TRINITY
EXPLORATION & PRODUCTION

Annual Report & Accounts

for the year ended 31 December 2023

Company Number: **07535869**
Stock Code: **TRIN**

Contents

Strategic Report

Our Governance

Financial Accounts

Glossary of Terms

Company Information

For more information on
Trinity Exploration & Production visit
trinityexploration.com

Highlights of 2023

Sales (bopd)

2,790

2022 2,975 bopd

Operating Profit Before SPT, Impairments and Exceptional Items (USD)

$9.6m

2022 19.0 USD million[1]

Adjusted EBITDA before hedge costs (APM Result) (USD)

$19.2m

2022 35.1 USD million

Adjusted EBITDA after hedge costs (APM Result) (USD)

$19.2m

2022 24.7 USD million

Adjusted EBIDA after Current Taxes (APM Result) (USD)

$12.9m

2022 12.3 USD million

Cash generated from continuing operations (USD)

$13.2m

2022 12.0 USD million

Cash flow used in investing activities (USD)

$15.4m

2022 15.6 USD million

Total year-end cash (USD)

$9.8m[2]

2022 12.1 USD million

Note:
1. Covid 19 expenses in prior year reclassified as operating expenses.
2. Includes overdraft balance of USD 4.0m (2022: USD 2.7m)

Note:
Refer to the Financial Review Section 7 to 13 for additional information.

Highlights of 2023 (continued)

2P Reserves + 2C Resources*

Total Year End

	2023 mmstb	2022 mmstb
2p	**12.91**	17.96
2C	**38.68**	48.88
Total	**51.58**	66.84

* 2023 Management estimates for reserves and resources.

Onshore

	2023 mmstb	2022 mmstb
2p	**4.26**	6.53
2C	**3.74**	8.62
Total	**8.00**	15.15

East Coast

	2023 mmstb	2022 mmstb
2p	**7.78**	9.26
2C	**31.31**	36.81
Total	**39.09**	46.07

West Coast

	2023 mmstb	2022 mmstb
2p	**0.86**	2.17
2C	**3.63**	3.45
Total	**4.48**	5.62

Chair & CEO Statement

Dear shareholders,

2023 was an important year for Trinity with key developments in our ambitious growth programme being progressed. The Company drilled the Jacobin well in the year to test deeper prospectivity in the Lower Cruse horizons in our core Palo Seco acreage. While the well discovered oil in those deeper horizons, flow rates were disappointing, and drilling complexities resulted in significant cost overruns. The results from the well are being incorporated into further understanding the "Hummingbird" play with independent features still offering future potential as well as the prospectivity of the exploration block, Buenos Ayres. In June, the Company was advised by the Ministry of Energy and Energy Industries ("MEEI") that it had been successful in its bid for the Buenos Ayres block in the 2022 Onshore and Nearshore Competitive Bid Round, immediately to the west of our core Palo Seco acreage. Buenos Ayres is undrilled and offers considerable potential.

The ABM-151 well in the Brighton Marine block, offshore the West Coast of Trinidad, was returned to production on 21 March 2023 following an extensive refurbishment of surface facilities and the installation of remote surveillance technology. Between restart and the end of the year the well flowed at an average rate of 122 bopd, exceeding expectations.

Group net sales for 2023 were 2,790 bopd (2022: 2,975 bopd). Trinity managed to substantially mitigate natural production decline through a programme including six well recompletions ("RCPs"), 98 workovers and swabbing across its asset base. The fire on the Bravo platform in the Trintes field, represented a significant event for the company with valuable lessons learned arising from a comprehensive investigation with an associated corrective actions register. A number of safety improvements have been implemented to date, including those that mitigate the root cause for the fire and improved fire-fighting capabilities in the event of a similar incident.

At Galeota, following an extensive Concept-Screening study completed by Petrofac in Q3 2023, Trinity identified a revised infrastructure-led development solution which includes an initial phase of development drilling from existing platforms. Whilst Trinity believes the revised development solution will significantly reduce capital requirement prior to first oil compared to the Echo Field Development Plan, Trinity would need to secure third party financing to take a final investment decision and fund the development.

In parallel to progressing the Galeota asset development plan project, Trinity assembled a pipeline of investment projects including brownfield development opportunities at the West Coast and onshore assets and a portfolio of exploration prospects across Trinity's Palo Seco assets. Trinity believes that significant capital investment, both debt and equity, will be required to realise the potential of the Company's portfolio.

Our 2023 financial results demonstrate the Company's resilience. Adjusted EBITDA for the year was USD 19.2 million (2022: USD 24.7 million) and cash resources were USD 9.8 million (2022: USD 12.1 million) at year-end. The Company completed a share buyback programme which commenced on 24 October 2022 and ended on 27 June 2023, having repurchased 1,549,000 shares on the open market for a total cost of USD 2.1 million. These shares are held in treasury and are used to settle options exercised. Trinity paid its first interim dividend of 0.5 pence per ordinary share on 26 October 2023.

Angus Winther, having joined the Board in 2017 and completed two full terms as a Non-Executive Director and Chair of the Audit Committee, retired from the Board by rotation in June. In August, we welcomed Jon Cooper as an Independent Non-Executive Director, and the new Chair of the Audit Committee, and Julian Kennedy as an Executive Director, taking on the role of Chief Financial Officer, to the Board. James Menzies has decided not to stand for re-election at this forthcoming Annual General Meeting which coincides with James taking on greater levels of responsibility in other roles outside of Trinity. We want to express our thanks and that of our fellow Directors for his contribution to the Board since joining in 2017. The management team was strengthened by the addition in April 2023 of Mark Kingsley as Chief Operating Officer and in November 2023 of Aida Shafina Abu Bakar as Executive Manager, Subsurface.

It became clear during 2023 that the Group would require new capital to fund its portfolio of development opportunities. In October 2023, the Company engaged a financial adviser, Houlihan Lokey, to assist in exploring strategic and financing alternatives for the Company.

On 23 November 2023, Trinity received an unsolicited, conditional non-binding proposal to acquire the issued and to be issued share capital of Trinity from Touchstone Exploration Inc ("Touchstone") and following the execution of a confidentiality agreement, Touchstone was provided access to due diligence information.

On 1 May 2024, following a period of due diligence and negotiation, the boards of directors of Trinity and Touchstone announced the terms of the recommended all share offer (the "Acquisition"). The Acquisition is to be effected by means of a scheme of arrangement under Part 26 of the Companies Act. Under the terms of the Acquisition, Trinity Shareholders shall be entitled to receive 1.5 New Touchstone Shares for each Trinity share. Should the Scheme be approved by Shareholders and sanctioned by the Court, we believe Trinity has an exciting future as part of the enlarged Touchstone organisation.

During what has been an exciting but also challenging period, we would like to thank our staff, the Board and our advisors for their continuing hard work during a particularly busy time for the Company.

Nicholas Clayton
Non-Executive Chair

Jeremy Bridglalsingh
Chief Executive Officer

Operations Review

The Group achieved net sales of 2,790 bopd in 2023 (2022: 2,975 bopd) despite no development drilling (2022 three development wells) and six RCPs, (2022 17 RCPs) combined with operational challenges in the East Coast Asset. Investments into production-related activities, such as RCPs, ABM 151 reactivation, production maintenance workovers and swabbing enabled the Company to deliver annual production decline of 6%, below the expected natural field decline range of 7% to 10%.

Table 1: 2023 vs 2022 Annual Sales Breakdown

	Sales 2022 (Net WI bopd)	Sales 2023 (Net WI bopd)						
Assets	**Annual**	**Annual**	**H1**	**H2**	**Q1**	**Q2**	**Q3**	**Q4**
WD13	109	91	92	89	97	88	78	99
WD14	100	93	97	88	99	96	87	88
WD2	258	208	224	193	241	206	196	191
WD5/6	1,004	941	935	946	940	930	974	918
PS4	62	56	54	59	60	48	49	69
FZ2	118	106	110	103	111	109	109	97
TAB	4							
Onshore	**1,655**	**1,495**	**1,512**	**1,478**	**1,548**	**1,477**	**1,493**	**1,462**
TRINTES	1,051	943	1,011	876	1,038	985	843	908
East Coast	**1,051**	**943**	**1,011**	**876**	**1,038**	**985**	**843**	**908**
BRIGHTON	158	246	230	263	204	255	268	258
PGB	111	107	108	105	110	107	102	107
West Coast	**269**	**353**	**338**	**368**	**314**	**362**	**370**	**365**
TOTAL	**2,975**	**2,790**	**2,861**	**2,721**	**2,899**	**2,824**	**2,705**	**2,736**

Note TAB* was relinquished on 29 September 2023

Onshore Assets

Trinity's onshore assets comprise the lease operatorship ("LO") blocks: WD-5/6, WD-2 and PS-4 (together "Palo Seco") and FZ-2, WD-13, WD-14 (together "Forest Reserve").

Onshore average net sales for 2023 were 1,495 bopd (2022: 1,654 bopd) accounting for approximately 54% of the Group's total annual sales.

Average sales declined by approximately 10% between 2022 and 2023 due to wells drilled in H2 2022 accentuating the decline. Trinity successfully completed six RCPs (2022: 17) and ninety-eight workovers (2022: 87), which contributed to the maintenance of the industry standard decline of between 7-10% for brownfields. In WD-2, the asset experienced a higher-than-expected decline due to increased water production in one well (PS 570) and declining production in the naturally flowing well (PS 571).

In 2024, Trinity intends to manage its base production through further RCP activity, implementation of recommendations from the re-evaluation of the inactive well hopper, and swabbing. Trinity's use of automation to optimise production and costs continues to meet our objectives.

The Jacobin well, 1PS 1524ST3, was drilled to a total depth of 10,021 ft. Geologically, the well intersected stacked pay potential across the PS4 block in both the development and exploration sections of the well. However, reservoir properties in the exploration section were poorer than predicted and, as such, post-drill volumes for the exploration section were below the lower end of the predicted ranges. The rapid decline in reservoir pressures suggests reservoir boundaries are much closer than pre-drill estimates.

The total well cost was USD 9.6 million. An impairment assessment was done on this well, triggered by poorer than expected results and higher costs incurred, the entire Jacobin costs was written off.

Data acquired from the well will be incorporated into our regional model to de-risk and re-prioritise future drilling candidates across our Palo Seco LOs and Buenos Ayres.

Trinity has embarked on an idle well study, with the initial phase including technical reviews of circa 250 wells, with field investigations having commenced on the first 30 of these, which as a result has added more wells to the swabbing program.

East Coast Assets

Current East Coast production is generated from the Alpha, Bravo and Delta platforms in the Trintes field located in the Galeota block.

Average net sales for 2023 from the East Coast were 943 bopd (2022: 1,051 bopd) which accounts for approximately 34% of Group sales for the year. A total of 22 workovers in 2023 (2022: 23) were conducted across the assets focusing on optimising and stabilising production from all wells via a data-driven strategy utilising automation. Chemical injection initiatives were also deployed to counteract increased solids deposition in mature wells.

Average sales declined by approximately 10% between 2022 and 2023 due to two main events: the Bravo platform fire in April; and the lower performance of the D9 well, the largest producer in the Trintes field.

The Galeota licence has significant growth potential from undeveloped reserves and resources in the Trintes field and broader development of the Galeota block, including exploration potential.

In July 2023, Trinity initiated a review of the approved Field Development Plan ("FDP") for the TGAL Echo development to reduce capital expenditure, reduce time to first oil and improve financial returns; a new development strategy-concept being created envisaging the use of a mobile operation and production unit ("MOPU").

Trinity appointed Petrofac to undertake a Concept-Screening study for the development of further reserves. This study created a more holistic approach to block development whereby Phase 1 involved drilling horizontal infill wells in Trintes to demonstrate that such wells can be successfully drilled and produced as to date they have not been attempted. Phase 2 then took the learnings from Trintes infill drilling to drill and produce horizontal wells in the TGAL area from a lightweight structure tied back to a leased MOPU. This concept replaces CAPEX with OPEX in the form of lease rate payments and appears – based on screening cost estimates to date – to improve the overall economics of the project materially. This work is progressing with the revision and update of the subsurface studies in 2024.

West Coast Assets

West Coast production is generated from the Point Ligoure-Guapo Bay-Brighton Marine ("PGB") and Brighton Marine ("BM") licence areas.

West Coast net sales averaged 353 bopd in 2023 (2022: 269 bopd) which accounted for approximately 13% of the Group's total annual average sales. This was a 31% year on year increase on the 2022 average. The increase was mainly due to the successful execution of the ABM 151 reactivation project. After placing the well on production, ABM 151 produced at a higher initial rate than expected and maintained a lower decline rate than predicted. A total of five workovers in 2023 (2022: 10) were conducted across the assets. There was increased focus on swabbing both on land as well as the introduction of an additional offshore swabbing unit which also assisted in increasing production volumes.

Facilities Management and Infrastructure

In 2023, the Facilities team focused on asset integrity, welfare initiatives and projects supporting production.

On Trintes, the Company continued replacing and installing planks and gratings on offshore platform production decks and improved key electrical equipment on the Alpha, Bravo and Delta platforms, for better use of the available space. Automated Tank controls were also introduced.

The construction of a new 10,000 bbl sales tank to accommodate production from the Trintes field was completed in 2023. In 2024 the tank was certified and put into service.

Remedial work following the Trintes Bravo generator fire was completed and upgrades to the safety systems were implemented. This includes upgraded fire suppression systems, replacement of all six generator units (Q1 2024 completed) and introduction of emergency escape systems and advanced fire-fighting training. The automated systems on all of the Trintes platforms were also upgraded with additional redundancy.

Onshore and West Coast operations focused on upgrading welfare facilities, electrical systems as well as oil storage tanks.

The project and maintenance team was reorganised with the introduction of a dedicated maintenance team. This team will focus on fabric maintenance and rotating equipment. In total, the team progressed 22 projects of which 18 were completed by end of 2023 and four rolled over into 2024.

Facilities Management and Infrastructure capex in 2023 was USD 4.1 million (2022 USD 4.5 million).

During 2023 a review of the decommissioning methodology and cost estimates were undertaken. This led to a reduction in well abandonment cost estimates and the overall decommissioning provision to USD 44.4 million (2022: 51.9 million).

