Tribeca Global Natural Resources Limited

ACN 627 596 418

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Appendix 4D
Interim Financial Report
for the half-year ended
31 December 2019

Interim report

This interim financial report is for the reporting half-year ended 31 December 2019. The Company commenced operations on 12 October 2018, following its successful listing on the ASX.

Results for announcement to the market

	31 December 2019 $	31 December 2018 $	Movement $	Movement %
Profit from ordinary activities	7,303,086	2,833,674	4,469,412	157.72
Profit from ordinary activities after tax attributable to members	3,043,364	1,451,337	1,592,027	109.69
Basic earnings per share	0.05	0.05	0.00	0.00
Diluted earnings per share	0.05	0.05	0.00	0.00

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 2019 $	30 June 2019 $	31 December 2018 $
Net tangible assets (per share) before tax	2.45	2.39	2.45
Net tangible assets (per share) after tax	2.45	2.41	2.47

Brief explanation of results and Company outlook

The Company's NTA increased on a post-tax basis by 2.01% for the half year ending December 2019. By comparison, the MSCI ACWI Commodity Producers Index returned a decline of -2.31% over the same period. The half year performance was characterized by a difficult Q3, with a rebound during Q4 as sentiment improved in anticipation of an easing of trade tensions between the U.S. and China and the announcement of a phase 1 trade deal. The Company's portfolio performance was driven by long equity positions in base metal producers and services - including shipping and oil and gas engineering companies. Oil and gas producers also contributed positively with key holdings in U.S. onshore oil and Australian east coast gas producers posting gains. A positive contribution also came from the Company's private credit positions.

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.

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Interim Financial Report
for the half-year ended
31 December 2019

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Contents

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Directors	Bruce Robert Loveday *Chairman and Independent Director* Gregory John Clarke *Independent Director* Judith Anne Mills *Independent Director* Benjamin James Cleary *Non-independent Director* Craig Leslie William Evans *Non-independent Director*
Joint Company Secretary	Kylie Osgood Yang (Ken) Liu (effective 6 January 2020)
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
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

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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 2019.

Directors

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

Bruce Robert Loveday
Independent Chairman
(reappointed 22 November 2019)

Gregory John Clarke
Independent Director
(appointed 8 August 2018)

Judith Anne Mills
Independent Director
(appointed 8 August 2018)

Benjamin James Cleary
Non-independent Director
(appointed 18 July 2018)

Craig Leslie William Evans
Non-independent Director
(reappointed 22 November 2019)

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.

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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 $4,139,035 (31 December 2018: $2,001,844) for the period ended 31 December 2019. The net result after tax was a profit of $3,043,364 (31 December 2018: $1,451,337).

The net tangible asset before tax as at 31 December 2019 was $2.45 (31 December 2018: $2.45) 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 2019.

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
24 February 2020

Ernst & Young
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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 2019, 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; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

Ernst & Young

Jonathan Pye
Partner
Sydney
24 February 2020

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	Note	31 December 2019 $	Period from 18 July 2018 to 31 December 2018 $
Investment Income			
Net changes in fair value of financial assets and liabilities at fair value through profit or loss	3	2,949,439	(2,126,797)
Interest income		1,759,694	352,446
Dividend income		2,593,953	43,639
Offer costs reimbursement income		–	4,564,386
Total Investment income		**7,303,086**	**2,833,674**
Expenses			
Management fees	11	1,180,695	586,752
Interest expense		806,960	75,330
Dividend expense from short sales		571,446	–
Bank and broker expenses		303,201	44,323
Administration fees		39,975	26,650
Directors' fees	11	34,791	33,963
Audit fees		33,339	18,690
Professional fees		35,323	–
Other expenses		158,321	46,122
Total expenses		**3,164,051**	**831,830**
Profit before income tax		**4,139,035**	**2,001,844**
Income tax expense	12	(1,095,671)	(550,507)
Net profit after income tax		**3,043,364**	**1,451,337**
Other comprehensive income for the period, net of tax		–	–
Total comprehensive profit for the period		**3,043,364**	**1,451,337**
Earnings per share for profit attributable to the ordinary equity holders of the Company			
Basic earnings per share	10	0.05	0.05
Diluted earnings per share	10	0.05	0.05

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

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	Note	31 December 2019 $	30 June 2019 $
Assets			
Current assets			
Cash and cash equivalents		47,828,369	54,589,703
Due from brokers	8	63,541,022	69,834,714
Financial assets at fair value through profit or loss	3	138,756,389	96,091,224
Manager loan	11	503,116	835,202
Trade and other receivables	6	1,155,282	779,189
Total current assets		251,784,178	222,130,032
Non-current assets			
Deferred tax asset	12	1,164,651	2,260,322
Manager loan	11	545,042	1,322,404
Total non-current assets		1,709,693	3,582,726
Total assets		**253,493,871**	**225,712,758**
Liabilities			
Current liabilities			
Due to brokers	8	79,937,681	57,684,720
Financial liabilities at fair value through profit or loss	3	18,683,221	16,209,404
Trade and other payables	7	288,636	277,665
Total liabilities		**98,909,538**	**74,171,789**
Net assets		**154,584,333**	**151,540,969**
Equity			
Issued capital		154,190,820	154,190,820
Retained earnings		393,513	(2,649,851)
Total equity		**154,584,333**	**151,540,969**
Total liabilities and equity		**253,493,871**	**225,712,758**

