Tribeca Global Natural Resources Limited

ACN 627 596 418

Appendix 4D
Interim Financial Report
for the half-year ended
31 December 2021

Interim report

This interim financial report is for the reporting half-year ended 31 December 2021. The Company commenced operations on 12 October 2018, following its successful listing on ASX. This is the fourth interim reporting for the Company.

Results for announcement to the market

	31 December 2021 $	31 December 2020 $	Movement $	Movement %
Profit from ordinary activities	53,197,089	45,048,853	8,148,236	18.09
Profit from ordinary activities after tax attributable to members	28,344,229	30,217,822	(1,873,593)	(6.20)
Basic earnings per share	0.46	0.49	(0.03)	(6.12)
Diluted earnings per share	0.46	0.49	(0.03)	(6.12)

Dividends

There were no dividends paid or proposed during the period.

Dividend reinvestment plan

There is currently no dividend reinvestment plan in place.

Net tangible assets	31 December 2021 $	30 June 2021 $	31 December 2020 $
Net tangible assets (per share) before tax	3.19	2.90	2.05
Net tangible assets (per share) after tax	3.00	2.54	2.18

Brief explanation of results

The Company's NTA increased on a post-tax basis by +18.13% per share for the half year ending December 2021. By comparison, the MSCI ACWI Commodity Producers Index gained +1.26% over the same period. The performance of the Company's portfolio was driven by bottom-up stock and sector selection. In particular, exposures related to energy transition and decarbonisation such as base metals, battery metals and carbon credits saw very strong performance, especially in the lead up to the COP-26 United Nations Climate Change Conference held in Glasgow in November, at which policy makers debated net zero emission targets, which will have a monumental impact on demand for various commodities over coming decades. The Company's exposure to fiscal stimulus and infrastructure related demand via bulk commodity producers and diversified miners also contributed positively. The fourth quarter also saw strong performance from the portfolio's precious metals holdings as inflationary concerns re-emerged as a function of global supply chain issues, labour shortages and central banks indicating a wind-down of QE and eventual rate rises after inflation was deemed less transitory than first anticipated.

Audit

This report is based on the Interim Financial Report which has been subject to independent review by the auditors, Ernst & Young. All the documents comprise the information required by the Listing Rule 4.2A.

Tribeca Global Natural Resources Limited

ACN 627 596 418

Interim Financial Report for the half-year ended 31 December 2021

Contents

Directors	Bruce Robert Loveday *Chairman and Independent Director* Benjamin James Cleary *Non-independent Director* Rebecca O'Dwyer *Independent Director* Todd Warren *Non-independent Director* Nicholas Myers *Independent Director* (appointed 30 August 2021)
Company Secretary	Ken Liu
Investment Manager	Tribeca Global Resources Pty Ltd Level 23, 1 O'Connell Street Sydney NSW 2000 www.tribecaip.com
Registered Office	Level 23, 1 O'Connell Street Sydney NSW 2000 +61 (2) 9640 2600
Administrator	Citco Fund Services (Australia) Pty Ltd 45 Clarence Street Sydney NSW 2000
Custodian	Morgan Stanley & Co. International plc. 25 Cabot Square, Canary Wharf, London E14 4QA United Kingdom UBS AG, Australia branch Chifley Tower 2 Chifley Square Sydney NSW 2000 Australia

Share Registrar	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000 Telephone: 1300 737 760 (inside Australia) or 61 2 9290 9600 (outside Australia)
Auditors	Ernst & Young 200 George St Sydney NSW 2000
Stock Exchange	Australian Securities Exchange (ASX) The home exchange is Sydney ASX code: TGF

Directors' Report

The Directors (the "Directors") present their report together with the interim financial report of Tribeca Global Natural Resources Limited (the "Company") for the half-year ended 31 December 2021.

Directors

The following persons held office as Directors during the period and up to the date of this report:

Bruce Robert Loveday
Independent Chairman

Benjamin James Cleary
Non-independent Director

Rebecca O'Dwyer
Independent Director

Todd Warren
Non-independent Director

Nicholas Myers
Independent Director
(appointed 30 August 2021)

Principal activities

The Company was established to provide investors with access to an actively managed and concentrated portfolio of Natural Resources Securities, Credit Positions and Commodity Positions.