Reserves and Resources

A comprehensive reserves and resources review of all assets has been completed by Management and the technical work underpinning this management estimate was reviewed by Netherland, Sewell & Associates, Inc which estimates Trinity's current 2P reserves to be 12.91 mmstb at the end of 2023, compared to the year-end 2022 reserve estimate of 17.96 mmstb. This represents a 28% year-on-year decrease. The largest reduction in 2P Reserves at Year-End 2023 is from wells that were categorised as economic 2P Reserves at Year-End 2022 which have been reclassified to 2C Resources due to individual opportunities being considered uneconomic at the date of review. Additional reductions are due to the impact of earlier economic limit truncations and revisions to the Trintes Infill well programme.

The 2C Resources at the end of 2023 are estimated at 38.68 mmstb compared to the end of 2022 resource estimate of 48.88 mmstb. The reduction in 2C Resources is attributed largely to the East Coast block based on the latest interpretation and mapping of reprocessed seismic data which resulted in a view that the field structure is more steeply dipping than in previous interpretations. The Year-End 2023 total 2C for East Coast is 31.3 mmstb (compared to 36.8 mmstb previously). While the 2C Resource estimate for East Coast has been reduced, the impact on the development and exploration plans for the field is minimal.

Operations Review (continued)

Management considers the reserves presented in the table below to be its best estimate as at 31 December 2023 of the quantity of reserves that can be recovered from Trinity's current assets. It includes forecast production, which is commercially recoverable, either to licence/ relevant permitted extension end or earlier via the application of the economic limit test. The subsurface review has defined investment programmes and constituent drilling targets to commercialise these reserves as detailed by asset area shown in the table.

2023 2P Reserves

	31-Dec-22	Production	Revisions	**31-Dec-23**
Net Oil Reserves	mmstb	mmstb	mmstb	**mmstb**
Asset				
Onshore	6.53	(0.55)	(1.72)	**4.26**
West Coast	2.17	(0.13)	(1.18)	**0.86**
East Coast	9.26	(0.34)	(1.14)	**7.78**
Total	17.96	(1.02)	(4.03)	**12.91**

2023 2C Resources

	31-Dec-22	Production	Revisions	**31-Dec-23**
Net Oil Resources	mmstb	mmstb	mmstb	**mmstb**
Asset				
Onshore	8.62	N/A	(4.88)	**3.74**
West Coast	3.45	N/A	0.18	**3.63**
East Coast	36.81	N/A	(5.50)	**31.31**
Total	48.88	N/A	(10.20)	**38.68**

2023 Reserves and Resources

	31-Dec-2022 2P Reserves and 2C Resources	Production	Revisions	**31-Dec-2023 2P Reserves and 2C Resources**
	mmstb	mmstb	mmstb	**mmstb**
Asset				
Onshore	15.15	(0.55)	(6.60)	**8.00**
West Coast	5.62	(0.13)	(1.00)	**4.49**
East Coast	46.07	(0.34)	(6.64)	**39.09**
Total	66.84	(1.02)	(14.24)	**51.58**

2P Reserves Note:

The 2023 produced volume of 1.02 mmstb accounts for 20% of the overall 2P decrease in 2023 compared to 2022. Other revisions contributing to the overall decrease are:

- (0.38) mmstb from PS4 and Tabaquite Revision
- (1.1) mmstb from Base Revisions
- (0.22) mmstb from RCP Revisions
- (2.34) mmstb from Infill Well Revisions

2C Resources Note:

Revisions contributing to the overall decrease are:

- (4.90) mmstb from Appraisal Wells Revisions (Onshore)
- (8.33) mmstb from TGAL Revision and 2.83 mmstb (Trintes) from re-categorisation and ELT

Financial Review

KPIs

During 2023 the Group saw lower realised oil prices compared with 2022. A combination of lower oil price, a six percent reduction in net production and an increase operating break-even resulted in Adjusted EBITDA (before hedge costs) decreasing by USD 15.9 million to USD 19.2 million (2022: USD 35.1 million). The Group delivered a resilient operating performance as shown by its positive Adjusted EBITDA margin (after hedge costs) of 28.1% (2022: 26.8%) and IFRS Operating Profit before SPT of USD 9.6 million (2022: USD 19.0 million) despite a 19% decrease in realised oil price.

A summary of the year-on-year operational and financial highlights are set out below:

		FY 2023	FY 2022	Change %
Average realised oil price[1]	USD/bbl	**68.6**	84.9	(19)
Average net production[2]	bopd	**2,790**	2,975	(6)
Revenues	USD million	**69.8**	92.2	(24)
Cash balance	USD million	**9.8**	12.1	(19)
IFRS Results				
Operating Profit before SPT	USD million	**9.6**	19.0	(49)
Total Comprehensive (loss)/income for the year	USD million	**(6.8)**	0.1	(7,415)
Earnings Per Share – Diluted	USD cents	**0.0**	0.0	(100)
APM Results				
Adjusted EBITDA (before hedge costs)[3]	USD million	**19.2**	35.1	(45)
Adjusted EBITDA (after hedge costs)[4]	USD million	**19.2**	24.7	(22)
Adjusted EBITDA (after hedge costs)[5]	USD/bbl	**18.9**	22.7	(17)
Adjusted EBITDA margin (after hedge costs)[6]	%	**27.5**	26.8	3
Adjusted EBIDA after Current Taxes[7]	USD million	**12.9**	12.3	5
Adjusted EBIDA after Current Taxes Per Share – Diluted	US cents	**32.3**	30.6	5
Consolidated operating break-even[8]	USD/bbl	**38.3**	32.1	19
Net cash plus working capital surplus[9]	USD million	**8.6**	14.2	(39)

Notes:

1. Average realised price (USD/bbl): Actual price received for crude oil sales per barrel ("bbl").
2. Average net production (bopd): Production sold in barrels per day in a given year.
3. Adjusted EBITDA (before hedge) (USD MM): Adjusted EBITDA for the period, before Derivative expense.
4. Adjusted EBITDA (USD MM): Operating Profit before Taxes for the period, adjusted for non-cash DD&A, SOE, ILFA, FX gain/(loss) and Fair Value Gains/Losses on Derivative Financial Instruments.
5. Adjusted EBITDA (USD/bbl): Adjusted EBITDA/Annual sales volume.
6. Adjusted EBITDA margin (%): Adjusted EBITDA/Revenues.
7. Adjusted EBIDA after Current Taxes: Adjusted EBIDA less Supplemental Petroleum Taxes ("SPT"), Petroleum Profits Tax ("PPT") and Unemployment Levy ("UL").
8. Consolidated operating break-even: The realised price/bbl where the Adjusted EBITDA/bbl for the Group is equal to zero.
9. Net cash plus working capital surplus: Current Assets less Current Liabilities (other than Derivative financial asset / liability and Provision for other liabilities).

See Note 27 to Consolidated Financial Statements – Adjusted EBITDA for further details on page 95.

Financial Review (continued)

2023 Trading Summary

A five-year historical summary of realised price, sales, operating break-even, Royalties, Production Costs ("Opex") and General & Administrative ("G&A") expenditure metrics is set out below.

		2019	2020	2021	2022	**2023**
Realised Price	USD/bbl	58.1	37.7	60.4	84. 9	**68.6**
Sales						
Onshore	bopd	1,616	1,793	1,644	1,655	**1,495**
West Coast	bopd	185	245	255	269	**353**
East Coast	bopd	1,208	1,188	1,107	1,051	**943**
Consolidated	bopd	3,007	3,226	3,006	2,975	**2,790**
Metrics						
Royalties/bbl – Onshore	USD/bbl	22.3	11.5	22.6	35.9	**26.8**
Royalties/bbl – West Coast	USD/bbl	10.0	6.1	11.1	15.8	**12.7**
Royalties/bbl – East Coast	USD/bbl	14.1	8.3	13.0	17.9	**13.3**
Royalties/bbl – Consolidated	USD/bbl	10.7	9.9	18.1	27.7	**20.5**
Opex/bbl – Onshore	USD/bbl	12.1	12.2	14.4	17.0	**20.6**
Opex/bbl – West Coast	USD/bbl	26.9	20.3	26.2	30.7	**30.1**
Opex/bbl – East Coast	USD/bbl	17.1	16.5	18.3	23.2	**30.1**
Opex/bbl – Consolidated	USD/bbl	14.9	14.0	16.0	17.7	**22.0**
G&A/bbl – Consolidated[1]	USD/bbl	5.1	4.3	6.3	6.6	**7.2**
Operating Break-Even[2]						
Onshore	USD/bbl	16.4	16.5	19.0	19.2	**23.9**
West Coast	USD/bbl	32.4	24.6	32.2	31.8	**31.8**
East Coast	USD/bbl	21.9	21.0	23.2	24.4	**31.7**
Consolidated[3]	USD/bbl	26.4	20.1	29.2	32.1	**38.3**

Notes

1. G&A/bbl – Consolidated: Excludes SOE, ILFA, Derivative FV gain/loss and FX gain/loss.
2. Operating break-even: The realised price where Adjusted EBITDA (before hedge) for the respective asset or the entire Group (Consolidated) is equal to zero.
3. Consolidated operating break-even: Includes G&A but excludes SOE, ILFA, Derivative FV gain/loss and FX gain/loss.

Review of Financial Statements

Trinity and its subsidiaries' ("the Group") consolidated financial information has been prepared on a going concern basis, in accordance with International Accounting Standards ("IAS") as adopted in the United Kingdom. This consolidated financial information has been prepared under the historical cost convention, modified for fair values under IFRS. The Group's accounting policies and details of accounting judgements and critical accounting estimates are disclosed within Notes 1 to 3 of the Financial Statements on pages 61 to 77.

Throughout this report, reference is made to adjusted results and measures. The Board believes that the selected adjusted measures allow Management and other stakeholders to better compare the normalised performance of the Group between the current and prior year, without the effects of one-off or non-operational items, and better reflects the underlying cash earnings achieved in the year. In exercising this judgment, the Board has taken appropriate regard of IAS 1 "Presentation of financial statements".

In particular, the Alternative Performance Measure ("APM") measure of Adjusted EBITDA excludes the impact of Depreciation, Depletion & Amortisation ("DD&A"), as well as the non-cash impact of Share Option Expense ("SOE"), Impairment losses on financial assets ("ILFA"), FX gain/loss and Fair Value Gains/Losses on Derivative Financial Instruments. Each of these are summarised on the face of the Consolidated Income Statement as well as being described in Note 21 to the consolidated financial statements.

Summary of Results for the Year

Lower revenue driven by lower average realised oil price and sales volume in 2023:

The combined impact of a 19% decrease in average oil price realisations to USD 68.6/bbl (2022: USD 84.9/bbl), and a modest 6% decrease in average annual sales 2,790 bopd (2022: 2,975 bopd), resulted in a 24% decrease in revenues to USD 69.8 million (2022: USD 92.2 million).

Maintained robust operating profits despite inflationary pressures:

The Group continued to deliver strong operating profits despite the inflationary pressures on goods and services. Operating profit before taxes was USD 9.6 million (2022: USD 19.0 million) and consolidated operating break-even moved up to USD 38.3/bbl (2022: USD 32.1/bbl) demonstrating the Group's ability to be profitable across a broad range of oil prices.

Increased capex investment programme to drive growth:

USD 17.1 million (2022: USD 15.5 million) invested to drive future production growth. This comprised:

- USD 9.1 million Exploration and Evaluation ("E&E") asset.
- USD 5.0 million infrastructure Capex including facilities (USD 4.1 million) and ICT (USD 0.9 million).
- USD 1.1 million production capex comprising, 6 RCP's and production equipment (USD 0.2 million) and the ABM-151 reactivation project (USD 0.9 million).
- USD 1.6 million subsurface costs.
- USD 0.3 million in Exploration and Evaluation ("E&E") Environmental Impact Assessment (EIA) to the Buenos Ayres Block.

Refer to Notes to Financial Statements: Note 13 Property, Plant and Equipment – Additions (USD 6.9 million) on page 82 and Note 15 – Intangible Assets – E&E Additions (USD 10.2 million) inclusive of accruals on page 84.

Rebuilding the balance sheet:

The Group's cash balances at year end were USD 9.8 million (2022: USD 12.1 million), primarily reflecting positive cash generated from operations of USD 13.2 million, Capex spend of USD (15.4) million and Financing activities of USD (0.2) million. In aggregate, despite these significant cash outflows, the Group's net cash plus working capital surplus stood at USD 8.6 million (2022: USD 14.2 million) and the Group's current ratio was 1.4x (2022: 2.1x). Elements of spend relating to 2023 activities, principally drilling of the Jacobin well, will be settled in 2024. The Company is focused on managing its cost base and activities in 2024 in order to build-back cash on its balance sheet.

Financial Review (continued)

Statement of Comprehensive Income

2023 Financial Highlights

Average realisation of USD 68.6/bbl (2022: USD 84.9/bbl).

Operating Revenues

Operating revenues down 24% to USD 69.8 million (2022: USD 92.2 million).

Operating expenses

Operating expenses decreased by 18% in 2023 to USD (60.2) million reflecting a reduction in crude oil price environment and no hedge costs (2022: USD (73.3) million) and comprised:

Operating Expenses (excluding non-cash items): USD 50.6 million (2022: (67.6) million):

- Royalties of USD (20.9) million (2022: USD (30.1) million), this decrease being driven by lower average realised oil price and sales production.
- Opex of USD (22.4) million (2022: USD (19.2) million), the increase mainly due to inflationary costs on goods and services seen in increased repairs and maintenance, vessel, swabbing and workover cost in the year.
- G&A expenses of USD (7.4) million (2022: USD (7.2) million), the increase mainly due to comprehensive reserve review being commenced during the year and build out of the Management Team net of reduced levies and administrative costs including professional fees.
- Derivative expense of nil (2022: Derivative expense of USD (10.4) million) being the cash impact of derivative instruments paid out for 2022.
- Covid 19 expense of nil (2022: USD (0.6) million) being the costs associated with accommodation, testing and sanitisation related to our prevention and response.
- Cash FX loss USD (0.0) million (2022: USD (0.1) million).