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

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	Note	Issued Capital $	Retained Earnings $	Total Equity $
Balance as at 1 July 2019		154,190,820	(2,649,851)	151,540,969
Profit after income tax		–	3,043,364	3,043,364
Other comprehensive income		–	–	–
Total comprehensive income		154,190,820	393,513	154,584,333
Balance as at 31 December 2019		**154,190,820**	**393,513**	**154,584,333**

	Note	Issued Capital $	Retained Earnings $	Total Equity $
Balance as at 18 July 2018		–	–	–
Profit after income tax		–	1,451,337	1,451,337
Other comprehensive income		–	–	–
Total comprehensive income		–	1,451,337	1,451,337
Transaction with owners in their capacity as owners				
Shares issued	9	157,500,000	–	157,500,000
Capital raising costs		(4,564,386)	–	(4,564,386)
Capital raising costs - tax effect		1,255,206	–	1,255,206
Balance as at 31 December 2018		**154,190,820**	**1,451,337**	**155,642,157**

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

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	Note	31 December 2019 $	Period from 18 July 2018 to 31 December 2018 $
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		2,838,171	64,305,431
Payment for purchase of financial instruments at fair value through profit or loss		(29,417,723)	(93,594,498)
Movement in broker cash		18,192,985	(104,666,271)
Dividends received		2,578,139	43,639
Interest income received		1,559,736	228,287
Interest paid		(800,270)	(40,393)
Dividends paid on short sales		(571,446)	–
Brokerage fees paid		(303,201)	(44,323)
Management fees paid		(15,259)	–
Admin fees paid		(32,825)	–
Other expenses paid		(480,951)	(9,482)
Net cash flows used in operating activities		**(6,452,644)**	**(133,777,610)**
Cash flows from financing activities			
Proceeds from application by unit holders	9	–	157,500,000
Organisational cost paid		–	(4,182,548)
Net cash flows from financing activities		**–**	**153,317,452**
Net (decrease)/increase in cash and cash equivalents		**(6,452,644)**	**19,539,842**
Effect of foreign currency exchange rate changes on cash and cash equivalents		(308,690)	60,158
Cash and cash equivalents at beginning of financial period		54,589,703	–
Cash and cash equivalents at end of period		**47,828,369**	**19,600,000**

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

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Notes to the financial statements

1. Corporate information and summary of significant accounting policies

The financial statements of Tribeca Global Natural Resources Limited (the "Company") as of 31 December 2019 and for the half-year ended 31 December 2019 were authorised for issue in accordance with a resolution of the directors on 20 February 2020.

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 2019 and has been prepared in accordance with 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 20 February 2020. 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 period ended 30 June 2019 and public announcements made in respect of the Company during the period ended 31 December 2019 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 International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

New Standard effective and adopted

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 Uncertainty over Income Tax Treatments ("IFRIC 23") clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities. Specifically, IFRIC 23 provides clarity on how to incorporate this uncertainty into the measurement of tax as reported in the financial statements.

IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about:

- judgements made;
- assumptions and other estimates used; and
- the potential impact of uncertainties that are not reflected.

The adoption of above amendment does not have any significant impact on the Company's financial statements, as currently there is no uncertainty relating to any tax treatments.

IFRIC 23 applies for annual periods beginning on or after 1 January 2019.

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.

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 ("DCF") 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.

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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.

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).

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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 2019 and 30 June 2019.

31 December 2019	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial assets at FVPL				
Equity securities	89,986,515	–	–	89,986,515
Debt securities	–	–	20,181,742	20,181,742
Investment in other fund	–	28,097,076	–	28,097,076
Derivative financial instruments[1]	–	491,056	–	491,056
Total financial assets	**89,986,515**	**28,588,132**	**20,181,742**	**138,756,389**
Financial liabilities at FVPL				
Equity securities	(18,266,305)	–	–	(18,266,305)
Derivative financial instruments[1]	–	(416,916)	–	(416,916)
Total financial liabilities	**(18,266,305)**	**(416,916)**	**–**	**(18,683,221)**

30 June 2019	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial assets at FVPL				
Equity securities	48,601,249	–	–	48,601,249
Debt securities	–	–	20,159,567	20,159,567
Investment in other fund	–	27,166,904	–	27,166,904
Derivative financial instruments[1]	–	163,504	–	163,504
Total financial assets	**48,601,249**	**27,330,408**	**20,159,567**	**96,091,224**
Financial liabilities at FVPL				
Equity securities	(15,836,560)	–	–	(15,836,560)
Derivative financial instruments[1]	–	(372,844)	–	(372,844)
Total financial liabilities	**(15,836,560)**	**(372,844)**	**–**	**(16,209,404)**

[1] The aggregate notional value of all derivatives included in Level 2 of the fair value hierarchy is $7,114,954 (30 June 2019: $6,948,638).

