement of Financial Position  
As at 30 June 2021**

	Notes	30 June 2021 Unaudited US\$'000	31 December 2020 Audited US\$'000
<b>Non-current assets</b>			
Royalty intangible assets	6	42,605	11,018
Royalty financial assets at fair value through profit and loss	7	7,383	7,453
Deferred tax assets	4	345	210
<b>Total non-current assets</b>		<b>50,333</b>	<b>18,681</b>
<b>Current assets</b>			
Trade and other receivables		1,001	778
Cash and cash equivalents		8,107	6,971
<b>Current assets</b>		<b>9,108</b>	<b>7,749</b>
<b>Total assets</b>		<b>59,441</b>	<b>26,430</b>
<b>Current liabilities</b>			
Trade and other payables		543	335
Corporation tax liabilities		1	122
<b>Total current liabilities</b>		<b>544</b>	<b>457</b>
<b>Non-current liabilities</b>			
Contingent consideration		450	464
<b>Total non-current liabilities</b>		<b>450</b>	<b>464</b>
<b>Total liabilities</b>		<b>994</b>	<b>921</b>
<b>Net assets</b>		<b>58,447</b>	<b>25,509</b>
<b>Equity attributable to owners of the parent</b>			
Share Capital	8	2,371	1,335
Share Premium	8	56,009	23,288
Share-based payments reserve		174	63
Foreign exchange reserve		79	89
Retained Earnings		(186)	734
<b>Total equity</b>		<b>58,447</b>	<b>25,509</b>

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**Condensed Consolidated Statement of Changes in Equity  
for the six-month period ended 30 June 2021**

	Share capital	Share Premium	Share- based payments reserve	Foreign exchange reserve	Retained Earnings	Total
Unaudited (restated *)	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>1 January 2020</b>	328	4,787	-	(23)	(990)	4,102
Loss for the period	-	-	-	-	(554)	(554)
Other comprehensive income:						
Exchange gains on translation of foreign operations	-	-	-	10	-	10
Total comprehensive income for the period	-	-	-	10	(554)	(544)
<b>Transactions with owners:</b>						
Issue of share capital	1,022	19,436	-	-	-	20,458
Deferred shares cancelled	(39)	39	-	-	-	-
Share issue costs	-	(1,657)	-	-	-	(1,657)
Share-based payments charge	-	-	7	-	-	7
Total transactions with owners, recognised directly in equity	983	17,818	7	-	-	18,808
<b>Balance at 30 June 2020</b>	<b>1,311</b>	<b>22,605</b>	<b>7</b>	<b>(13)</b>	<b>(1,544)</b>	<b>22,366</b>
<b>Unaudited</b>						
<b>1 January 2021</b>	1,335	23,288	63	89	734	25,509
Loss for the period	-	-	-	-	(930)	(930)
Other comprehensive income:						
Deferred tax	-	-	-	-	10	10
Exchange losses on translation of foreign operations	-	-	-	(10)	-	(10)
Total comprehensive income for the period	-	-	-	(10)	(920)	(930)
<b>Transactions with owners:</b>						
Issue of share capital	1,036	34,221	-	-	-	35,257
Share issue costs	-	(1,500)	-	-	-	(1,500)
Share-based payments charge	-	-	111	-	-	111
Total transactions with owners, recognised directly in equity	1,036	32,721	111	-	-	33,868
<b>Balance at 30 June 2021</b>	<b>2,371</b>	<b>56,009</b>	<b>174</b>	<b>79</b>	<b>(186)</b>	<b>58,447</b>

\* Details of the restatement are given in note 2

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**Condensed Consolidated Statement of Cash Flows  
for the six-month period ended 30 June 2021**