Non-Cash Operating Expenses: USD 9.5 million (2022: USD (5.7) million):

- DD&A of USD (8.9) million (2022: USD (7.6) million).
- SOE of USD (0.5) million (2022: USD (0.7) million).
- ILFA USD (0.1) million (2022: USD 0.0 million).
- FX loss USD (0.0) million (2022: USD (0.3) million).
- Derivative credit of nil (2022: Derivative expense of USD 2.9 million) being the movement in the FV of derivative instruments held at the beginning and end of the financial year.

Operating Profit Before SPT, Impairment, Exceptional Items and Decommissioning Reduction

The operating profit before SPT, impairment, exceptional items and decommissioning reduction for the year amounted to USD 9.6 million (2022: USD 19.0 million) and was mainly due to lower operating revenues resulting lower oil prices despite inflationary pressures on cost.

SPT

SPT of USD (5.7) million (2022: USD (9.0) million) mainly due to lower realised oil prices in relation to the Group's operations in 2023. Only offshore assets were subject to SPT in 2023 as the realised oil price throughout the year was lower than USD 75/bbl.

Operating Profit before Impairment and Exceptional items

The Group's reported operating profit before impairment and exceptional items was USD 3.9 million (2022: USD 10.0 million). Adjusting for non-cash expenses, the Group's Adjusted EBIDA after Current Taxes was USD 12.9 million (2022: USD 12.3 million) (further details below).

Impairment charge

Impairment charges taken were USD (13.5) million (2022: USD (6.1) million) relating to the impairment of Jacobin E&E well and other E&E costs USD (11.8) million and property, plant, and equipment USD (1.7) million.

See Note 3(d and e) to Consolidated Financial Statements - Impairment of Property, Plant and Equipment and Exploration and Evaluation Assets on pages 75 to 76 for further details.

Exceptional items

Exceptional items were USD (0.3) million cyber incident costs USD (0.2) million (2022: USD (0.2)) and Bravo fire-incident costs USD (0.1) million.

See Note 7 to Consolidated Financial Statements – Exceptional items for further details on page 78.

Decommissioning reduction

In 2023, there was a reduction of decommissioning provision costs due to revision in decommissioning well cost estimates and the surrender of Tabaquite Block. This resulted in a gain of USD 2.5 million.

See Note 3(b) to Consolidated Financial Statements further details on page 74.

Finance Income

Finance income is solely related to bank interest income received on short term investments with financial institutions of USD 0.1 million (2022: 0.1 million).

Finance Costs

Finance costs amounted to USD (2.2) million (2022: USD (1.3) million) and comprised:

- Unwinding of the discount rate related to the decommissioning liability USD (2.1) million (2022: USD (1.1) million).
- Interest on Leases USD (0.1) million (2022: USD (0.1) million).
- Bank overdraft interest USD 0.0 million (2022: (0.1) million).

See Note 9 to Consolidated Financial Statements – Finance Costs for further details on page 79.

Income Taxation

Income Taxation net credit for 2023 of USD 2.7 million (2022: USD (2.3) million), comprising the following:

- Current Taxes:
  - Petroleum Profit Tax (“PPT”) USD (0.4) million (2022: (2.4) million).
  - Unemployment Levy (“UL”) USD (0.2) million (2022: USD (1.0) million).
- Increase in Deferred Tax Assets (“DTA”) recognised on available tax losses of USD 3.2 million (2022: Increase in DTA of USD 1.0 million).
- Decrease in Deferred Tax Liabilities (“DTL”) USD 0.1 million due to accelerated accounting impairments/depreciation (2022: USD 0.1 million decrease).

See Note 10 to Consolidated Financial Statements – Income Taxation for further details on pages 79 to 80.

Total Comprehensive (loss)/income

Total Comprehensive loss for the period was USD (6.8) million (2022: USD 0.1 million income).

Adjusted EBITDA

Adjusted EBITDA is a non-IFRS measure used by the Group to measure business performance. It is calculated as Operating Profit before SPT, Impairment and Exceptional Items for the year, adjusted for non-cash DD&A, gain or loss on the sale of assets, SOE, ILFA, FX and FV of Derivative Instruments.

The Group presents Adjusted EBITDA after hedge expense at USD 19.2 million and Adjusted EBIDA after Current Taxes at USD 12.9 million as it is used by Management and judged to be a better measure of underlying performance.

Financial Review (continued)

Statement of Cash Flows

Cash inflow from operating activities

Operating Cash Flow was USD 13.2 million (2022: USD 12.0 million) comprising:

- Operating cash flow before working capital and income taxes of USD 13.1 million (2022: USD 15.5 million).
- Changes in working capital resulted in a net increase of USD 0.9 million (2022: USD (0.1) million decrease).
- Income taxes, PPT and UL paid USD (0.8) million (2022: USD (3.4) million paid) resulting from lower oil price and production.

Cash (outflow) from investing activities

Cash outflow from investing activities was USD (15.4) million (2022: USD (15.6) million):

- Expenditure on exploration and evaluation assets and other intangible assets USD (9.0) million (2022: USD (0.4) million) which includes costs incurred Jacobin well and Galeota.
- Property, plant and equipment for the year totaling USD (5.9) million (2022: USD (15.0) million).
- Computer software USD (0.5) million (2022: USD (0.1) million).
- Performance bond related to the onshore lease operatorship assets nil (2022: USD (0.1) million).

Cash (outflow) from financing activities

Cash outflow from financing activities was USD (0.2) million (2022: USD (2.2) million):

- Increase in Bank overdraft drawdown USD 1.3 million to match outstanding VAT refunds filed as at 31 December 2023 (2022: nil).
- Principal paid on lease liability USD (0.6) million (2022: (0.5) million).
- Share buyback of USD (0.6) million (2022: (1.5)).
- Dividends paid of USD (0.2) million
- Interest paid on lease liability USD (0.1) million (2022: (0.1) million).
- Net Finance cost of nil (2022: (0.1) million).

Closing Cash Balance

Trinity's cash balance at 31 December 2023 was USD 9.8 million (31 December 2022: USD 12.1 million).

Net Cash Plus Working Capital Surplus

(All figures in USD million)		FY 2019 Audited	FY 2020 Audited	FY 2021 Audited	FY 2022 Audited	**FY 2023 Audited**
A:	**Current Assets**					
	Cash and cash equivalents	13.8	20.2	18.3	12.1	**9.8**
	Trade and other receivables (including taxes)	9.4	7.2	10.8	10.7	**12.2**
	Inventories	5.2	5.3	3.8	4.6	**3.9**
	Derivative Financial Instrument	0.1	0.3	–	–	**–**
	Total Current Assets	28.5	33.0	32.9	27.4	**25.9**
B:	**Current Liabilities**					
	Trade and other payables	10.4	7.8	8.8	9.9	**13.0**
	Bank overdraft	–	2.7	2.7	2.7	**4.0**
	Lease liability	0.6	0.6	0.6	0.6	**0.2**
	Taxation payable	0.1	0.2	–	–	**0.1**
	Dividend payable	–	–	–	–	**0.0**
C:	**Derivative Financial Instrument**	–	–	2.9	–	**–**
D:	**Provision for other liabilities**			0.1	0.2	**0.6**
	Total Current Liabilities	11.1	11.3	15.1	13.4	**17.9**
(A-B+C+D):	**Cash plus working capital surplus**	17.3	21.4	20.8	14.2	**8.6**

Note: Net cash plus working capital surplus: Current Assets less Current Liabilities (other than Derivative financial asset/liability and Provision for other liabilities).

Events since year end

1. Subsequent to 31 December 2023, the Group received VAT refunds of USD 0.8 million. As at 22 May 2024, the Group had USD 5.1 million in VAT refunds recoverable.
2. On 13 June 2023, Trinity announced its successful bid for the onshore Buenos Ayres block. Subsequent to 31 December 2023, the Group is awaiting finalisation of the exploration and production licence with the MEEI.
3. Fiscal reforms (Finance Act) – Effective 1 January 2024, SPT rates for Small Shallow Marine Area Producers were introduced. It becomes applicable when the weighted average realised crude oil price exceeds USD 75/bbl, starting at a rate of 18% and goes up to 40% depending on the price.

   A Small Shallow Marine Area Producer is defined as a person who carries out petroleum operations in shallow marine areas under a licence, sub-licence or contract and produces less than 4,000 barrels of crude oil per day.
4. On 1 May 2024, the board of directors of each of Touchstone and Trinity announced that they have reached agreement on the terms of a recommended all share offer pursuant to which Touchstone will acquire the entire issued and to be issued ordinary share capital of Trinity (the "Acquisition"). The Acquisition is to be effected by means of a scheme of arrangement under Part 26 of the Companies Act. Under the terms of the Acquisition, Trinity Shareholders shall be entitled to receive 1.5 New Touchstone Shares for each Trinity share. Further information on the transaction can be found on our website at https://trinityexploration.com/.

Environmental Social Governance (ESG)

Environmental Social Governance continues to be an area of focus for Trinity. We continue to progress several initiatives as part of our ESG Strategy which as a responsible employer and corporate citizen comprises three core areas of focus: Emissions & Transition; Community; and Environment which are all interconnected and interdependent and were developed to further integrate our core values of Behaviour, Rigour, Purpose, and our business model as we continue to engage with all stakeholders.

In late 2022 we defined our ESG initiatives to be undertaken as we continued with the execution of our strategy towards attaining our goals. Initiatives were identified based on available resources as we continue to recognise that our ESG ambition will take time, effort and funding. Management agreed that Trinity's near-term priorities should be to focus on establishing a proper baseline for all of our Scope 1 and the main sources of Scope 2 emissions while continuing with our social initiatives and improving on our already robust governance structure.

In 2023 we continued to advance our ESG Strategy by executing on various initiatives which include:

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Initial measurement of all Scope 1 and main Scope 2 emissions. Engaging a 3rd party to conduct verification of the results.	Sponsorship of awards for educational excellence: Awards for top performing students residing in the East Coast communities and further sponsorship of university students via the Bruce Dingwall Scholarship Fund.	Awarded the Trinidad and Tobago Energy Chamber's Excellence in STOW Award for our efforts pre-December 2023.
2023 HSSE Improvement Plan successfully implemented: Contractor engagement enhanced, 100% Planned Training delivered, Zero Regulatory Infractions, Improved internal HSSE Communication	Social Calendar events included: Inaugural Long Service Awards Ceremony; Stakeholder Cocktail Reception; Sports and Family Day; and Annual Toy Drive.	Robust and active HSSE Governance Structure sustained with additional focus on incident investigation lessons learnings and internal communication.
Two Crisis and Emergency Management benchtop drills including a simulation exercise conducted with key lessons learned assimilated.	Employee benefits (Pension, Medical, Life Insurance) and flexible working arrangements for Corporate Staff formalised.	Compliance: • Annual Compliance Rollouts effected: 100% Staff compliance. • Whistleblowing Policy reviewed and in place.
HSE training expanded to include Contractor employees.	Regular Lunch & Learn sensitisation sessions held e.g. International Women's Day, Men's Health.	Established a Grievance Procedure.
		Corporate risk register refreshed and approved by the Board.

Sustainable HSSE Management System

Trinity remains focused on sustaining and continuously improving its robust HSSE Management Framework. Efforts continue to be placed on continuous strengthening of existing processes and systems relevant to UN SDG 3: Good Health and Well Being. Trinity recorded 1,065,735 manhours (2022: 1,043,780) with no fatalities (2022: nil) and one Lost Time Incident in 2023 (2022: two) a pinch point incident in which the employee subsequently regained full fitness and has returned to work. Our many HSSE achievements are highlighted above. In developing our 2024 Annual HSSE Improvement Plan we have included specific initiatives to mitigate against the root causes of incidents experienced during 2023 and to monitor that lessons learnt are being implemented and sustained throughout the Organisation.

Environment

Energy Transition & Innovation

Trinity remains committed to the fulfillment of the UN Sustainable Development Goal 13 of Climate Action: Take urgent action to combat climate change and its impacts by embarking on its own energy transition journey and in so doing becoming a more environmentally conscious operator.

We have embarked on establishing a baseline for our Scope 1 and the main Scope 2 emissions as the first step towards being able to develop an emissions reductions plan. Scope 1 emissions were measured at all producing wellheads using a vane anemometer and internally a member of staff was certified as an ISO14064-3 Internal Auditor to manage this initiative. We are currently seeking to engage a third party to corroborate/verify the measurements obtained. The decision was taken to measure all wells as opposed to a sample set so as to establish a more precise baseline. This process continues in 2024 as we try to establish a meaningful baseline based on a sampling process using empirical data, which is novel to the energy sector in Trinidad and Tobago.

Social

During 2023, we continued with initiatives aligned to the UN SDG 3: Good Health and Well-Being, Goal 4: Quality Education and Goal 8: Decent Work and Economic Growth. Trinity continues to ensure that there is ongoing stakeholder engagement and reviews our levels of engagement continuously to ensure that they are effective and relevant. We are also an equal opportunity and inclusive employer with well-established sustainable programmes for recruitment, training and recognition/ rewards. At the end of December 2023 we had 281 employees (2022: 277) with 20% being female (2022: 22%). Other notable initiatives include:

- Benefits to staff in the form of a non-contributory pension, medical coverage as well as life insurance coverage, free access to a recognised Employee Assistance Programme and an ongoing Rewards and Recognition Program.
- 7,689 hours of training provided to our staff and contractors.

Trinity's Annual Social Calendar comprised several annual events such as a Sports and Family Day and observances of other Global initiatives. 2023 was also the year of the Company's first Health Week observed in April and a Long Service Awards Ceremony in December 2023 during which 70 members of staff with more than 15 years' service were recognised and rewarded.

In conjunction with the University of the West Indies, Trinity continued to sustain the Bruce Ian Alan Dingwall (Trinity) Memorial Scholarship for students studying for qualifications in Geosciences. During 2023 two students one each at the under-graduate and the post-graduate levels received scholarships, that covered their tuition and living expenses. For the fourth consecutive year Trinity has partnered with the Mayaro Past Pupils Association, a non-governmental organisation, to recognise excellence in education by sponsoring awards to primary school students from the Mayaro/Guayaguayare/Rio Claro communities who excelled at the Secondary Entrance Assessment Examinations. Over 120 students have benefited from our support to date.

Governance

Trinity's core values of behaviour, rigour and purpose, which align with the UN SDG 16: Peace, Justice and Strong Institutions, continues to influence Management's efforts to maintain strong corporate governance as it conducts its business. The Company's robust compliance policies, continuous sensitisation, risk management and due diligence, guide how we realise good Governance within the business. The Company completed an extensive update of its Corporate risk register and implemented a process to ensure it is kept current.