To achieve its objective, the Company has appointed Tribeca Global Resources Pty Ltd to act as investment manager ("Investment Manager"). The Investment Manager's investment strategy is an active long/short investment strategy that seeks to benefit from the inherent volatility in the Natural Resources Sector. The investment strategy employs a high conviction approach, leveraging the Investment Manager's bottom-up research and specialist knowledge of the entities and commodities within the Company's investible universe.

There have been no significant changes in the nature of this activity during the period and no change is anticipated in the future.

Dividends

There were no dividends paid or proposed to be paid for the reporting period. Further information in respect of the Company's dividend policy is contained in Section 11.8 of the Company's Prospectus which was issued on 24 August 2018.

Review of operations

The Company was registered with the Australian Securities and Investments Commission (ASIC) on 18 July 2018 and commenced operations on 12 October 2018, following its successful listing on the ASX.

The operating profit before tax was $40,132,114 (31 December 2020: $43,077,290) for the period ended 31 December 2021. The net result after tax was a profit of $28,344,229 (31 December 2020: $30,217,822).

The net tangible asset before tax as at 31 December 2021 was $3.19 (31 December 2020: $2.05) per share.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the period ended 31 December 2021.

Events subsequent to the end of the interim reporting date

The Directors are not aware of any other matter or circumstance not otherwise dealt with in this financial report that has significantly or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in future years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

This report is made in accordance with a resolution of the Board of Directors.

Bruce Loveday
Independent Chairman
Sydney
23 February 2022

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Sydney NSW 2000 Australia
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Auditor's independence declaration to the directors of Tribeca Global Natural Resources Limited

As lead auditor for the review of the half-year financial report of Tribeca Global Natural Resources Limited for the half-year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

Ernst & Young

Jonathan Pye
Partner
Sydney
23 February 2022

	Note	31 December 2021 $	31 December 2020 $
Investment Income			
Net changes in fair value of financial assets and liabilities at fair value through profit or loss	3	51,457,799	39,561,951
Interest income from financial assets at fair value through profit or loss		293,213	30
Interest income from financial assets at amortised cost		852	590
Dividend income		1,445,225	5,486,282
Total Investment income		**53,197,089**	**45,048,853**
Expenses			
Performance fees	11	10,349,497	–
Management fees	11	1,372,492	795,133
Bank and broker expenses		416,215	496,215
Interest on margin held at broker		413,550	251,389
Directors' fees	11	71,525	72,607
Audit fees		50,827	65,918
Administration fees		39,975	39,975
Professional fees		31,717	15,097
Dividends on securities held short		30,008	24,962
Other expenses		289,169	210,267
Total expenses		**13,064,975**	**1,971,563**
Profit before income tax		**40,132,114**	**43,077,290**
Income tax expense	12	(11,787,885)	(12,859,468)
Net profit after income tax		**28,344,229**	**30,217,822**
Other comprehensive income for the period, net of tax		–	–
Total comprehensive profit for the period		**28,344,229**	**30,217,822**
Earnings per share for profit attributable to the ordinary equity holders of the Company			
Basic earnings per share	10	0.46	0.49
Diluted earnings per share	10	0.46	0.49

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

	Note	31 December 2021 $	30 June 2021 $
Assets			
Current assets			
Cash and cash equivalents		12,431,078	7,116,848
Amounts due from brokers	8	36,540,623	45,737,662
Financial assets at fair value through profit or loss	3	275,483,746	188,455,552
Inventories	3	7,984,582	–
Trade and other receivables	6	1,403,448	432,223
Total current assets		333,843,477	241,742,285
Non-current assets			
Deferred tax assets	12	–	190,281
Total non-current assets		–	190,281
Total assets		**333,843,477**	**241,932,566**
Liabilities			
Current liabilities			
Amounts due to brokers	8	116,026,548	71,688,489
Financial liabilities at fair value through profit or loss	3	6,974,172	12,537,229
Trade and other payables	7	14,553,737	1,359,662
Total current liabilities		137,554,457	85,585,380
Non-current liabilities			
Deferred tax liabilities	12	11,597,605	–
Total non-current liabilities		11,597,605	–
Total liabilities		**149,152,062**	**85,585,380**
Net assets		**184,691,415**	**156,347,186**
Equity			
Issued capital	9	152,434,979	152,434,979
Retained earnings		32,256,436	3,912,207
Total equity		**184,691,415**	**156,347,186**
Total liabilities and equity		**333,843,477**	**241,932,566**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