	<b>Six months to 30 June 2021 Unaudited US\$'000</b>	Restated* Six months to 30 June 2020 Unaudited US\$'000
<b>Cash flows from operating activities</b>		
Loss before taxation	(1,061)	(414)
Revaluation of royalty financial instruments	(683)	-
AIM listing fees	-	204
Finance income	-	(21)
Other finance costs	31	-
Net foreign exchange losses	337	481
Amortisation of royalty intangible assets	11	591
Share-based payments charge	111	7
Other non-cash items	56	-
Net cashflow before changes in working capital	(1,198)	848
Increase in payables	220	318
Decrease/(increase) in receivables	99	(769)
Income tax paid	(120)	-
<b>Net cash (used in)/from operating activities</b>	<b>(999)</b>	<b>397</b>
<b>Cash flows from investing activities</b>		
Payments for acquisition of royalty intangible assets	(26,516)	(2,887)
Cash received from royalty financial asset	432	-
Finance income	-	21
Other finance costs	(46)	-
<b>Net cash used in investing activities</b>	<b>(26,130)</b>	<b>(2,866)</b>
<b>Cash flows from financing activities</b>		
Issue of share capital	29,781	20,080
Share issue costs and AIM listing fees	(1,500)	(1,484)
<b>Net cash generated from financing activities</b>	<b>28,281</b>	<b>18,596</b>
Net increase in cash and cash equivalents during the period	1,152	16,127
<b>Cash at the beginning of period</b>	<b>6,971</b>	<b>4,135</b>
Effect of foreign exchange rate	(16)	(436)
<b>Cash and cash equivalents at the end of the period</b>	<b>8,107</b>	<b>19,826</b>

\* Details of the restatement are given in note 2

Details of key non-cash investments are given in notes 6 and 8.

**Notes to the condensed consolidated interim financial information****1 GENERAL INFORMATION**

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

**2 BASIS OF PREPARATION**

The accounting policies, methods of computation and presentation used in the preparation of the condensed consolidated interim financial information are the same as those used in the Group's audited financial statements for the year ended 31 December 2020.

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

**Basis of preparation**

The condensed interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with international accounting standards in conformity with the Companies Act 2006.

The financial information set out in this interim report is unaudited and does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The Company's statutory financial statements for the period ended 31 December 2020, prepared under international accounting standards in conformity with the Companies Act 2006, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

**Comparatives**

The Group has presented comparatives for the statement of comprehensive income, statement of cash flows and statement of changes in equity for the six months ended 30 June 2020; and a statement of financial position as at 31 December 2020 in accordance with the requirements of the AIM Rules for Companies.

**Restatement of six months ended 30 June 2020**

Following a review as at 31 December 2020, US\$0.65m of costs relating to the Company's admission to trading on AIM were reallocated to share premium. This resulted in a reduction in total loss after tax for the 6 months ended 30 June 2020 from US\$1.20m to US\$0.55m. There was no impact on total equity.

**Risks and uncertainties**

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2020 Annual Report and Financial Statements, a copy of which is available on the Company's website.

**Critical accounting estimates and judgements**

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The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in the Company's 2020 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed during the interim period except for the amortisation methodology for the producing royalty intangible asset. Management now has sufficient information to reliably estimate the depletion of the ore body over which Trident holds the royalty and accordingly has commenced using the units of production methodology. Management considers this method to be a more appropriate basis to match the depletion of the mineable reserves against revenue.

### **Going Concern and COVID-19**

The financial position of the Group and cash flows as at 30 June 2021 are set out above. 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. On the basis of current financial projections (at least 12 months) the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence, and meet its liabilities as they fall due, for the foreseeable future. Accordingly, the Directors consider it appropriate to adopt the going concern basis in preparing this financial information.

The Board continues to monitor the impact of COVID-19 on the ability of the Group to pursue its strategy and will make appropriate changes should they be required. There is not considered to be any material impacts on the financial position or results of the Group as a result of COVID-19 at this reporting date.