Risk Management and Internal Controls

Your Board is committed to effective risk management and is supported by a pro-active organisational culture and a framework of effective internal controls.

Aside from the generic risks faced by all businesses, as a participant in the upstream oil and gas industry, the Group encounters and manages several business specific risks and uncertainties. Such risks and uncertainties include those listed below. These risks should not however be taken as a complete and comprehensive statement of all potential risks and uncertainties that the Group faces. Additional risks and uncertainties that are not presently known to the Board, or which they currently deem immaterial, may also have an adverse effect on the Group's operating results, financial condition and prospects.

Risk Profile Matrix

The risk summary and explanatory table below represents our current assessment of the potential impact by area and change from 2022 for each of the principal risks.

Risk area	Risk Description	Mitigants	Change from 2022
Asset Integrity	The Group operates mature assets and the risk exists where the physical infrastructure is unable to perform as intended.	Asset Integrity risks are managed through the Group's dedicated Facilities and Maintenance personnel and the Group's risk management and internal controls: 1. An Asset Integrity Plan that covers all Trinity's infrastructure with emphasis on safety critical elements (SCE's), protection of key production equipment and fabric maintenance 2. Sufficient budgetary allocation to perform critical asset integrity remediation/improvements	↑
HSE inclusive of Process Safety	Management of HSSE risk is of paramount importance to the organisation. As a participant in Onshore and Offshore development and production of oil, the Group is exposed to material risk in the event of a major safety incident, operational accident, weather related/natural disasters, pandemics, social unrest, any failure to comply with approved policies/processes or other external cause. Should such risks materialise, the consequences could be loss of life, injuries, environmental damage, damage to property, disruption to activities, reputational damage and financial loss.	These HSSE risks are mitigated through: 1. Current Policies and Procedures. 2. Ongoing training, support and monitoring. 3. Annual HSE Improvement Plans, including an array of drills at controlled incident, uncontrolled incident and crisis tiers. 4. Regular reporting and established means of reporting. 5. Contractor safety villages. 6. Strong stakeholder management engagement	=
Exploration/Appraisal and development (subsurface) risk	The Group has invested in oil and gas exploration and development assets which involve a significant degree of risk. There is no guarantee that such exploration/drilling or development will lead to commercial discovery, and that reserves will be realised.	The Group seeks to limit its exposure to any one aspect of exploration and development risk by: 1. Improving the quality and capacity of the Subsurface function. 2. Implementation of an quality assurance system. 3. Evolving the Technical Sub Committee of the Board into a Quality Assurance Oversight Committee that will ensure the health of the internal quality assurance system for technical Matters.	↑

Risk area	Risk Description	Mitigants	Change from 2022
Customer concentration risk	Whilst oil is an internationally traded commodity, Trinity currently sells 100% of its oil production to Heritage under evergreen Crude Oil Sales Agreements, which give rise to customer concentration risk. Trinity, like all other sub license operators, is contractually obligated to sell all production under its LOAs and FOA (Onshore) to Heritage at a price determined by Heritage which is at a discount to market traded prices.	Trinity takes comfort that Heritage, while a producer of its own oil, is also an aggregator of significant additional volumes and Trinity's production therefore forms part of their overall crude marketing strategy. Mitigants considered: 1. Maximise and increase oil price sales agreements for E&P Licenses, and open up sales to other parties. 2. Elevate pricing discussions to the MEEI.	=
Heritage Partner Risk	The risk exists where Heritage is unable to (i) for E&Ps – carry on in its role as a partner, or pass on their interests to another 3rd party and (ii) for sub licenses – decide to extract further economic rent or reduce contract strength, for what is an already weak contract.	1. Key stakeholder in the Stakeholder Engagement Plan. 2. Adhering to all partner (E&P) / contractor (Sub-license) related agreements.	=
Oil Price	The market price of oil is affected by global supply and demand, and therefore can be very volatile. A prolonged fall in prices may not only reduce short-term cash flow required to meet the Group's commitments as they fall due, but also reduce the economic value and funding capacity of the Group's projects, potentially rendering them uneconomic.	The Group seeks to mitigate this risk as follows: 1. Managing cost structure to keep operating breakeven as low as possible. 2. Scenario planning. 3. Appropriate financial hedging, when affordable. 4. Fiscal regime improves, e.g. SPT relief due in 2024.	=
Lack of Supply Chain optionality and inflation	In the current market many capital and operating costs have increased. The increased level of cost inflation has had a knock-on impact in increasing the cash required to support economically viable projects. Furthermore, the Group experienced challenges with supply chain disruptions including availability of suppliers in the local industry. Reduction in quantum and quality of supply chain participants as well as inflationary cost pressures lead to rises in cost structure and breakeven.	The Group in limiting its exposure, leverages the following: 1. Lobbying with other operators. 2. Improving contracting techniques. 3. Networking. 4. Consider strategic in-sourcing of, inter alia, swab rigs, workover rigs, cranes etc. to reduce dependence on supply chain where economically viable.	↑
Break Even of Company	A high operating breakeven, will render the business susceptible to low oil prices	The Group seeks to reduce exposure by: 1. Proactively managing the cost structure of the business and preparing for downside scenarios, which allow management to make quick but well thought out decisions in a timely manner. 2. Fundamental review of asset portfolio as part of Project Gadget. 3. Complete a review of Support Functions for rightsizing.	↑

Risk Management and Internal Controls (continued)

Risk area	Risk Description	Mitigants	Change from 2022
Cybersecurity	Cybersecurity risks for companies have increased significantly in recent years due to the increasing global threat and sophistication of cybercrime. Having been subject to a cybersecurity breach in December 2022, we have had first-hand experience of the disruptive impact to our business, which may have resulted in uncontrolled data disclosure, and certainly resulted significant data loss for key information systems. As techniques used to obtain unauthorised access to, or to sabotage, systems change frequently and may not be known until launched against us or our third-party service providers, we may be unable to anticipate or implement adequate measures to protect against these attacks and our service providers may likewise be unable to do so.	The Group has reduced its exposure to cybersecurity attacks through the following: 1. Regular audit of ICT System. 2. Enforcement of data management policy. 3. Independent/Isolated site for backed up data. 4. Implemented a system of continuous cybersecurity awareness training for all employees. 5. Cyber insurance.	↓
Development (surface) risk	The Group's ongoing development projects may, once they have reached the FID stage, involve advanced engineering work, extensive procurement activities and complex construction work to be carried out under various contract packages at different locations, both offshore and onshore.	The Group seeks to limit its exposure to development risk by: 1. Implementation of an Assurance Team. 2. Evolving the Technical Sub Committee of the Board into a Quality Assurance Oversight Committee that will ensure the health of the internal quality assurance system for technical matters.	=
Reliance on key personnel	Strategic delivery is dependent on key positions in the organization.	1. Strategic planning becoming routine. 2. Implementing Performance Management System. 3. Identification of key personnel within the organisation. 4. Remuneration philosophy regularly assessed and benchmarked by Remuneration Committee. 5. Building succession plans.	↑
Compliance Risk	Major breach of business, ethical or compliance standards. The Group has adopted numerous requirements and standards including the UK Bribery Act, UK AIM Market Rules, UK QCA Code, and the Disclosure and Transparency Rules, among others.	The Group seeks to mitigate these risks through a number of measures and processes: 1. Policies and procedures in place. 2. Annual rollout programmes for key policies. 3 Internal audit programme.	=

Our Governance
Directors' Statement under Section 172(1) of the CA 2006

Section 172 (1) of the CA 2006 obliges the Board to promote the success of the Group for the benefit of the Group's members as a whole. The section specifies that the Board must act in good faith when promoting the success of the Group and in doing so have regard (amongst other things) to:

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

The Board is collectively responsible for the decisions made towards the long-term success of the Group and how the strategic, operational and risk management decisions have been implemented throughout the business.

Engagement

Shareholders

The Board places importance on institutional and individual shareholders and recognises the significance of transparent and effective communications with all shareholders.

As an AIM listed company, we recognise a need to provide fair and balanced information in a format that all stakeholders, and particularly our shareholders, can understand.

The primary communication tool with our shareholders is through the Regulatory News Service ("RNS"), on regulatory matters and matters of material substance. The Group's website also provides information for stakeholders. Changes to the composition of the Board and Board Committees, changes to major shareholder information and disclosure updates required under the Quoted Companies Alliance Corporate Governance Code 2018 (the "QCA Code"), are promptly published on the website to enable shareholders to be kept abreast of the Group's affairs. The Group's Annual Report and Notice of Annual General Meetings ("AGMs") are made available to all shareholders, and Interim Reports and other investor presentations for the last six years can also be downloaded from our website.

The Board acknowledges that effective two-way communication with shareholders encourages mutual understanding and better connection with them. The benefits include improved transparency of information on the business and its performance, appropriate consideration of all shareholders' views, as well as instilling trust and confidence to allow informed investment decisions to be made by the Board. The Group's CFO monitors and coordinates investor relations programmes. We update, and where appropriate seek feedback from stakeholders via regular meetings and we also send communications to key stakeholders throughout the year. Specifically in respect of shareholders, both retail investor events and institutional investor meetings are held regularly during the year to provide updates and receive feedback. We value feedback from our stakeholders and take every opportunity to ensure that their wishes are duly considered.

Employees

The Board recognises that the employees are one of the Group's key resources, enabling delivery of the Group's vision and goals.

Annual pay and benefit reviews are carried out regularly to determine whether all employees are aligned to industry regional benchmarks relevant to our size and type of business, and to retain and encourage skills vital for the business. The Remuneration Committee oversees and makes recommendations regarding executive remuneration and long-term share awards. During 2023 awards were issued under the Company's long term incentive plan to certain individuals within the executive management team ("EMT"). A cash-based scheme was introduced in 2022 to team leaders (being the next level below the EMT). Both the awards and the cash-based scheme are designed to encourage and incentivise senior members of the team and are based on total shareholder return to align their interests with shareholders. The Board encourages Management to foster positive employee engagement and to provide necessary training to use their skills in the relevant areas of the business. The Remuneration Committee works to ensure that staff are appropriately rewarded to maintain engagement and commitment. Feedback from employees is sought through pulse surveys and various meetings, including quarterly performance and ad hoc feedback meetings, monthly departmental 'focal points', and Company-wide town halls meetings.

Suppliers and Customers

The Board acknowledges that a strong business relationship with suppliers and customers is an important factor for the Group's long-term success. Whilst day to day interactions with suppliers and customers are delegated to the EMT, the Board sets directions and evaluates policies with regard to new business ventures and investing in research and development. The Board upholds ethical behaviour across the business and encourages the EMT to require comparable business practices from all suppliers and customers doing business with the Group. During 2023, and through into 2024, there has been regular engagement with key suppliers to ensure the ongoing safety and performance of the business as the Group implemented improved measures to safeguard the protection of staff.

Government and Regulatory Bodies

The Board understands the importance of strong relationships with the government and regulatory bodies. Day to day interactions is delegated through the EMT to have direct engagement with local, regional and national government authorities regarding operations, environmental issues, permitting and other relevant topics. Respecting our agreements with our partners is at the heart of our licence to operate, and we engage in regular discussions with government and state representatives to ensure that expectations are understood, and assets are managed effectively.

Directors' Statement under Section 172(1) (continued)

Community and environment

The Board advocates the highest standards of care towards the communities in which it operates and is acutely conscious that the nature of the Group's business requires strong measures to be put in place to protect the environment. At its meetings, the Board reviews an HSSE Report from Management and considers the impact of the Group's operations on the environment and the neighbouring community. Formal and ad-hoc public consultation are held as required to understand and discuss the local communities' concerns and there are also grievance mechanisms to address any concerns. The Company is involved in community development initiatives, including to stimulate economic development, supporting schools, awarding university scholarships and supporting those from less fortunate families.

Our Corporate Social Responsibility ("CSR") philosophy is based on our core values which stems from our vision to achieve our business goals of:

- **Behaviour:**
  Demonstrate professionalism, respect and fairness; conducting business in a socially responsible and ethical manner.
- **Rigour:**
  Initiate thought before action by promoting sustainability and proactively protecting the environment.
- **Purpose:**
  Fit for delivering our goals by engaging with, learning from, as well as respecting and supporting the communities and cultures within which the Group operates.

Any CSR initiatives being undertaken need to be aligned with our underlying philosophy, must be relevant and sustainable to audiences/target areas which are to be impacted by what we do and simultaneously be mutually beneficial to our operations.

Policies and process

The Board reviews the HSSE measures implemented by the Group and the EMT's recommendations for better practices at every Board meeting. Kaat Van Hecke, Non-Executive Director, is the Board's designated HSSE Champion and is responsible for ensuring strong governance of the HSSE function. Employees' opinions and suggestions are considered and valued, particularly with regards to HSSE matters, through the START card system. Employees are informed of the results and are encouraged to feel engaged. The T&T employees are given the opportunity to participate in regular Town Hall Meetings, an open forum moderated by members of the EMT which take place on a quarterly basis, and ad hoc as required.

The importance of making all staff feel safe in their environment is acknowledged and a Whistleblowing Policy is in place to enable staff to confidentially raise any concerns freely and to discuss any issues that arise. Strong financial controls are in place and are well documented. Staff are annually provided with refresher courses to ensure that the issues of bribery and corruption remain at front of mind. The Audit Committee Chair has assumed the role of Whistleblowing Officer.

Training

Although the Group is incorporated in the UK and governed by the CA 2006, the Group's business operations are carried out in T&T which requires the Group to conform to statutory and regulatory provisions of both the UK and T&T. The Group has adopted the QCA Code, and the Board recognises the need to maintain a high standard of corporate governance as well as to comply with the AIM Rules to safeguard the interests of the Group's stakeholders. Anti-corruption and Anti-bribery refreshers are compulsory for all staff and contractors and the Anti-bribery statement and policy is contained in the Group's Employee Manual, as well as being published on the Group's website. The Group's expectation of honest, fair and professional behaviour is reflected by this and there is zero tolerance for bribery and unethical behaviour by anyone related to the Group.