	Issued Capital $	Retained Earnings $	Total Equity $
Balance as at 1 July 2021	152,434,979	3,912,207	156,347,186
Profit after income tax	–	28,344,229	28,344,229
Other comprehensive income	–	–	–
Total comprehensive income	152,434,979	32,256,436	184,691,415
Transaction with owners in their capacity as owners			
Shares redeemed	–	–	–
Balance as at 31 December 2021	**152,434,979**	**32,256,436**	**184,691,415**

	Issued Capital $	Accumulated Losses $	Total Equity $
Balance as at 1 July 2020	153,019,422	(48,315,567)	104,703,855
Profit after income tax	–	30,217,822	30,217,822
Other comprehensive income	–	–	–
Total comprehensive income	153,019,422	(18,097,745)	134,921,677
Transaction with owners in their capacity as owners			
Shares redeemed	(584,443)	–	(584,443)
Balance as at 31 December 2020	**152,434,979**	**(18,097,745)**	**134,337,234**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

	Note	31 December 2021 $	31 December 2020 $
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		165,225,886	150,762,739
Purchase of financial instruments at fair value through profit or loss		(203,938,125)	(186,327,923)
Purchase of inventories		(4,971,761)	–
Movement in broker cash		51,807,097	36,667,617
Dividends received		1,476,308	5,469,748
Interest income received		294,222	1,034
Performance fees paid		(1,013,397)	–
Interest paid		(399,597)	(235,550)
Dividends paid		(30,008)	(24,962)
Brokerage fees paid		(416,215)	(496,215)
Management fees paid		(1,304,290)	(101,681)
Administration fees paid		(39,975)	(32,825)
Other expenses paid		(682,700)	(521,420)
Net cash flows from operating activities		**6,007,445**	**5,160,562**
Cash flows used in financing activities			
Payment for share buy back	9	–	(768,676)
Net cash flows used in financing activities		**–**	**(768,676)**
Net increase in cash and cash equivalents		**6,007,445**	**4,391,886**
Effect of foreign currency exchange rate changes on cash and cash equivalents		(693,215)	1,803,313
Cash and cash equivalents at beginning of period		7,116,848	806,199
Cash and cash equivalents at end of period		**12,431,078**	**7,001,398**
Significant non-cash transactions:			
Management fees offset against manager loan	11	–	587,854

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. Corporate information and summary of significant accounting policies

The financial statements of Tribeca Global Natural Resources Limited (the "Company") as of 31 December 2021 and for the half-year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 23 February 2022.

The Company is a for-profit entity limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Stock Exchange ("ASX").

The Company was registered with the Australian Securities and Investments Commission ("ASIC") on 18 July 2018 and commenced operations on 12 October 2018, following its successful listing on the ASX.

The Company has been established to provide investors with access to an actively managed and concentrated portfolio of natural resources securities, credit positions and commodity positions.

The Company is managed by Tribeca Global Resources Pty Ltd (the "Investment Manager").

The Investment Manager's investment strategy is an active long/short investment strategy that seeks to benefit from the inherent volatility in the natural resources sector.

The Company's registered office is Level 23, 1 O'Connell Street, Sydney NSW 2000.

Basis of preparation

The interim financial report is for the half-year reporting period ended 31 December 2021 and has been prepared in accordance with *Australian Accounting Standards Board ("AASB") 134 Interim Financial Reporting and the Corporations Act 2001*. It is presented in Australian Dollars ($) and was approved by the Board of Directors on 23 February 2022. The Directors have the power to amend and reissue the financial report.

This interim financial report does not include all the information and disclosures normally included in the annual financial report. Accordingly, this report should be read in conjunction with the Company's annual report for the year ended 30 June 2021 and public announcements made in respect of the Company during the period ended 31 December 2021 in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of financial assets and financial liabilities.

Assets and liabilities with recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in the statement of financial position.

Compliance with International Financial Reporting Standards ("IFRS")
The financial report also complies with IFRS as issued by the International Accounting Standards Board ("IASB").

1. Corporate information and summary of significant accounting policies (continued)

New Standard effective and adopted

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2021 that have a material effect on the financial statements of the Company.