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### 3 BUSINESS AND GEOGRAPHICAL REPORTING

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

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

Precious: Lake Rebecca, Spring Hill, Western Australia Gold Royalties

Bulk and battery metals: Koolyanobbing, Thacker Pass

Base: Mimbula, Pukaqaqa

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

	Precious	Bulk	Base	Other	Total
As at 30 June 2021	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Royalty related revenue	-	77	-	-	77
Amortisation of royalty intangible assets	-	(11)	-	-	(658)
<b>Gross profit</b>	-	66	-	-	66
Operating expenses	-	-	-	(1,442)	(1,442)
<b>Total segment operating profit/(loss)</b>	-	66	-	(1,442)	(1,376)
<b>Total segment assets</b>	<b>7,443</b>	<b>32,097</b>	<b>10,829</b>	<b>9,072</b>	<b>59,441</b>
<b>Total segment liabilities</b>	450	-	-	544	994

As at 30 June 2021 the Group was receiving royalty income from Koolyanobbing (bulk segment) and Mimbula (base segment) which is accounted for as financial asset (see note 6). A fair value gain of US\$0.68m (2020: nil) was recognised in the base segment.

	Precious	Bulk	Base	Other	Total
As at 30 June 2020	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Royalty related revenue	-	949	-	-	949
Amortisation of royalty intangible assets	-	(591)	-	-	(591)
<b>Gross profit</b>	-	358	-	-	358
Operating expenses	-	-	-	(1,070)	(1,070)
<b>Total segment operating profit/(loss)</b>	-	358	-	(1,070)	(712)
<b>Total segment assets</b>	-	<b>4,956</b>	-	<b>19,983</b>	<b>24,939</b>
<b>Total segment liabilities</b>	-	2,065	-	508	2,573



## TRIDENT ROYALTIES PLC

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### 4 INCOME TAX

	Six months to 30 June 2021	Six months to 30 June 2020
<b>Analysis of charge for period:</b>		
United Kingdom corporation tax	-	-
Overseas taxation	-	110
Current tax expense	-	110
Deferred tax (credit)/charge in current period	(131)	30
<b>Income tax (credit)/charge</b>	<b>(131)</b>	<b>140</b>

The Group is subject to taxation in United Kingdom, USA, Australia and Switzerland with applicable tax rates of 19.00%, 21.00%, 30.00% and 12% respectively. The Group does not have any unresolved tax matters or disputes with the tax authorities in the jurisdictions in which it operates.

#### Deferred taxation

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

Group	Tax losses US\$000	Other US\$000	Total US\$000
At 1 January 2021	220	(10)	210
Credit/(charge) to income statement	335	(205)	130
Credit to other comprehensive income	-	10	10
Exchange differences	-	(5)	(5)
At 30 June 2021	555	(210)	345

Deferred tax assets in respect of tax losses are predominantly related to the Australian subsidiary and are expected to be fully utilised as income is received in H2 2021 from the Koolyanobbing royalty.

### 5 EARNINGS PER SHARE

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

	Six months to 30 June 2021 US\$'000s	Restated Six months to 30 June 2020 US\$'000s
Loss from continuing operations attributable to equity holders of the company	(930)	(554)
Weighted average number of ordinary shares in issue	143,992,700	34,538,462
Basic and fully diluted earnings per share from continuing operations	(0.64)c	(1.60)c

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**6 ROYALTY INTANGIBLE ASSETS**

<b>Cost</b>	Total US\$'000
As at 1 January 2020	-
Acquisitions	11,201
Exchange differences	1,145
<b>At 31 December 2020</b>	<b>12,346</b>
Acquisitions	31,936
Exchange differences	(378)
<b>At 30 June 2021</b>	<b>43,904</b>
<b>Accumulated amortisation</b>	
As at 1 January 2020	-
Amortisation	(1,193)
Exchange differences	(135)
<b>At 31 December 2020</b>	<b>(1,328)</b>
Amortisation	(11)
Exchange differences	40
<b>At 30 June 2021</b>	<b>(1,299)</b>
<b>Net book value at 30 June 2021</b>	<b>42,605</b>
Net book value at 31 December 2020	11,018

**Thacker Pass royalty**

On 19 March 2021 the Group acquired a 60% interest in an existing gross revenue royalty over the Thacker Pass Lithium Project from an Orion Mine Finance Fund for US\$28.00m, consideration payable by US\$26.00m in cash and US\$2.00m in new Trident shares issued at 34.00p on 24 March 2021.