2023 and on-going performance: the Company has delivered a robust operating performance and worked hard to ensure the stability of the business, despite disruptions to the supply chain and higher inflation. Production levels have been maintained in line with expected field decline, and projects have been progressed to grow the business.

Principal decisions during 2023

Key decisions made by the Board were in relation to:

- Share buyback programmes which as at 31 December 2023 had returned USD 0.6 million to shareholders;
- Strengthening the executive management team with three new senior appointments: Julian Kennedy promoted to CFO in January 2023, Mark Kingsley as Chief Operating Officer in April 2023 and Aida Shafina Abu Bakar as Executive Manager, Subsurface in November 2023;
- Submission of a bid for the Buenos Ayres block in January, subsequently the Company announced on 13 June 2023 that its bid had been successful;
- Completing a reactivation programme for a key West Coast well, ABM-151;
- Drilling of the deep "Jacobin-1" well;
- Commencement of creating a baseline for all scope 1 emissions and main sources of scope 2 emissions;
- Inaugural dividend paid in October 2023;
- Approval of the 2024 Budget and three-year plan; and
- Completion of a Concept-Screening study for the development of further reserves and resources in the Galeota block.

Further details can be found in the Chair and CEO's Statement.

On behalf of Board

Nicholas Clayton
Non-Executive Chair
22 May 2024

Corporate Governance Statement

On behalf of the Board, I am pleased to present the Corporate Governance Report for the year ended 31 December 2023. At Trinity we believe that strong corporate governance is critical to achieving our strategic goals and creating value for our shareholders. As Non-Executive Chair of the Group I have a keen interest in ensuring that an effective and focused Board leads the business and builds upon its progress to date.

All AIM listed companies are required to comply with a recognised corporate governance code and the Board made the decision to adopt the QCA Code. The Board believes the QCA Code to be the most appropriate recognised corporate governance code for the Group. During the year under review, the Board continued to uphold the principles of the Code and ensured that the Group complied with the QCA Code in all aspects of the business. Details of the principles of the Code and how the Group applies them are detailed elsewhere in this report and on the Group's website.

The Board is committed to ensuring good corporate governance, at Board level and throughout the business. The Board comprises a Non-Executive Chair, four Independent Non-Executive Directors and two Executive Directors (CEO and CFO). In June 2023, Angus Winther decided not to stand for re-election as a Non-Executive Director. In August 2023, Jon Cooper was appointed as an Independent Non-Executive Director, and Julian Kennedy appointed as an Executive Director, (CFO).

As Non-Executive Chair it is my duty to ensure that very high standards of governance are delivered and fed down throughout the organisation. The Board looks to instil a positive culture across the Group, delivering strong values and behaviours. The importance of delivering the Group's objectives in a manner consistent with our values is at the forefront of the Board's thinking, as is ensuring that this culture is fed down through the EMT and throughout the business. The principal risks facing the business, as set out on pages 16 to 18 of the Annual Report, are considered by the Board, recognising that strong governance across the organisation is essential to manage the risks and challenges that the Group faces.

2023 was characterised by lower oil prices when compared to 2022 and high inflation. The Company's core business continued to deliver strong operating performance during the year, highlighting strength and resilience. The drilling and testing of the Jacobin well was the operational focus of the year. While the well discovered oil in the targeted deeper horizons, flow rates were disappointing and drilling complexities resulted in cost overruns. The results from the well are being incorporated into further understanding the "Hummingbird" play with independent features still offering future potential as well as the prospectivity of Buenos Ayres.

Operationally, the Group maintained strong operational profitability throughout 2023, despite the Cyber incident in late 2022 and fire on the Bravo platform in April 2023, with plans implemented to close the gaps that were identified. The Board has continued to work assiduously through this period to ensure that the Company's strategy can be delivered safely and its goals met, whilst ensuring the risks are monitored and a culture of support is provided to all stakeholders including employees, suppliers and the wider community.

As the Group addresses the next phase of development for the business, as Non-Executive Chair, I will work with the Board to cement the existing values and ensure that sound corporate governance and strong principles continue to be present throughout the organisation, for the benefit of all stakeholders.

N J Clayton

Nicholas Clayton
Non-Executive Chair

22 May 2024

QCA Principles

The Board recognises its responsibility for the proper management of the Group and is committed to maintaining a high standard of corporate governance, commensurate with the size and nature of the Group and the interests of its shareholders.

The QCA Code is a corporate governance code published by the Quoted Companies Alliance and is the code adopted by the majority of AIM companies. It is a principles-based code for companies focused on growth. The Board have adopted the QCA Code which they consider appropriate given the size and resources of the Group. In November 2023, the Quoted Companies Alliance published the latest version of its corporate governance code (the "2023 QCA Code"), which will apply to financial years beginning on or after 1 April 2024. The Company will be taking steps to look at its compliance with the 2023 QCA Code during the course of 2024.

The QCA has ten principles which the Group is required to adhere to and in relation to which the Group is required to make certain disclosures within its report and accounts and on its website, www.trinityexploration.com

This section outlines the ten QCA principles and identifies how Trinity adheres to each:

Principles	**Trinity's Response**
Establish a strategy and business model which promote long-term value for shareholders	Trinity's strategy aims to position the Group to create long-term shareholder value by developing and maximising the value of its resource base in Trinidad & Tobago, whilst maintaining rigorous focus on cost control, efficient capital deployment and capital discipline. The Board keeps abreast of the key challenges associated with protecting the Group from unnecessary risk and securing its long-term future through regular reviews and meetings with all stakeholders, and mitigation of risks.
Seek to understand and meet shareholder needs and expectations.	The Group welcomes the opportunity to maintain an open dialogue with its shareholders, to meet shareholder needs and expectations. The Group engages with shareholders through its Regulatory News Flow and Annual General Meetings. General inquiries can be submitted directly to the Group at info@trinioil.com or via our PR advisors (Vigo Consulting Limited). Investor presentations are arranged throughout the year. Nicholas Clayton, Non-Executive Chair, is also available to discuss any issues or concerns that shareholders or other stakeholders may have. Arrangements can be made to get in direct contact with Nicholas by emailing trinity@vigoconsulting.com
Take into account wider stakeholder and social responsibilities and their implications for long-term success	The Board recognises that the long-term success of the Group is dependent on the efforts of its Management and stakeholders. We value feedback from our stakeholders and meet regularly with them and engage with the communities in which the business operates. The Group is mindful of the nature of the business and the need to ensure strong HSSE measures are in place to protect the environment. Further details on Environmental and Social Governance can be found on pages 14 to 15.
Embed effective risk management, considering both opportunities and threats, throughout the organisation	The Company has an effective risk management framework, which is subject to oversight by the Audit Committee and the Board. The principal risk areas for the business and the respective mitigating actions are listed in the key risks on pages 16 to 18.
Maintain the Board as a well-functioning balanced team led by the Chair	Refer to further discussion of the Board structure and composition on pages 23 to 26.
Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities	The complementary skills and experience of our Board and Executive Management team are included on pages 25 to 27.
Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	See website disclosure https://trinityexploration.com/about-us/corporate-governance/.

Promote a corporate culture that is based on ethical values and behaviours	The Directors are committed to promoting positive ethical values and behaviours across the Group as a whole. The Group's Employee Manual is in place and can be accessed at all times. Annual Anti-corruption & Anti-Bribery training is compulsory for all staff and contractors. The Group's expectation of honest, fair and professional behaviour is reflected in our values and there is zero tolerance for bribery and unethical behaviour by anyone relating to the Group. A Whistleblowing policy is also in place which enables staff to confidentially raise any concerns. A Delegation of Authority is in place which details the authorisation process and accountability in the organisation detailing the financial, corporate and operational controls that are in place.
Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board	Refer to further discussion of the Company's governance structures, including matters reserved for the Board, on page 28.
Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	The Company's financial and operational performance is summarised in the Annual Report and the Interim Report, with regular updates provided to stakeholders in other forums through the year, including its Regulatory News Flow and regular updates to the Company's website.

Corporate Governance Framework

The Board

The Board is responsible for managing the Company, formulating strategy, setting budgets, raising and deploying capital, overseeing overall performance and discharging legal and statutory obligations. The Board has established Audit, Remuneration and Technical Committees to assist it in discharging its responsibilities and to apply an appropriate level of scrutiny over the related functions. The Board delegates day-to-day responsibility for running the Group to the EMT led by the CEO.

Audit Committee

The Audit Committee monitors the integrity of the Group's financial statements and reviews the effectiveness of the Group's internal controls and risk management systems. The Audit Committee makes recommendations to the Board in relation to the appointment of the Group's auditors, overseeing the approval of their remuneration and terms of engagement and assessing annually their independence, objectivity and effectiveness. It also seeks to ensure that the Group is compliant with its relevant regulatory requirements.

Remuneration Committee

The Remuneration Committee determines and makes recommendations to the Board on the performance management and remuneration of the Company's Executive Directors and other members of the EMT. It is also responsible for the design of all share incentive plans and the determination of individual awards to the Executive Directors and EMT and the performance targets to be used.

Quality Assurance Group

A Quality Assurance Group ("QA Group") was created during the period. The QA Group took on the previous role of the Technical Committee, which interacted with the sub-surface teams at a working level, offering mentorship, and enlarged the scope to include all sub surface disciplines and facilities and engineering functions. The QA Group comprises external experts in the relevant fields and reports to the Company's Executive Team.

Non-Executive Chair

The Non-Executive Chair is responsible for leading the Board and engaging with, and providing advice to, the CEO as required. The Non-Executive Chair also engages with investors and other stakeholders.

Chief Executive Officer

The CEO leads the EMT to deliver the business goals and objectives as directed by the Board.

Chief Financial Officer

The CFO's role is to lead the Group's financial operations including ensuring compliance with internal and external financial reporting; cash management and financial planning.

Executive Management Team

The EMT ensures the operational functions of the Group are carried out safely / efficiently and provides Corporate, Legal, HSSE and Financial inputs and recommendations to the CEO who in turn relates the proposed initiatives to the Board.

Company Secretary

The Company Secretary works closely with the Board and Board Committees to ensure that Board and Committee members receive appropriate updates on governance and compliance and provides guidance so that good boardroom practices are preserved.

QCA Principles (continued)

The Group's Annual Report and Notice of AGMs are published to all shareholders. Quarterly updates are provided to the market. Shareholders are also kept up to date through RNS on regulatory matters and other matters of material substance.

The Group also communicates with shareholders and potential investors through a variety of other methods including investor presentations, analyst meetings, PR media, emails and one- on-one and group meetings. The Non-Executive Chair liaises regularly with the Group's major shareholders and other relevant stakeholders and ensures that their views are communicated to the Board. Encouraging effective two-way communication with shareholders encourages mutual understanding and better connection with them. The benefits include improved transparency of information on the business and its performance, appropriate consideration of all shareholders' views, as well as instilling trust and confidence to allow informed investment decisions to be made by the Board.

On behalf of Board

Nicholas Clayton
Non-Executive Chair
22 May 2024

Board of Directors

Executive Directors

Jeremy Bridglalsingh
Chief Executive Officer

(11 January 2017 to present)

Jeremy is a Trinidadian and is a qualified accountant (Chartered Institute of Management Accountants ("CIMA"), 2006) with a BSc. in Management Studies from the University of the West Indies (2000). Prior to joining Trinity in 2012, he worked in financial services at PricewaterhouseCoopers (T&T) and Operis Group plc (London), mainly in an advisory role on various transactions across a number of jurisdictions.

Since joining the Company, he held roles across the Financial, ICT and Supply Chain disciplines before assuming the role of CFO of Trinity in October 2015 and then joining the Board in January 2017. He combined that with the role of Managing Director from March 2019 until he relinquished the CFO role in September 2020, and was appointed CEO of Trinity in August 2021.

Julian Kennedy
Chief Financial Officer

(8 August 2023 to present)

Julian is British and joined Trinity in September 2022 as Corporate Development Manager, was appointed Chief Financial Officer effective 1 January 2023, and joined the Board as an Executive Director in August 2023.

Julian has over 30 years' experience across a wide range of roles in, and advising, the oil and gas industry. Most recently he was Head of Business Development for NEO Energy. Previously he was Head of Oil & Gas Acquisitions & Divestment for BMO Capital Markets in London and has held senior M&A, strategic and financial planning roles with oil and gas operators including BG Group, Canadian Natural Resources, Shell, Enterprise Oil and Amerada Hess.

Non-Executive Directors

Nicholas Clayton
Non-Executive Chair

(28 November 2018 to present)

Nick is British and has provided strategic and corporate finance advice to and has been an Executive and Non-Executive Director of numerous public and private oil and gas companies since 2007. Prior to that, he held a series of senior oil and gas corporate finance roles, including Global Co-Head of Oil and Gas Corporate Finance for Canaccord Adams and Global Head of Oil and Gas Corporate Finance for Dresdner Kleinwort Wasserstein. He started his career with BP, before moving into financial services where he specialised in the oil and gas sector. Nick brings to the Board over 39 years of experience within the oil and gas sector both as a practitioner, a director, and as an adviser. He has previously served as a Director of Royal Lymington Yacht Club Limited, Active Away Ltd, Alpha Petroleum Resources Limited, Sterling Energy plc and Circle Oil plc.

James Menzies
Independent Non-Executive Director
Technical Committee Chair

(23 June 2017 to present)

James is British and is a qualified Geophysicist. He brings to the Board a broad range of industrial and corporate expertise as he has 35 years of experience within the oil and gas industry both as a technical practitioner and as a Senior Executive. James is the former Chief Executive Officer of Coro Energy plc. James founded Salamander Energy plc in 2005 and was the Chief Executive Officer until its takeover by Ophir Energy that valued the business at USD 850.0 million. James is the Executive Chairman SE Asia for Longboat Energy plc.

James is a member of Trinity's Audit Committee and Quality Assurance Group.

Derek Hudson
Independent Non-Executive Director

(14 September 2021 to present)

Derek is Trinidadian and a geologist by profession, having over 30 years senior level experience in the oil and gas industry, operating globally (Trinidad and Tobago, United States, United Kingdom and East Africa) with multi-national organisations and state enterprises. Derek is currently Non-Executive Chairman of Scotiabank Trinidad and Tobago Ltd, one of Trinidad and Tobago's largest banks. He is also a non-executive director of ATN International, a telecommunications company with business in the US and the Caribbean.