Standards issued but not yet effective

Amendments to International Accounting Standards ("IAS") 1: *Classification of Liabilities as Current or Non-current*

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Amendments to IFRS 3: *Business Combinations - Reference to the Conceptual Framework*

In May 2020, the IASB issued Amendments to IFRS 3 *Business Combinations - Reference to the Conceptual Framework*. The amendments are intended to replace a reference to the *Framework for the Preparation and Presentation of Financial Statements*, issued in 1989, with a reference to the *Conceptual Framework for Financial Reporting* issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or International Financial Reporting Interpretations Committee 21 *Levies*, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

1. Corporate information and summary of significant accounting policies (continued)

Standards issued but not yet effective (continued)

Amendments to IAS 37: *Onerous Contracts – Costs of Fulfilling a Contract*

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

Amendments to IFRS 9 Financial Instruments: *Fees in the '10 per cent' test for derecognition of financial liabilities*

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022, with earlier adoption permitted. The Company must apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company.

Amendments to IAS 8: *Definition of Accounting Estimates*

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Company.

1. Corporate information and summary of significant accounting policies (continued)

Standards issued but not yet effective (continued)

Amendments to IAS 12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, it should also recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments are not expected to have a material impact on the Company.

Amendments to IAS 1 and IFRS Practice Statement 2: *Disclosure of Accounting Policies*

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

There are no other new standards and amendments to existing standards that are not yet effective for the half-year ended 31 December 2021 that would be expected to have a significant impact in the Company's financial statements.

2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

2. Significant accounting judgements, estimates and assumptions (continued)

Income Taxes

The Company has recognised deferred tax liabilities of $11,597,605 (30 June 2021: $190,281 deferred tax assets) relating to current year tax gains/(losses) and unrealised gains/(losses) on investments of $38,658,683 at 31 December 2021 (30 June 2021: $634,270). The utilisation of tax losses depends on the ability of the Company to generate future taxable profit. The Company considers that it is probable that future taxable profits will be available to utilise those deferred tax assets. This assessment is supported by the long term performance of a materially similar strategy managed by the Investment Manager and demonstrated by the current recovery of performance this interim period post tax of +18% per share. New information may become available that may cause the Company to change its judgement regarding calculation of tax balances, and such changes will impact the profit or loss in the period that such determination is made. However, utilisation of tax losses also depends on the ability of the Company to satisfy certain tests at the time the losses are recouped.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Inventories - Argyle Diamond

Argyle Diamond inventory is carried at fair value less costs to sell.

Fair value reflects the price at which an orderly transaction to settle same inventory in the principle (or most advantageous) market for that inventory would take place between market participants at the measurement date.

Fair value less costs to sell may be higher or lower than cost with any differences taken to the statement of comprehensive income.

As at 31 December 2021, the fair value less costs to sell of inventories were $7,984,582 (30 June 2021: $Nil).

3. Fair value measurements

(a) Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

3. Fair value measurements (continued)

(a) Fair value estimation (continued)

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

For assets and liabilities that are measured at fair value on a recurring basis, the Company identifies transfers between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole), and deems transfers to have occurred at the beginning of each reporting period.

(b) Fair value hierarchy

AASB 13 Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

The following tables present the Company's assets and liabilities measured and recognised at fair value at 31 December 2021 and 30 June 2021.

31 December 2021	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial assets at fair value through profit or loss				
Equity securities	219,504,167	–	1,694,625	221,198,792
Debt securities	–	4,955,946	6,485,978	11,441,924
Investment in other fund	–	–	40,062,539	40,062,539
Derivative financial instruments	34,302	2,746,189	–	2,780,491
	219,538,469	7,702,135	48,243,142	275,483,746
Inventories at fair value less cost to sell	–	–	7,984,582	7,984,582
Total assets	**219,538,469**	**7,702,135**	**56,227,724**	**283,468,328**
Financial liabilities at fair value through profit or loss				
Equity securities	(6,974,172)	–	–	(6,974,172)
Total liabilities	**(6,974,172)**	**–**	**–**	**(6,974,172)**

3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

30 June 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value through profit or loss				
Equity securities	170,418,384	1,140,000	500,000	172,058,384
Debt securities	–	–	60,000	60,000
Investment in other fund	–	–	13,653,326	13,653,326
Derivative financial instruments	536,320	2,147,522	–	2,683,842
Total financial assets	**170,954,704**	**3,287,522**	**14,213,326**	**188,455,552**
Financial liabilities at fair value through profit or loss				
Equity securities	(12,232,950)	–	–	(12,232,950)
Derivative financial instruments	–	(304,279)	–	(304,279)
Total financial liabilities	**(12,232,950)**	**(304,279)**	**–**	**(12,537,229)**

There were no transfers between levels during the period 31 December 2021 and the year ended 30 June 2021.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the beginning of the reporting period.