**Western Australia gold royalties**

On 30 March 2021 the Group completed the acquisition of a package of gold royalties located in Western Australia from Talga Resources Limited for A\$0.80m (US\$0.63m), consideration payable by A\$0.25m in cash and A\$0.55m in new Trident shares issued at 35.98p on 31 March 2021.

**Pukaqaqa royalty**

On 8 April 2021 the Group acquired the Pukaqaqa copper royalty package from Orion Resource Partners for US\$3.00m, consideration fully payable in new Trident shares issued at 32.03p on 9 April 2021. A royalty within the package was held by Tiomin Peru S.A.C ('Tiomin') a Peruvian company, which was acquired as part of the transaction. Tiomin does not meet the definition of a business as defined by IFRS 3 – business combinations and accordingly has been treated as a purchase of an asset.

**TRIDENT ROYALTIES PLC**

Interim results for the six-month period ended 30 June 2021

**7 ROYALTY FINANCIAL ASSETS**

<b>Fair Value</b>	<b>Total US\$'000</b>
At 1 January 2020	-
Acquisition of Mimbula	5,000
Royalties due or received	(75)
Revaluation of royalty financial asset recognised in profit or loss	2,528
<b>At 31 December 2020</b>	<b>7,453</b>
Royalties due or received	(753)
Revaluation of royalty financial asset recognised in profit or loss	683
<b>At 30 June 2021</b>	<b>7,383</b>

**8 SHARE CAPITAL AND SHARE PREMIUM**

<b>Group and Company</b>	<b>Number of ordinary shares of 1p</b>	<b>Number of deferred shares of 1p</b>	<b>Share capital US\$'000</b>	<b>Share premium US\$'000</b>
<b>At 1 January 2020</b>	<b>22,000,000</b>	<b>3,000,000</b>	<b>328</b>	<b>4,787</b>
Share issue – placing (net of costs)	81,500,000	-	1,023	17,778
Share issue – deal consideration	1,862,556	-	23	684
Cancellation of deferred shares		(3,000,000)	(39)	39
<b>At 31 December 2020</b>	<b>105,362,556</b>	<b>-</b>	<b>1,335</b>	<b>23,288</b>
Share issue – placings (net of costs)	63,300,000	-	870	27,411
Share issue – deal consideration	11,939,806	-	165	5,256
Share issue – non-executive director fees	108,108	-	1	54
<b>At 30 June 2021</b>	<b>180,710,470</b>	<b>-</b>	<b>2,371</b>	<b>56,009</b>

On 25 March 2021, 60,800,000 ordinary shares were issued for cash at 34p per share.

On 25 March 2021, 4,213,720 ordinary shares were issued at 34p per share as part of the consideration for the acquisition of the Thacker Pass royalty (note 6).

On 31 March 2021, 848,059 ordinary shares were issued at 35.98p per share as part of the consideration for the acquisition of the Western Australia gold royalties package (note 6).

On 8 April 2021, 6,878,027 ordinary shares were issued at 32.03p per share as part of the consideration for the acquisition of the Pukaqaqa copper royalty (note 6).

## **TRIDENT ROYALTIES PLC**

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On 20 April 2021, 108,108 ordinary shares were issued at 37p per share as part of the cash-preservation fee payable to the non-executive Directors.

On 18 June 2021, 2,500,000 ordinary shares were issued for cash at 40p per share.

Details of shares issued during 2020 are provided in the Annual Report for the year ended 31 December 2020.

### **9 BORROWINGS**

On 30 June 2021, Trident entered into a US\$10.00m secured loan facility agreement with a syndicate managed by Tribeca Investment Partners. The facility was drawn on 3 August 2021 and is repayable 12 months from drawdown (with the option of a further 12 months, subject to certain conditions). Interest is payable at 10% quarterly. In addition, Trident granted the lenders 3,500,000 share options, exercisable at 51.66p per share, expiring 24 months from the date of grant.

### **10 EVENTS OCCURRING AFTER THE REPORTING DATE**

On 31 August 2021, the Group completed the acquisition of a net smelter return royalty over the Lincoln Gold Mine in California, USA, operated by the Seduli Sutter Operations Corporation, for cash consideration of US\$2.50m.