Derek worked for BG Group for over 20 years in senior managerial positions in the UK North Sea, East Africa and Trinidad prior to its combination with Shell in 2016, and subsequently served as Shell's Vice President and Country Chairman, Trinidad and Tobago from June 2016 until June 2019, where he was responsible for Shell's upstream and LNG business activities in country. After retiring from the role, Derek continued to serve as a Business Adviser to Shell's Trinidad and Tobago business until June 2021.

Derek is a member of Trinity's Remuneration Committee and a member of the Quality Assurance Group.

Board of Directors (continued)

Kaat Van Hecke
Independent Non-Executive Director
Remuneration Committee Chair (1 July 2022)

(22 February 2022 to present)

Kaat is Belgian, has over 25 years' experience in the oil & gas industry and has a strong operations background, having started her career as a Production Engineer with ExxonMobil and Shell in Europe and Nigeria. As the Operations Planning Manager at Sakhalin Energy – in the far east of Russia – she played a key integration role in the start-up of the 450,000 boepd company. From 2013-2016 she served as the MD and Senior Vice President Austria Upstream at OMV.

Kaat currently holds independent Non-Executive Director roles at Serica Energy Plc and Glover Gas & Power B.V./ Axxela Limited. Kaat was previously a Non-Executive Director at Nostrum Oil & Gas Plc, where she spent nine months as Interim CEO in Kazakhstan.

Kaat is the Chair of the Remuneration Committee, a member of the Audit Committee and is responsible for the Board's oversight of the HSSE function.

Dr Jonathan Cooper
Independent Non-Executive Director
Audit Committee Chair (8 August 2023)

(8 August 2023 to present)

Jon is British and has more than 25 years' experience in mergers, acquisitions, public offerings and financings in banking and the oil and gas industry. He is currently Executive Director and Chief Financial Officer at Longboat Energy plc. Previously he served as Chief Financial Officer at Faroe Petroleum from 2013 until 2019; was CFO at Lamprell; Finance Director at Sterling Energy; CFO of Gulf Keystone Petroleum; Director of the Kleinwort Benson (later Wasserstein) Oil and Gas Corporate Finance and Advisory Team; and qualified as an accountant with KPMG. Jon is a Fellow of the ICAEW and holds a PhD in Mechanical Engineering.

Jon is Chair of the Audit Committee and a member of the Remuneration Committee.

Angus Winther
Non-Executive Director

(11 January 2017 to 27 June 2023)

Executive Management Team

Jeremy Bridglalsingh
Chief Executive Officer

Jeremy joined Trinity in 2012 with prior experience in the financial services sector having advised on a number of transactions across various jurisdictions. He is responsible for leading the EMT to deliver on the Board agreed strategy.

Julian Kennedy
Chief Financial Officer

Julian has 30 plus years in the oil and gas sector in the disciplines of Strategic Planning, Business Development and M&A. He joined Trinity in September 2022 and was appointed Chief Financial Officer in January 2023. He has overall responsibility for Finance, Investor Relations, Supply Chain and Commercial.

Mark Kingsley
Chief Operations Officer

Mark has over 35 years in the upstream oil and gas industry, including managing operating companies, assets and multiple functional disciplines. He joined Trinity in April 2023 and has overall responsibility for Operations, Subsurface and Developments.

Nirmala Maharaj
Chief of Staff & General Counsel

Joined Trinity as the Legal Manager in 2012, served as Legal and Corporate Services Manager from 2014 and Country Manager from October 2015 to March 2019. She is an Attorney-at-Law by background with 20 plus years' experience.

Denva Seepersad
Executive Manager, Finance & ICT

Started with Venture, Trinity's predecessor, in 2005 as a Certified Chartered Accountant holding various key finance roles including Financial Controller. He is a Fellow Chartered Certified Accountant with 18 plus years' experience in the upstream oil sector in Trinidad.

Alistair Green
Executive Manager, Corporate Development

Alistair has 15 plus years' experience working in a wide range of commercial and technical roles. He joined Trinity in November 2022 and was responsible for maturing new Developments and the Petroleum Engineering portfolio in our operations. In November 2023 he assumed responsibility for the Group's Corporate Development function.

Ronald Solomon
Executive Manager, Operations

Ronald joined Trinity in 2021. An engineer by background with 17 plus years' experience in oil and gas operations and senior management. He previously held senior leadership roles for a major oilfield service company in Russia, Caspian countries and Caribbean areas.

Aida Shafina Abu Bakar
Executive Manager, Subsurface

Aida has 18 years industry experience building on her dual Bachelor of Science degrees in Geology and Geophysics and a Masters degree in Petroleum Engineering. Her recent career has been as Malaysia Subsurface Manager for Jadestone in Kuala Lumpur. Prior to that, she had senior subsurface technical roles with Amerada Hess, Murphy Oil, ADCO and Petronas, with experience in offshore and onshore fields both in Malaysia and internationally. Aida joined Trinity in November 2023 and is based in San Fernando and is responsible for the Subsurface functions, including Petroleum Engineering.

Board Activities

The Board is responsible for maintaining full and effective control over the Group. The Board holds regular meetings at which HSSE, Production/Operations, Financial and strategic goals are considered and agreed.

Matters which are reserved for the Board include:

- Approval of the Group's strategy and objectives;
- Approval of the Group's budgets, including operating and capital expenditure budgets;
- Growth of activities into new business areas or geographical locations;
- Material changes to the Group's structure and management;
- Changes to the Group's listing, governance or business processes;
- Approval of the Group's annual report and accounts and interim report;
- Setting EMT pay and conditions, annual bonuses and awards under the LTIPs; and
- Reviewing the effectiveness of the Board and its Committees.

Time commitment

Board and Board Committee meeting dates are agreed prior to the beginning of the financial year. The Board, Audit, and Remuneration Committees are chaired by Non-Executive Directors who work closely with the Company Secretary in preparing agendas for the meetings and ensuring adequate advice and guidance is obtained in their respective areas.

Whilst the Executive Directors (CEO and CFO) are expected to devote substantially the whole of their working time to their duties within the Group, the Non-Executive Directors are expected to allocate sufficient time to the Group to discharge their responsibilities.

It is expected that all Directors attend, and devote adequate time to prepare for, all meetings of the Board and any Board Committees of which they are members, as well as the AGM. It is expected, where possible, that the Directors visit the Group's San Fernando Office, located in Southern Trinidad, at least once a year, meeting with administrative and technical personnel via face-to-face meetings and as well as making site visits to well/drilling locations.

The Directors' attendance at scheduled and ad hoc Board Meetings and Board Committees during 2023 is detailed in the table below:

Directors' attendance

	Board-Scheduled Meeting	Board Ad Hoc Meeting[1]	Audit Committee	Remuneration Committee	Technical Committee
Director Requirement	**9**	**10**	**4**	**6**	**Ad hoc**
Jeremy Bridglalsingh	9	10	4		
Angus Winther[2]	5	2	3	2	
James Menzies	9	9	3		5
Nicholas Clayton	9	10	4	6	
Derek Hudson	9	9		6	5
Kaat Van Hecke	9	10	4	6	
Jon Cooper[3]	3	4	1		
Julian Kennedy[4]	3	4	1		
Total meetings	**9**	**10**	**4**	**6**	**5**

Notes:

1. Ad hoc meetings: Additional meetings called for a specific matter generally of a more administrative nature not requiring full Board attendance.
2. Mr Winther retired from the Board by rotation at the AGM on 27 June 2023
3. Mr Cooper was appointed as a Non-Executive Director on 8 August 2023
4. Mr Kennedy was appointed as an Executive Director on 8 August 2023

Relationship with Shareholders

The Board remains fully committed to maintaining communication with the Group's shareholders. There is regular dialogue with major shareholders and meetings following significant announcements.

The Group's website www.trinityexploration.com contains all announcements, press releases, major corporate presentations and interim and year end results. The Group publishes the annual report and accounts each year which contains a strategic report, governance section, financial statements and additional information. The Annual Report is available on the Group's website and is also available in paper format, on request.

The Board uses its AGMs to communicate with both private and institutional investors. All Directors attend the AGM and make it an opportunity to engage with shareholders, answer queries during the formal business of the AGM or to discuss more informally following the meeting. Shareholders are encouraged to attend and vote at AGMs or to appoint a proxy to represent them. Immediately after the AGM, the decisions made on the AGM resolutions are released to the market by RNS.

Audit Committee Report

Responsibilities of the Audit Committee

The Committee reviews and makes recommendations to the Board on:

- compliance with accounting standards and legal and regulatory requirements.
- accounting issues that require a major element of judgement or risk.
- any change in accounting policies.
- disclosures in the interim and annual report and financial statements.
- reviewing the effectiveness of the Group's financial and internal controls.
- appointment of the Group's external auditors.
- any significant concerns raised by the external auditor about the conduct or overall outcome of the annual audit of the Group.
- any matters that may significantly affect the independence of the external auditor.
- Has oversight for the risk management processes and recommends the corporate risk register to the wider Board.

2023 Activities

During the year, the Committee met four times and the members' attendance record at Committee meetings during the financial year is set out under Board Activities on page 28. Although not members of the Audit Committee, the Chair, CEO, CFO and Executive Manager of Finance and ICT are invited to attend meetings. The Group's external auditors are also invited to attend Committee meetings, unless they have a conflict of interest. On 27 June 2023, Angus Winther retired by rotation at the 2023 Annual General meeting as Non-Executive Director and as Chair of the Audit Committee. Jon Cooper was appointed as Chair of the Audit Committee on his appointment as Non-Executive Director on 8 August 2023.

An essential part of the integrity of the financial statements is the Going Concern assessment and the key assumptions, estimates and judgments made within the financial statements. The Committee reviews the Going Concern assessment and key assumptions, estimates and judgments prior to publication of both the interim and full year financial statements, as well as considering significant issues throughout the year. In particular, this includes reviewing the key subjective assumptions relating to the Group's activities, particularly those relating to complex calculations including non-current asset impairments, inventory impairments, provision for decommissioning, disputed cost provision and deferred taxes, to enable an appropriate determination of asset valuation, provisioning and the accounting treatment thereof. The Committee reviewed and was satisfied that the Going Concern assessment and judgments exercised by management on subjective items contained within the Report and Accounts are reasonable.

External Auditors

Appointment of External Auditors

- The Group fee to BDO for the financial year to 31 December 2023 is USD 0.3 million (2022: USD 0.4 million).
- External auditors are re-appointed annually, subject to a satisfactory review by the Audit Committee of their performance, independence and service proposal. The Audit Committee undertakes a comprehensive review of the quality, effectiveness, value and independence of the audit provided each year, seeking the views of the wider Board, together with relevant members of the EMT. Having completed this review, the Audit Committee is recommending BDO's reappointment for the financial year to 31 December 2024.
- In relation to the appointment, re-appointment and removal of the Company's External auditor. The Audit Committee oversees the selection process for a new auditor.

Rotation of Audit Partners

The Group's external auditors are required to rotate their audit partners on a basis that allows them sufficient time to be fully familiar with the business, so that they can operate effectively and efficiently, but not be appointed in the role for so long that it may give rise to a lack of independence. This policy requires the lead audit partner to rotate after a maximum period of five years, and all other partners including the review partner to rotate after a maximum period of seven years. Each of the Group's subsidiaries also apply the same rotation policy.

Internal Controls

The Audit Committee has considered the Group's internal control and risk management policies and systems, their effectiveness and the requirements for an internal audit function in the context of the Group's overall risk management system. The Committee is satisfied that the Group does not currently require an internal audit function. However, it will continue to periodically review the potential need for an internal audit function. The Committee is assured that the robust internal financial controls, risk management and mitigation measures in place are sufficient and effectively communicated. The Audit Committee reviewed the impact of the sophisticated Cyber incident that occurred in December 2022, the steps taken by the Company to close out and reestablish its systems and was satisfied that the rebuild is resilient and fit for purpose. The Audit Committee also reviewed a one-off procurement breach identified during H2 2023 and after reviewing the facts and circumstances were satisfied that the policies and procedures are in place to mitigate such from recurrence. Finally, the Audit Committee reviewed the corporate risk register, which it recommended to, and was approved by, the Board.

Jon Cooper
Chair of the Audit Committee
22 May 2024

Technical Committee Report

The Technical Committee was replaced during the period with the Quality Assurance (“QA”) Group. While the Technical Committee was responsible for providing objective and independent feedback to the Board of Directors on opportunities being considered, the QA Group took on the Technical Committee’s remit and broadened it to include Engineering and Facilities as well as Subsurface evaluation and review.

The QA Group comprises external experts from the relevant disciplines and reports to the Executive Management Team within Trinity.

Activities in 2023

During the year and prior to replacement by the QA Group, the Technical Committee met on five occasions. The Committee’s worked focused on i) The Galeota project and in particular the subsurface definition of the structure and its relationship to the Trintes project; and ii) Pre-well planning and post-well evaluation of the Jacobin drilling campaign.

James Menzies
Former Chair of the Technical Committee
22 May 2024

Remuneration Committee Report

Responsibilities of the Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board regarding the framework for the remuneration of the Executive Directors and other members of the EMT. The Committee works within its terms of reference, and its role includes:

- Review, evaluate, determine and agree with the Board, the Remuneration Policy for the Executive Directors and, under guidance of the CEO, other members of EMT.
- Ensure executive remuneration packages are competitive.
- Determine whether annual bonuses should be payable and recommending levels for individual executives.
- Determine each year whether any awards/grants should be made under the long-term incentive schemes, the value of such awards and their performance criteria.
- Agree Directors' service contracts and notice periods.

The Remuneration Committee utilises a range of tools and measures to frame its deliberations over all aspects of executive remuneration at Trinity. These include, but are not limited to, a review of executive remuneration in peer companies and surveys of executive remuneration for similar sized companies in other sectors. The Committee engages an external remuneration consultant, FIT, to provide analysis, including on benchmarking, trends and LTIP awards, which provides useful guidance to the Committee. FIT is a member of the Remuneration Consultants Group and, as such, voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK.

In 2023 the salaries of the Executive Directors and other members of the EMT were held constant.