Valuation techniques

When fair values of publicly traded equity securities are based on quoted market prices in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy.

In the absence of a quoted price in an active market, managed funds and derivatives are valued using observable inputs such as the market price of underlying investment, forward rates and recently quoted prices from the issuer or comparable issuers. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, the Company categorises these investments as Level 2.

For all other financial instruments not traded in an active market, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible). The Company categorises these investments as Level 3.

3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

Valuation techniques (continued)

The fair value of Argyle Diamond Inventory (at fair value less cost to sell) is determined with reference to transaction prices which are unobservable. During the period there has not been a change in unobservable inputs, accordingly no gains or losses have been recognised as a result in changes of unobservable inputs during the year. The nature of the market used to determine the Argyle Diamond is assessed as being illiquid given the low volume of transactions, accordingly the contracts are classified as level 3.

The Company held ten (30 June 2021: three) Level 3 positions at period end which were fair valued by the Investment Manager's portfolio management team. The Investment Manager has reviewed the reasonableness of Level 3 valuation and is satisfied that it fairly represents the value of the asset held by the Company as at 31 December 2021 and 30 June 2021.

The changes in investments measured at fair value for which the Company has classified as having significant Level 3 inputs to determine fair value are as follows:

	31 December 2021 $	30 June 2021 $
Beginning value	14,213,326	14,104,384
Purchases	26,044,753	560,000
Unrealised gain/(loss)	15,969,645	(451,058)
Ending value	**56,227,724**	**14,213,326**

Net change in unrealised gain attributable to Level 3 investments held by the Company as at 31 December 2021 was $15,969,645 (30 June 2021: $451,058 loss).

3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

Valuation techniques (continued)

Quantitative information regarding the valuation techniques and significant unobservable inputs used for the Company's investments that are categorised within Level 3 of the fair value hierarchy are as follows:

Description	Fair Value as at 31 December 2021 $	Valuation Technique	Unobservable Input
Investment in other fund	26,015,730	Net Asset Value approach	Unit price - $2.53
	14,046,809	Net Asset Value approach	Unit price - $503.32
Unlisted equity securities	869,625	Price of recent investment	Transaction price - $4.50
	500,000	Price of recent investment	Transaction price - $0.115
	325,000	Price of recent investment	Transaction price - $0.20
Unlisted debt securities	2,064,978	Spread rate	Spread rate - 15%
	1,925,000	Price of recent investment	Transaction price - $1,925,000
	1,500,000	Price of recent investment	Transaction price - $1,500,000
	936,000	Price of recent investment	Transaction price - $1,000
	60,000	Price of recent investment	Transaction price - $1.00
Inventory - Argyle Diamond	7,984,582	Price of recent investment	Transaction price - US$5,800,000
Total	**56,227,724**		

3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

Valuation techniques (continued)

Description	Fair Value as at 30 June 2021 $	Valuation Technique	Unobservable Input
Investment in other fund	13,653,326	Net Asset Value approach	Unit price - $489.22
Unlisted equity securities	500,000	Price of recent investment	Transaction price - $0.115
Unlisted debt securities	60,000	Price of recent investment	Transaction price - $1.00
Total	**14,213,326**		

The carrying amounts of all financial instruments other than those measured at fair value on a recurring basis are considered to represent a reasonable approximation of their fair values.

3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

Sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 December 2021 and 30 June 2021 is as shown below:

31 December 2021	Input	Sensitivity used	Effect on fair value
Description			
Investment in other fund	Unit price	7%	+/-1,821,101
	Unit price	7%	+/-983,277
Unlisted equity securities	Transaction price	7%	+/-60,874
	Transaction price	7%	+/-35,000
	Transaction price	7%	+/-22,750
Unlisted debt securities	Spread rate	7%	+/-144,548
	Transaction price	7%	+/-134,750
	Transaction price	7%	+/-105,000
	Transaction price	7%	+/-65,520
	Transaction price	7%	+/-4,200
Inventory - Argyle Diamond	Transaction price	7%	+/-558,921

30 June 2021	Input	Sensitivity used	Effect on fair value
Description			
Investment in other fund	Unit price	7%	+/-955,733
Unlisted equity securities	Transaction price	7%	+/-35,000
Unlisted debt securities	Transaction price	7%	+/-4,200