There were no transfers between levels for recurring fair value measurements during the period.

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3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

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

The Company held one Level 3 position at period end which was 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 2019.

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 2019 Unlisted debt securities	30 June 2019 Unlisted debt securities
Beginning value	20,159,567	–
Purchases	–	20,099,432
Unrealised gain	22,175	60,135
Ending value	**20,181,742**	**20,159,567**

Net change in unrealised gain attributable to Level 3 investments held by the Company as at 31 December 2019 was $22,175 (30 June 2019: $60,135).

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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 2019 $	Valuation Technique	Unobservable Input
Unlisted debt securities	20,181,742	Discounted cash flow	Discount rate - 13%
Total	**20,181,742**		

Description	Fair Value as at 30 June 2019 $	Valuation Technique	Unobservable Input
Unlisted debt securities	20,159,567	Price of recent investment	Implied discount rate - 10%
Total	**20,159,567**		

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3. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

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.

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 2019 and 30 June 2019 is as shown below:

31 December 2019:	**Input**	**Sensitivity used**	**Effect on fair value**
Description			
Paringa Resources LTD Loan Trans 1 Floating rate Maturity 30/04/2022	Implied discount rate	8%	1,614,539

30 June 2019:	**Input**	**Sensitivity used**	**Effect on fair value**
Description			
Paringa Resources LTD Loan Trans 1 Floating rate Maturity 30/04/2022	Implied discount rate	8%	1,612,765

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

	31 December 2019 $	Period from 18 July 2018 to 31 December 2018 $
Net realised gain/(loss) on financial instruments at FVPL	390,620	(1,213,148)
Net realised gain on derivative contracts	561,028	124,101
Net unrealised gain/(loss) on financial instruments at FVPL	2,186,412	(842,495)
Net unrealised gain/(loss) on derivative contracts	120,069	(398,754)
Net realised and unrealised (loss)/gain on foreign exchange currency transactions	(308,690)	203,499
Net changes in fair value of financial assets and liabilities at FVPL	**2,949,439**	(2,126,797)

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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.

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 FVPL 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 2019 amounts to $7,114,954 (30 June 2019: $6,357,069).

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 ("CODM")) 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 2019 $	30 June 2019 $
Interest receivable	746,153	546,195
Prepaid insurance	297,935	210,047
Other receivables	111,194	22,947
Trade and other receivables	**1,155,282**	**779,189**

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7. Trade and other payables

	31 December 2019 $	30 June 2019 $
Interest payable	149,907	143,217
Management fees payable	55,987	–
Directors' fees payable	34,412	48,134
Audit fees payable	23,908	41,357
Administration fees payable	14,300	7,150
Other payables and accrued expenses	10,122	37,807
Trade and other payables	**288,636**	**277,665**

8. 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 2019 $	30 June 2019 $
Due from brokers		
Cash balances	63,450,363	68,201,753
Receivable for securities sold	90,659	1,632,961
Total	**63,541,022**	**69,834,714**
Due to brokers		
Cash balances	68,746,590	55,304,995
Payable for securities purchased	11,191,091	2,379,725
Total	**79,937,681**	**57,684,720**

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

(a) Share capital

	31 December 2019	30 June 2019
Number of ordinary shares	63,000,000	63,000,000

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9. Issued capital (continued)

(b) Movements in ordinary share capital

	Number of shares	Issue price	$
Opening balance, 1 July 2019	63,000,000	2.50	157,500,000
Closing balance	**63,000,000**		**157,500,000**

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 2019 $	Period from 18 July 2018 to 31 December 2018 $
Profit after income tax used in the calculation of basic and diluted earnings per share	3,043,364	1,451,337

(a) Basic and diluted earnings per share

	31 December 2019 $	31 December 2018 $
Basic earnings per share attributable to the ordinary equity holders of the Company	0.05	0.05
Diluted earnings per share attributable to the ordinary equity holders of the Company	0.05	0.05

10. Earnings per share (continued)

(b) Weighted average number of shares used as denominator

	31 December 2019	31 December 2018
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted earnings per share	63,000,000	30,361,446*

*The weighted average number of shares used as the denominator in calculating basic earnings per share is based on the average number of shares from 18 July 2018, being date of incorporation, to 31 December 2018. The basic earnings per share would be 2.30 cents per share if calculated from 12 October 2018, being the allotment date, as the Company only had one share on issue and no earnings up to this date.