The framework for determining executive bonuses is established by a challenging matrix of KPIs that are designed to align the interests of executives with the overall strategy of the Group. Typically, the scorecard involves 10 to 15 KPIs covering a range of strategic targets deemed critical to the business and falling within the following areas:

- Financial – including Operating Cashflow and cost control targets;
- Operational – including annual production targets and drilling objectives;
- HSSE / ESG – targets for the avoidance of incidents and GHG emission management;
- Strategic – progression of major value accretive initiatives; and
- Corporate – includes investor relations and shareholder structure targets.

The CEO works with members of the EMT to translate these KPIs into sets of secondary objectives for each EMT member that drives their individual performance evaluations and, ultimately, cascade down to drive the performance of all employees working within the Group.

The KPI matrix acts as a guide to setting bonuses and directing the activities of executives towards the achievement of the strategic direction established by the Board. Implicitly, this reflects an overall assessment by the Board of the risks involved in pursuing the strategy of the Group. Executives understand, however, that the Remuneration Committee will always exercise discretion when finalising bonuses to consider stock market, oil market and general economic conditions prevailing globally as well as in Trinidad and the UK, at the time bonuses are agreed as well as the underlying performance of the business. Based on the operating performance of the business, modest bonuses for 2022 were paid in June 2023 shortly after publication of the audited accounts. For the year 2023, due to the performance of the business being below expectations and the share price showing a falling trend, the Remuneration Committee exercised its discretion and decided to award zero cash bonuses in 2024 to the Executives and the EMT for the year 2023.

Our Auditors have audited aspects of this report as it relates solely to the reported items within the financial statements.

Remuneration Committee Report (continued)

2023 Performance and Review

Corporate KPI's:

- Setting corporate KPI's which are used to determine the bonus awards of the Executive Directors and the EMT. The EMT's bonus awards were set according to a mixture of Corporate KPI's and personal performance.
- Mid-year/Year-end review of corporate KPI's.

Key pay outcomes:

- Jeremy Bridglalsingh's base salary for 2023 was USD 300,000 per annum (2022: USD 300,000).
- Julian Kennedy's base salary for August to December 2023, when joining the Board on 8th Aug 2023, was USD 98,977. This corresponds with the pro-rata of his base salary of 200,000 GBP per annum.
- Nicholas Clayton's fees as Non-Executive Chair were established, in pounds sterling, at the equivalent of USD 99,512 per annum. The additional fee paid for the support and assistance Mr Clayton provided to the Executive Director after Bruce Dingwall's passing in 2021, was terminated end March 2023 as the COO joined the Company in April 2023. In 2023, his additional fee was USD 12,439.
- Additional fees are also paid for chairing Board Committees and for additional consultancy services, beyond those normally provided by a Non-Executive Director. None of these fees changed in 2023 and the Non-Executive Director fees were agreed by Mr Clayton and Kaat Van Hecke (as Chairs of the Remuneration Committee in 2022) in consultation with Mr Bridglalsingh, with the other members of the Remuneration Committee recusing themselves from all discussions relating to their own fees.

LTIP awards:

- Reviewed performance criteria and recommended grant of the 2022 LTIP awards. The Group granted options of 565,000 ordinary shares on 21 August 2023 (the "2022 Award"), which represented 1.42% of the Company's then issued capital, in respect of performance during 2022, including 100,000 options to Jeremy Bridglalsingh, 175,000 options granted to Julian Kennedy (of which 100,000 are one-off options granted on joining the Board of Directors) and 100,000 one-off options granted to the new COO on joining the Company in April 2023.
- On 2 January 2023, 249,655 options vested from awards granted on 25 June 2020 (the "2019 Award") as a result of the performance conditions being partially satisfied. This included 55,809 options to Jeremy Bridglalsingh.
- On 2 January 2024, the 325,000 Options granted on 12 August 2021 (the "2020 Award") lapsed in full as the performance conditions were not satisfied. This included 75,000 options granted to Jeremy Bridglalsingh.

Cash-Based Option awards:

- In 2022 a cash-based option scheme was introduced to encourage and incentivise Team Leaders within the organisation. In 2023, further cash-based awards were issued to Team Leaders. The cash-based scheme is based on share price performance over a three-year period and aligns Team Leaders interest with shareholders.

Corporate Governance disclosure:

- Discussed UK Corporate Governance requirements in respect of responsibilities of the Remuneration Committee in recommending Executive Directors and EMT pay. The Group currently is not required to adhere to the UK Corporate Governance Code. However, the Committee recommended that best practices are followed and continuously monitors the guidelines.

Remuneration Policy:

- Appointment of FIT, a remuneration consultant, to assist the Committee with a performance monitoring of the Company's LTIP awards.

Kaat Van Hecke
Remuneration Committee Chair

22 May 2024

Directors’ Remuneration Report

Review and Approval Process

The Group prepares the Remuneration Report on an annual basis and presents it to the Remuneration Committee alongside the existing Remuneration Policy. The Committee review and evaluate the content and advise of any amendments or recommendations before final approval is granted for publication. Our Auditors have audited aspects of this report as it relates solely to the reported items within the financial statements.

The main components of the Remuneration Policy and how they are linked to and support the Group’s business strategy, are summarised below:

Element	Operation	Maximum opportunity	Performance assessment
Base salary			
Reflects level of responsibility and achievement of the individual.	Salaries are reviewed as required by the Remuneration Committee and adjustments are made accordingly. When determining salaries for the Executive Directors and members of the EMT the Committee takes into consideration: • Market data (supported by analysis provided by FIT, the Company’s Remuneration Consultants); • Local market employment conditions; and • Salary increases awarded to other employees in the Group. Salaries are benchmarked periodically against comparable roles at companies of a similar size, complexity and which operate primarily, but not exclusively, in the exploration & production sector and the AIM market.	Any salary increases in future years will be determined by the Remuneration Committee.	(Not applicable)
Annual bonus			
The annual bonus aligns executive rewards to strategic KPIs agreed by the Committee and are intended to drive the short-term performance of the Group.	The Executive Directors and members of the EMT may participate in an annual performance driven bonus scheme. The performance period is one financial year.	Maximum: up to 100% of base salary. This can be exceeded in exceptional circumstances at the discretion of the Committee. Bonuses may also be paid wholly or in part in shares or deferred at the discretion of the Committee. There is no contractual obligation to pay bonuses.	A KPI performance scorecard is used as a guide by the Committee, which can be overridden based on a broader assessment of overall Group performance and market conditions. The measures are determined by the Committee, typically at the commencement of the financial year.
Pension			
Company provided pension, to provide competitive levels of retirement benefit.	Salary supplement in lieu of pension contributions for the Executive Directors.	Up to 10% of base salary.	(Not applicable)

Directors' Remuneration Report (continued)

Element	Operation	Maximum opportunity	Performance assessment
LTIP			
The LTIP seeks to align the Executive Directors' and other EMT members' interests with those of shareholders and drive superior long-term performance.	Under the LTIP, the Executive Directors and other members of the EMT may be provided with awards in the form of conditional shares or nil-cost options.	Aggregate annual awards made to the Executive Directors and other members of the EMT will normally be capped at 1% of the issued share capital of the Company, except where one-off awards are made to new members of the EMT, Executives promoted to the Board or new joiners. Awards under the LTIP are non-contractual.	Annual awards will normally vest at the end of a three-year period subject to performance conditions. Further details of the performance conditions of these awards can be found in Note 25 in Notes to Financial Statements.
Other benefits			
To provide competitive levels of employment benefits.	The Committee may provide a benefits package to the Executive Directors and other EMT members at its discretion. Reviewed periodically to ensure benefits remain market competitive.	Benefit values vary year on year depending on premiums and the maximum potential value is the cost of the provision of these benefits.	(Not applicable)
Shareholding policy			
To ensure that the Executive Directors' interests are aligned with those of shareholders over a longer time horizon.	Requirement to build and maintain a holding of shares equivalent in value to a minimum of two times their annual salary within a five-year period.	(Not applicable)	(Not applicable)

Executive Directors' service contracts

The Company's policy on Directors' service contracts are indicated below:

	Effective term	Notice period
Chief Executive Officer	Rolling with no fixed expiry date	Six months
Chief Financial Officer	Rolling with no fixed expiry date	Six months

Non-Executive Director Remuneration Policy

Objective

To attract Non-Executive Directors with the requisite skills and experience.

Operation

Fee levels are set at a level paid for comparable roles at companies of a similar size, complexity and which operate in the exploration & production sector. Fee levels are reviewed annually.

Maximum potential value

Fees are to be paid on a quarterly basis to Non-Executive Directors with the exception of the Non-Executive Chair who is paid monthly. Whilst there is no maximum individual fee level, fees are set at a level considered appropriate to attract and retain the calibre of individual required by the Group.

Fee increases may be made in line with the market and to take into account the time commitment and duties involved. Non-Executive Directors do not participate in any variable remuneration element or any other benefits arrangements. Additional fees are paid for chairing Board Committees and for additional consultancy services, beyond those normally provided by a Non-Executive Director. The additional fees for consultancy services are capped to a maximum amount per quarter and are periodically reviewed by the Remuneration Committee.

Performance assessment

Not applicable for Non-Executive Directors. Annual review of Board performance undertaken.

Annual Report on Remuneration

This section of the Remuneration Report contains details of how the Group's Remuneration Policy was implemented in 2023.

Our Auditors have audited aspects of this report as it relates solely to the reported items within the financial statements.

Executive Remuneration (Audited)

Jeremy Bridglalsingh served as Chief Executive Officer.

Julian Kennedy was appointed as Chief Financial Officer 1 January 2023 and subsequently he was appointed as an Executive Director on 8 August 2023.

The table below sets out the single total figure of remuneration and breakdown for the Executive Directors paid for the 2023 financial year. Comparative figures for 2022 have also been provided where applicable.

	Jeremy Bridglalsingh		Julian Kennedy	
All figures expressed in USD[1]	**2023**	2022	**Aug – Dec 2023**	2022
Base Salary	**300,000**	300,000	**98,977**	–
Taxable Benefits[2]	**20,417**	20,417	**1,598**	–
Annual Bonus	**–**	75,000	**–**	–
Pension	**30,000**	30,000	**9,898**	–
LTIP(s)[3]	**129,373**	141,484	**27,910**	–
Gain on exercise of Share Options[4]	**–**	446,520	**–**	–
Total	**479,790**	1,013,421	**138,383**	–

Notes:

1. Foreign Exchange ("FX") Conversions:
   i. GBP fees were converted to USD using an exchange rate of 1.2439 (2022: 1: 1.2456)
   ii. TTD fees were converted to USD using an exchange rate of 6.7497 (2022: 1: 6.7546)
2. Taxable benefits include: Vehicle allowance in favour of the CEO.
3. LTIP: The LTIP is an important element of Trinity's remuneration philosophy and allows Management to share in the Group's success when the business strategy is executed successfully (refer to LTIPs section on pages 37 to 41 for further information). The cost shown in the table represents the non-cash Share Option Expense to the Company incurred in the year in relation to LTIP awards granted to the Executive Directors.
4. 2022 Gain on exercise of Share Options ("SO") = (SO x Market Value at date of exercise less Exercise Price). 361,369 options were exercised in 2022, with a Market Value of GBp 99.2. Gain value of GBP 358,478 was converted at 1.2456). The gain does not take account of the Share Option Expense to the Company which will have been incurred (and therefore already included in the table) prior to the LTIP award vesting.

Directors' Remuneration Report (continued)

Non-Executive Directors Fees (Audited)

All figures expressed in USD equivalent[8]

Non-Executive Director Fees	203,885
Chair of the Board	99,512
Audit Committee Chair	11,227
Remuneration Committee Chair	12,439
Technical Committee Chair	12,439
Other consultancy fees[9]	97,219

	Director Fees 2023	Director Fees 2022	**Committee and Other Fees 2023**	Committee and Other Fees 2022	**Total 2023**	Total 2022
Nicholas Clayton[1]	**99,512**	99,650	**12,439**	56,053	**111,951**	155,703
Angus Winther[2]	**26,122**	52,316	**6,219**	12,456	**32,341**	64,773
David Segel[3]	**–**	7,597	**–**	–	**–**	7,597
James Menzies[4]	**52,244**	52,316	**57,219**	57,299	**109,463**	109,615
Derek Hudson[5]	**52,244**	52,316	**40,000**	40,000	**92,244**	92,316
Kaat Van Hecke[6]	**52,244**	44,720	**12,439**	6,228	**64,683**	50,948
Jon Cooper[7]	**21,032**		**5,007**	–	**26,039**	–
Total	**303,398**	308,915	**133,323**	172,036	**436,721**	480,951

Notes:

1. Nicholas Clayton – Non-Executive Director and appointed Remuneration Committee Chair on 28 November 2018. Appointed Non-executive Chair on 3 August 2021. Fees include Non-Executive Chair and Chair of Remuneration Committee until 1 July 2022. Additional consultancy fees for support given to the CEO – following Mr. Dingwall's passing – until end March 2023.
2. Angus Winther – Non-Executive Director effective 11 January 2017 and Audit Committee Chair effective 23 June 2017 and stepped down 27 June 2023. Fees include Non-Executive Director and Audit Committee Chair fees.
3. David Segel - Non-Executive Director from 11 January 2017 to 22 February 2022.
4. James Menzies – Non-Executive Director effective 23 June 2017 and appointed Technical Committee Chair effective 1 January 2022. Fees include Non-Executive Director, Technical Committee Chair and consultancy fees for services which are considered to be beyond those typically provided by a non-executive director.
5. Derek Hudson – Non-Executive Director fees and consultancy fees for services which are considered to be beyond those typically provided by a non-executive director.
6. Kaat Van Hecke – Non-Executive Director and Remuneration Committee Chair effective from 1 July 2022. Fees include Non-Executive Director and Remuneration Committee Chair fees.
7. Jonathan Cooper – Non-Executive Director and Audit Committee Chair effective from 8 August 2023. Fees include Non-Executive Director and Audit Committee Chair fees.
8. Non-Executive Director Fees are paid in GBP and were converted to USD using an exchange rate of 1.2439 for 2023 (2022: 1: 2456).
9. Total Other Fees of USD 97,219, comprises of USD 12,439 Non-executive Chair additional time; USD 44,780 Technical Committee Chair additional time and USD 40,000 Consultancy for Derek Hudson. All additional fees for consultancy services to Non-Executive Directors are capped to a maximum amount per quarter and are regularly reviewed by the Remuneration Committee.