3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

The table below shows realised and unrealised components of the account:

	31 December 2021 $	31 December 2020 $
Net realised gain on financial assets and liabilities at fair value through profit or loss	28,738,998	5,751,960
Net realised gain/(loss) on derivative contracts	3,323,133	(533,938)
Net unrealised gain on financial assets and liabilities at fair value through profit or loss	19,175,322	30,734,330
Net unrealised gain on derivative contracts	913,561	1,806,286
Net realised and unrealised (loss)/gain on foreign exchange currency transactions	(693,215)	1,803,313
Net changes in fair value of financial assets and liabilities at fair value through profit or loss	**51,457,799**	**39,561,951**

4. Derivative contracts

Typically, derivatives serve as a component of the Company's investment strategy and are utilised primarily to structure the portfolio or individual investments to economically match the investment objective of the Company.

Futures contracts

A futures contract obligates the Company to receive or deliver a specific instrument at a specified price on an agreed future date. Subsequent changes in the daily valuation of open contracts are recognised in net changes in fair value of financial assets and liabilities at fair value through profit or loss in the statement of profit or loss and other comprehensive income. Realised gains and losses are recorded in the statement of profit or loss and other comprehensive income when a contract is closed. The futures contracts are collateralised by cash and amounts due from broker. As at 31 December 2021, the notional principal amounts for futures contracts were $Nil (30 June 2021: $Nil).

Option contracts

Option contracts are derivative financial instruments that give the buyer, in exchange for a premium payment, the right, but not the obligation, to either purchase from (call option) or sell to (put option) the writer a specified underlying instrument at a specified price on or before a specified date. The Company enters into option contracts to meet the requirements of its risk management and trading activities. Any realised and unrealised gains and losses are included in net changes in fair value of financial assets and liabilities at fair value through profit or loss in the statement of profit or loss and other comprehensive income. The total notional amount of option contracts outstanding as at 31 December 2021 amounts to $552,333 (30 June 2021: $20,141,745).

4. Derivative contracts (continued)

Swap agreements

Swap agreements ("swaps") represent agreements that obligate two parties to exchange a series of cash flows at specified intervals based upon, or calculated by reference to, changes in specified prices or rates for a specified amount of an underlying asset or otherwise determined notional amount. The payment flows are usually netted against each other, with the difference being paid by one party to the other. Therefore, amounts required for the future satisfaction of the swap may be greater or less than the amount recorded. The realised gain/loss depends upon the prices at which the underlying financial instruments of the swap is valued at the swaps settlement date and is included in net changes in fair value of financial assets and liabilities at fair value through profit or loss in the statement of comprehensive income. Swaps, which are not dealt in or traded through a clearing firm or an exchange, will be valued on the basis of the latest available counterparty valuation. The total notional amount of equity swaps outstanding as at 31 December 2021 amounts to $16,978,030 (30 June 2021: $12,894,534).

Warrants

A warrant is a derivative security that gives the holder the right to purchase securities from the issuer at a specific price within a certain timeframe. Warrants which are traded on an active market are valued at the quoted price. The Company may purchase warrants to speculate on the price movements of the financial instrument underlying the warrant, or for use as an economic hedge against certain equity positions held in the Company's portfolio holdings. The Company purchases warrants through listed markets and some are part of debt securities purchased. Warrants purchased by the Company provide the Company with the opportunity to purchase the underlying asset at an agreed-upon value either on (European style) or at any time before (American style) the expiration of the warrant. The total notional amount of warrants outstanding as at 31 December 2021 amounts to $819,943 (30 June 2021: $376,160).

The Company's derivative financial instruments at 31 December 2021 and 30 June 2021 are detailed below:

	Contract/	Fair values	
31 December 2021	**Notional**	**Assets**	**Liabilities**
	$	**$**	**$**
Equity option	552,333	552,333	–
Equity swaps	16,978,030	1,408,215	–
Warrants	819,943	819,943	–
Total derivatives	**18,350,306**	**2,780,491**	**–**

4. Derivative contracts (continued)

Warrants (continued)

30 June 2021	Contract/ Notional $	Fair values Assets $	Fair values Liabilities $
Commodity future option	14,430,500	157,088	–
Equity options	5,711,245	300,017	–
Equity swaps	12,894,534	1,850,577	304,279
Warrants	376,160	376,160	–
Total derivatives	**33,412,439**	**2,683,842**	**304,279**

5. Segment information

The Company has identified its operating segments based on the internal reports that are reviewed by the Investment Manager (who is identified as the Chief Operating Decision Makers) in assessing and determining the allocation of resources.