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 2019, the Company held an investment in Tribeca Global Natural Resources Credit Fund with fair value of $28,097,076 (30 June 2019: $27,166,904) which represents 19.95% (30 June 2019: 30.74%) of the NAV of the investee fund.

Manager loan

The Company has entered into a loan agreement with the Investment Manager on 24 August 2018. The Investment Manager has agreed to be responsible for the payment of share offer costs that the Company would be normally liable for. These costs will be paid upfront by the Company; however, the Investment Manager will repay the share offer costs to the Company in accordance with the Manager loan.

The Manager loan is an unsecured loan that the Investment Manager may use for working capital purposes. The Investment Manager will use the Manager loan to reimburse the Company for the costs of the share offer.

The Investment Manager is required to repay the Manager loan in monthly instalments over the 40-month term. Each instalment should be equal to at least 1/40th of the total loan amount. If the Investment Manager's repayments remain in arrears, the loan will be subject to a monthly interest at the default interest equal to Reserve Bank of Australia cash rate plus 4% per annum. The Company will have a right to off-set all payments otherwise due to the Investment Manager for so long the Investment Manager is in arrears.

The Investment Manager may repay the Manager loan early as its absolute discretion. The Company has a right of recourse against the Investment Manager for the amounts owed under the Manager loan.

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11. Related parties (continued)

Manager loan (continued)

During the period ended 31 December 2018, the total share offer costs incurred by the Company amounted to $4,564,386. As at 31 December 2019, the balance of the Company's Manager loan amounted to $1,048,158 (30 June 2019: $2,157,606) presented as current and non-current asset in the statement of financial position amounting to $503,116 (30 June 2019: $835,202) and $545,042 and (30 June 2019: $1,322,404), respectively.

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.

Management fees incurred during the period amounted to $1,180,695 (31 December 2018: $586,752) of which $55,987 (30 June 2019: Nil) remained payable. For the period ended 31 December 2019 in its capacity as Investment Manager, Tribeca Global Resources Pty Ltd 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 2019, the amount incurred amounted to $34,791 (31 December 2018: $33,963), of which $34,412 (30 June 2019: $48,134) remained payable.

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.

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11. Related parties (continued)

Performance fees (continued)

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.

There was no performance fee incurred during the period. For the period ended the Investment Manager was not paid a performance fee.

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 2019 $	Period from 18 July 2018 to 31 December 2018 $
Profit before income tax expense	4,139,035	2,001,844
Prior year temporary difference	(131,616)	–
Franking credit	22,059	–
Foreign tax credit	34,996	–
Total	4,064,474	2,001,844
Prima facie income tax expense on the net profit at 27.5%	1,117,730	550,507
Franking credit	(22,059)	–
Income tax expense	**1,095,671**	**550,507**

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12. Income tax (continued)

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

	31 December 2019 $	Period from 18 July 2018 to 31 December 2018 $
Current income tax	165,118	782,206
Deferred income tax	930,553	(231,699)
	1,095,671	**550,507**

(c) Deferred tax assets relate to the following:

	31 December 2019 $	30 June 2019 $
Opening balance	2,260,322	–
Tax losses carried forward	(165,118)	264,536
Attributed income	–	531,608
Unrealised (gain)/loss on investments	(822,614)	423,819
Costs associated with the issue of shares	(125,520)	1,004,165
Other temporary differences	21,930	36,194
Unfranked dividend	(4,349)	–
Deferred tax assets	**1,164,651**	**2,260,322**
Movements:		
Opening balance	2,260,322	–
Credited:		
- directly to equity	–	1,255,206
- directly to profit or loss	(1,095,671)	1,005,116
Closing balance	**1,164,651**	**2,260,322**

13. Contingencies and commitments

The Company had no contingent assets, liabilities or commitments as at 31 December 2019 and 30 June 2019.

14. Events occurring after the reporting period

Effective 6 January 2020, the Company have appointed Mr. Yang (Ken) Liu as Joint Company Secretary of the Company.

Effective 18 February 2020, Craig Evans resigned as Non-independent Director of the Company and David Aylward has been appointed to the Company's Board of Directors as Non-independent Director.

No matter or circumstance has occurred subsequent to period end that 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 periods.

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In the Directors' opinion:

(a) the interim financial statements and notes set out on pages 10 to 24 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 2019 and of its performance for the half-year ended 31 December 2019, 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
24 February 2020

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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 2019, 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 and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Company is not in accordance with the Corporations Act 2001, including:

a) giving a true and fair view of the Company's financial position as at 31 December 2019 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.

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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to 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 2019 and its financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

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Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Ernst & Young

Jonathan Pye
Partner
Sydney
24 February 2020

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