The Company operates in one business segment, being investment in securities.

6. Trade and other receivables

	31 December 2021 $	30 June 2021 $
Prepaid insurance	330,704	182,495
Dividends receivable	–	31,083
Other receivables	1,072,744	218,645
Total	**1,403,448**	**432,223**

7. Trade and other payables

	31 December 2021 $	30 June 2021 $
Performance fees payable	11,106,777	1,013,397
Management fees payable	286,221	218,019
Interest payable	76,533	62,580
Audit fees payable	35,042	41,640
Administration fees payable	7,150	7,150
Other payables and accrued expenses	3,042,014	16,876
Total	**14,553,737**	**1,359,662**

8. Amounts due from/to brokers

Amounts due from/to broker include cash balances with the clearing brokers, amounts receivable or payable for securities transactions which have not settled during the period.

	31 December 2021 $	30 June 2021 $
Due from brokers		
Cash balances	36,412,270	44,672,088
Receivable for securities sold	128,353	1,065,574
Total	**36,540,623**	**45,737,662**
Due to brokers		
Cash balances	113,449,048	69,901,769
Payable for securities purchased	2,577,500	1,786,720
Total	**116,026,548**	**71,688,489**

Cash balances due from broker mainly include cash from short sales subject to withdrawal restrictions until the related securities are purchased. The Company held no collateral as security or any other credit enhancements.

9. Issued capital

At the initial public offering, the authorised share capital of the Company was $157,500,000 divided into 63,000,000 ordinary shares of $2.50 per share. In March 2020, the Company commenced a share buy back to remain in place for up to 12 months. Issued shares at period end are shown in the table below. All issued ordinary shares are fully paid and are listed on ASX. The Company's capital is represented by these ordinary shares.

9. Issued capital (continued)

(a) Share capital

	31 December 2021	30 June 2021
Number of ordinary shares	61,500,000	61,500,000

(b) Movements in ordinary share capital

	Number of shares	$
31 December 2020		
Opening balance, 1 July 2020	61,946,584	156,328,602
Shares buy back	(446,584)	(584,443)
Closing balance	**61,500,000**	**155,744,159**
31 December 2021		
Opening balance, 1 July 2021	61,500,000	152,434,979
Closing balance	**61,500,000**	**152,434,979**

Capital management policy

The Board will regularly review the capital structure of the Company and, where the Board considers appropriate, undertake capital management initiates which may involve:

(a) the issue of other shares (through bonus options issues, placement, pro rata issues, etc.); or
(b) the buy-back of its shares.

10. Earnings per share

	31 December 2021 $	31 December 2020 $
Profit after income tax used in the calculation of basic and diluted earnings per share	28,344,229	30,217,822

10. Earnings per share (continued)

(a) Basic and diluted earnings per share

	31 December 2021 $	31 December 2020 $
Basic earnings per share attributable to the ordinary equity holders of the Company	0.46	0.49
Diluted earnings per share attributable to the ordinary equity holders of the Company	0.46	0.49

(b) Weighted average number of shares used as denominator

	31 December 2021	31 December 2020
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted earnings per share	61,500,000	61,825,775

As at the end of the period, there are no outstanding securities that are potentially dilutive in nature for the Company.

11. Related parties

Tribeca Global Natural Resources Credit Fund

As at 31 December 2021, the Company held an investment in Tribeca Global Natural Resources Credit Fund with fair value of $14,046,809 (30 June 2021: $13,653,326) which represents 20.67% (30 June 2021: 20.54%) of the NAV of the investee fund.

Tribeca Carbon Fund

As at 31 December 2021, the Company held an investment in Tribeca Carbon Fund with fair value of $26,015,730 (30 June 2021: $Nil) which represents 40.74% (30 June 2021: Nil%) of the NAV of the investee fund.

Management fees

In return for the performance of its duties under the investment management agreement, the Investment Manager is entitled to be paid, and the Company must pay to the Investment Manager a management fee equal to 1.5% per annum (plus GST) of the value of the portfolio (calculated on the last business day of each month and paid at the end of each month in arrears).

The management fee is to be paid to the Investment Manager regardless of the performance of the Company. Management fees would increase if the value of the portfolio increases and decrease if the value of the portfolio decreases over the period.

11. Related parties (continued)

Management fees (continued)

Management fees incurred during the period amounted to $1,372,492 (31 December 2020: $795,133) of which $286,221 (30 June 2021: $218,019) remained payable. For the period ended 31 December 2021, the Investment Manager was paid management fees through reimbursement of the Company's share offer costs.

Directors' fees

Non-executive Directors are entitled to receive Directors' fees of up to $150,000 per annum to be shared among the Directors. For the period ended 31 December 2021, the amount incurred amounted to $71,525 (31 December 2020: $72,607), none of which remained payable (30 June 2021: $Nil).

Performance fees

In return for the performance of its duties as Manager of the Portfolio, the Manager is entitled to be paid and the Company must pay to the Manager (which remuneration is to be obtained for the use and benefit of the Manager) a fee (performance fee) of 20% (plus GST) of A, where A for a performance calculation period is calculated in accordance with the following formula:

A = B - C

Where:

A is the base amount to be used in calculating the performance fee outlined above.

B is the value of the portfolio after payment of management fees, calculated on the last business day of the relevant performance calculation period.

C is the value of the portfolio, after payment of management fees and performance fees, calculated on the last business day of the last performance calculation period in which a performance fee was paid or if no prior performance fee has been paid to the Manager, the value of the portfolio on the commencement date.

If the value of the portfolio (after payment of management fees) calculated on the last business day of a performance calculation period is less than:

(a) for the first performance calculation period, the value of the portfolio on the commencement date;
(b) thereafter, the highest value of the portfolio, after payment of management fees and performance fees, calculated on the last business day of any preceding performance calculation period, no performance fee is payable in respect of that performance calculation period. If the amount calculated for A is a negative number, no performance fee is payable in respect of that performance calculation period.

In calculating the performance fee for a performance calculation period, changes in the value of the portfolio as a result of the issue of securities, capital reductions or share buy-backs undertaken by the Company or payment of tax and dividend distribution will be disregarded or adjusted for in a manner determined by the auditor at the conclusion of that performance calculation period.

The auditor of the Company must review the calculation of the performance fee prior to payment.

Performance fees incurred during the period amounted to $10,349,497 (31 December 2020: $Nil) of which $11,106,777 (30 June 2021: $1,013,397) remained payable.

12. Income tax

(a) Income tax expense attributable for the period differs from the prima facie amount payable on the operating profit. The difference is reconciled as follows:

	31 December 2021 $	31 December 2020 $
Profit before income tax expense	40,132,114	43,077,290
Prior year temporary difference	–	(41,514)
Franking credit	374,196	90,215
Foreign tax credit	33,960	39,620
Total	40,540,270	43,165,611
Prima facie income tax expense on the net profit at 30%	12,162,081	12,949,683
Franking credit	(374,196)	(90,215)
Income tax expense	**11,787,885**	**12,859,468**

(b) The major components of income tax expense are:

	31 December 2021 $	31 December 2020 $
Current income tax	5,568,754	2,757,560
Deferred income tax	6,219,131	10,101,908
	11,787,885	**12,859,468**

(c) Deferred tax assets/(liabilities) relate to the following:

	31 December 2021 $	30 June 2021 $
Opening balance	190,281	22,300,359
Tax losses carried forward	(5,568,754)	(5,017,123)
Unrealised gain on investments	(6,092,506)	(16,829,467)
Costs associated with the issue of shares	(136,932)	(273,863)
Other temporary differences	981	19,700
Unfranked dividend	9,325	(9,325)
Deferred tax assets/(liabilities)	**(11,597,605)**	**190,281**
Movements:		
Opening balance	190,281	22,300,359
Credited directly to profit or loss	(11,787,886)	(22,110,078)
Closing balance	**(11,597,605)**	**190,281**

13. Contingencies and commitments

The Company had no contingent assets, liabilities or commitments as at 31 December 2021 and 30 June 2021.

14. Events occurring after the reporting period

No matter or circumstance has occurred subsequent to the half year end that which has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

In the Directors' opinion:

(a) the interim financial statements and notes set out on pages 6 to 30 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended 31 December 2021, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Bruce Loveday
Independent Chairman
Sydney
23 February 2022

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Building a better working world

Independent auditor's review report to the shareholders of Tribeca Global Natural Resources Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Tribeca Global Natural Resources Limited (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Company does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Jonathan Pye
Partner
Sydney
23 February 2022