Group Remuneration Spend (Audited)

The following table indicates the Group's total remuneration for 2023:

Directors & Key Managers Total[1]		Other Employees Total[2]		Total Remuneration		Year-on-year change		% of Total	
						Directors & Key Managers	Other Employees	Directors & Key Managers	Directors & Key Managers
2023	2022	**2023**	2022	**2023**	2022	**2023**	**2023**	**2023**	2022
1,093	1,185	**8,391**	7,132	**9,484**	8,317	**-8%**	**18%**	**12%**	14%

Notes:

1. Refer to Note 31 Related Party Transactions – Key Management and Directors' compensation in the Financial Statements on page 98.
2. Refer to Note 35 Employee Costs on page 101.
3. All figures expressed in USD '000.

Statement of Executive Directors' Shareholding (Unaudited)

The table below summarises the Executive Directors' interests in shares at 31 December 2023:

			Outstanding interests		
	Shareholding			Interests subject to conditions	
Director	Current Shareholding (% salary)[1]	Beneficially owned shares[2]	Vested but unexercised LTIP awards	Share interests – LTIP[3]	Total held at 31 December 2023
Jeremy Bridglalsingh	111%	319,463	55,809	265,000	640,272
Julian Kennedy[4]	52%	–	–	250,000	250,000

Notes:

1. The closing share price of GBp 41.0 (USD 52.0 equiv.) as at 31 December 2023 has been taken for the purpose of calculating the current shareholding as a percentage of salary at the last day of trading for the financial year and includes LTIP interests subject to conditions.
2. Beneficial interests include shares held directly or indirectly by connected persons.
3. The options of 265,000 ordinary shares held by Jeremy Bridglalsingh subject to conditions and options of 55,809 ordinary shares vested but unexercised and the options of 250,000 ordinary shares held by Julian Kennedy subject to conditions have been included in the Current Shareholding % of Salary calculation to better illustrate their interests in the Company.
4. Julian Kennedy Current Shareholding % of Salary assumes a 12-month pro-rated salary to current shareholding. For the period as a director, Current shareholding % of Salary was 132%.
5. All GBP fees were converted to USD using an exchange rate of 1.2439 for 2023.

Share based payments

Refer to Note 25 – Notes to Financial Statements.

Total Shareholder Return ("TSR") 2017-2023 ((Unaudited)

TSR factors in capital gains and dividends when measuring the total return generated per share for a Trinity shareholder.

	Average Share price	Closing	Opening	Annual TSR GBp %	Cumulative TSR since 2017 GBp %
2023	**81**	**41**	**104**	**(61)**	**83**
2022	121	104	127	(18)	209
2021	142	127	109	17	255
2020	83	109	112	(3)	219
2019	118	112	120	(7)	225
2018	177	120	145	(17)	241
2017	132	145	50[1]	291	291

Note:

1. The opening figure for 2017 is the placing price of 49.8 pence, rather than the share price of 19 pence prevailing on the first trading day of 2017 (when the shares were still suspended).

Long term incentive Share Plans ("LTIPs") (Unaudited)

The LTIP is designed to provide long-term incentives for the Executive Directors and EMT members to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if certain performance conditions are met. Participation in the plan is at the Remuneration Committee's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

In accordance with the announcement to the market on 25 August 2017, the current rules of the LTIP provide that the aggregate number of ordinary shares issued or reserved for issuance under awards granted pursuant to the LTIP may not exceed 15% of the Company's issued share capital (including any shares held in treasury). Aggregate annual awards made to the Executive Directors and other members of the EMT will normally be capped at 1% of the issued share capital of the Company, except where one-off awards are made to new members of the EMT or the Board or new joiners.

Directors' Remuneration Report (continued)

Movements in the number of LTIPs outstanding and their related weighted average exercise prices are as follows (Number of options are restated post share consolidation):

	2023		2022	
	Average exercise price per Share Option	**Number of Options**	Average exercise price per Share Option	Number of Options
At 1 January	**GBP 0.00**	**1,430,360**	GBP 0.00	3,381,299
Lapsed/Forfeited	**GBP 0.00**	**(231,930)**	GBP 0.00	(1,360,733)
Granted	**GBP 0.00**	**565,000**	GBP 0.00	415,000
Exercised[1]	**GBP 0.00**	**(463,608)**	GBP 0.00	(1,005,206)
At 31 December	**GBP 0.00**	**1,299,822**	GBP 0.00	1,430,360

Note:

1. Notice of exercise for 71,118 options were received in 2023 but the shares were not issued at the year-end.

LTIPs outstanding as at 31 December 2023 have the following expiry date and exercise prices:

Grant-Vest	Expiry date	Exercise price	**2023**	2022
25/8/2017 – 30/6/2022	24/8/2027	GBP 0.00	**–**	167,037
2/1/2019 – 1/1/2021	1/1/2024	GBP 0.00	**–**	50,858
9/5/2019 – 2/1/2022	2/1/2025	GBP 0.00	**–**	90,879
25/6/2020 – 2/1/2023	2/1/2026	GBP 0.00	**94,822**	381,586
12/8/2021 – 1/1/2024	1/1/2027	GBP 0.00	**275,000**	325,000
6/6/2022 – 01/01/2025	1/1/2027	GBP 0.00	**365,000**	415,000
21/8/2023 – 31/12/2025	1/1/2028	GBP 0.00	**565,000**	–

Note:

(*) The departure of an EMT member during 2023 resulted in 50,000 LTIPs issued to him - as part of the "2020 Award"and the "2021 Award" - being forfeited.

2022 LTIP Award

The following LTIP awards were granted to the Executive Directors during 2023:

Name	Position	Number of ordinary shares subject to the Option
Jeremy Bridglalsingh	Chief Executive Officer	100,000
Julian Kennedy	Chief Financial Officer	175,000

The Company announces that 565,000 options have been granted under the LTIP in respect of the Company's performance in the year to 31 December 2022 (the "**2022 LTIP Award**"), including 100,000 options granted to Jeremy Bridglalsingh, Chief Executive Officer, 175,000 options granted to Julian Kennedy, Chief Financial Officer, (CFO) (of which 100,000 are one-off options granted on joining the Board), and 100,000 one-off options granted to the new Chief Operating Officer, (COO) who joined the Company earlier in the year. The 2022 Annual LTIP Award represents 1.42% of the Company's current issued share capital. Excluding the one-off options issued to the CFO and COO concerning their appointments, the 2022 Annual LTIP Award represents 0.91% of the current issued share capital of the Company.

The performance targets set for awards made under the 2022 Annual LTIP Award will be measured considering both the Company's absolute TSR performance and the Company's relative TSR performance over a three-year period, commencing with the current financial year of the Company (i.e. a measurement period of 1 January 2023 to 31 December 2025). TSR calculations will be determined by reference to the three-month average closing price prior to the start and end of the measurement period. The three-month average closing price at the start of the performance period for the 2022 Annual LTIP Award was GBP 1.15.

The performance targets provide that:

- No portion of a distinct one-half of the 2022 Annual LTIP Award (the "Absolute TSR Part") may vest unless the Company's compound annual growth rate of TSR over the performance period is at least 10% p.a., for which 30% of the Absolute TSR Part may vest, rising on a straight line basis for full vesting of the Absolute TSR Part if the Company's compound annual growth rate of TSR over the performance period equals or exceeds 20% p.a.
- No portion of the other distinct one-half of the 2022 Annual LTIP Award (the "Relative TSR Part") may vest unless the Company's TSR over the performance period ranks at least median relative to the TSR performance within a comparator group of companies, for which 30% of the Relative TSR Part may vest, rising on a straight line basis for full vesting of the Relative TSR Part if the Company's TSR over the performance period ranks upper quartile or better relative to the TSR performance within a comparator group. However, an underpin term applies to the Relative TSR Part which provides that, regardless of relative TSR performance, no vesting may ordinarily accrue in respect of the Relative TSR Part unless the Company's compound annual growth rate of TSR over the performance period is at least 10% per annum.

Vesting occurs on a straight-line basis between threshold and maximum.

The Relative TSR Comparator Group has been determined as follows:

- FTSE AIM All Share Oil & Gas constituents.
- Market capitalisation of between GBP 20 million and GBP 400 million.
- Exploration & Production operations, excluding oil equipment and service, pure-play exploration and alternative energy companies.

For 2023, the same companies will be used which form a comparator group of some 30 companies.

2021 LTIP Award

The following LTIP awards were granted to the Executive Directors during 2022:

Name	Position	Number of ordinary shares subject to the Option
Jeremy Bridglalsingh	Chief Executive Officer	90,000
Julian Kennedy[1]	Chief Financial Officer	75,000

Note:

1. 75,000 one-off LTIP options were granted to Julian Kennedy when he joined the Company in September 2022. Note, Julian was not a Director yet at that time.

On 6 June 2022, Options over a total of 290,000 ordinary shares (representing 0.75% of the Company's issued share capital at the time) were granted under the LTIP in accordance with a revised LTIP scheme (the "Revised LTIP") to members of the EMT in respect of the performance of the Company in the financial year ended 31 December 2021 (the "2021 LTIP Award"). This included 90,000 options to the CEO, Jeremy Bridglalsingh. From September 2022 to 31 December 2022 a further 125,000 options were granted to two new members of the EMT, of which 75,000 options were to Julian Kennedy. The total options granted under the 2021 LTIP Award were therefore 415,000. These LTIP awards will vest on 1 January 2025, subject to meeting the performance criteria set and continued employment in the Company. The Options are exercisable at nil cost by the participants.

The performance targets set for awards made under the 2021 LTIP Award will be measured considering both the Company's absolute TSR performance and the Company's relative TSR performance over a three-year period, commencing 1 January 2022. TSR calculations will be determined by reference to the three-month average closing price prior to the start and end of the measurement period. The three-month average price at the start of the performance period for the 2021 Annual LTIP Award was GBP 1.38.

2020 LTIP Award

On 13 August 2021, Options over a total of 325,000 ordinary shares (representing 0.84% of the Company's issued share capital at the time) were granted under the LTIP in accordance with the Revised LTIP to members of the EMT in respect of the performance of the Company in the financial year ended 31 December 2020 (the "2020 LTIP Award"). This included 75,000 options to CEO Jeremy Bridglalsingh. These LTIP awards lapsed in full on 1 January 2024 as the performance criteria, and more specific the absolute TSR performance, was not met.

The performance targets set for awards made under the 2020 LTIP Award were measured considering both the Company's absolute TSR performance and the Company's relative TSR performance over a three-year period, commencing 1 January 2021. TSR calculations were determined by reference to the three-month volume weighted average price prior to the start and end of the measurement period. The three-month volume weighted average price at the start of the performance period for the 2020 LTIP Award was 88p.

Directors' Remuneration Report (continued)

2019 LTIP Award

On 25 June 2020 Options over 381,586 ordinary shares (representing 1% of the Company's issued share capital at the time) were granted under the LTIP in accordance with the policy announced to the market on 25 August 2017 and have been made to certain individuals within the Company in respect of the performance of the Company as at the end of the financial year ended 31 December 2019 (the "2019 LTIP Award"). These include the awards of 118,692 and 79,128 share options respectively issued to the Executive Chair and Managing Director at the time. In addition, on 30 October 2020, the Remuneration Committee granted Options over 100,000 ordinary shares under the LTIP to a new member of the EMT who joined the Group as Chief Financial Officer. These Options were granted on the same terms as the 25 June 2020 award. The departure of the Chief Financial Officer in June 2021 resulted in the 100,000 LTIPs issued to him being forfeited.

The 2019 LTIP Award vested on 2 January 2023. Based on the relative TSR performance of Trinity against the designated comparator group of companies 249,655 Options (representing 70,53% of the award) vested on this occasion, including 83,713 to the estate of Bruce Dingwall, CBE and 55,809 to Jeremy Bridglalsingh, and to date 129,781 of these options have been exercised. The remaining 119,874 options are available to be exercised until 1 January 2026. The share price used to calculate the start of the TSR calculation in respect of these awards is based on the 3-month average TSR leading into 31 December 2019, being 96.8p.

2018 LTIP Award

On 9 May 2019 the Group issued awards under its LTIP. These awards were made in accordance with the policy announced to the market on 25 August 2017 in respect of the performance of the Group for the financial year ended 31 December 2018 (the "2018 LTIP Award"). The Group announced the grant of Options over 383,282 ordinary shares (representing approximately 1% of the Group's issued share capital at the time) under the LTIP on 9 May 2019, including awards to the then Executive Directors: Bruce Dingwall (99,168 ordinary shares) and Jeremy Bridglalsingh (66,112 ordinary shares).

The 2018 LTIP Award vested on 2 January 2022. Based on the relative TSR performance of Trinity against the designated comparator group of companies 318,009 Options (representing 82.97% of the award) vested on this occasion, including 82,280 to the estate of Bruce Dingwall and 54,853 to Jeremy Bridglalsingh, and to date 167,794 of these options have been exercised. The share price used to calculate the start of the TSR calculation in respect of these awards was based on the three-month volume weighted average share price leading into 31 December 2018, which was 146.6p. The share price used to calculate the end of the TSR calculation for these awards was based on the 3-month volume weighted average to 31 December 2021, being 138.4p. On 2 January 2022, 258,674 options under this award vested and to date all options have been exercised. There are no remaining options available.

2017 LTIP Award

On 2 January 2019 the Group issued awards under its LTIP. These awards were made in accordance with the policy announced to the market on 25 August 2017 in respect of the performance of the Group for the financial year ended 31 December 2017 (the "2017 LTIP Award"). The Group announced the grant of Options over 282,400 ordinary shares (representing 0.735% of the Group's then issued share capital) under the LTIP on 2 January 2019, including awards to the then Executive Directors; Bruce Dingwall (66,422 ordinary shares) and Jeremy Bridglalsingh (47,824 ordinary shares). On 1 January 2021, 167,018 options under this award vested (representing 66.67% of the award) and to date all options have been exercised. There are no remaining options available to be exercised.

2017 Grant of Initial Awards ("2017 One Off Award")

On 25 August 2017 Trinity issued awards under its LTIP to the Executive Directors and other key employees. The Group wished to recognise the need to ensure that Management was retained and incentivised to grow the value of the business and generate shareholder returns over its next phase of development following the funding and share reorganisation in January 2017.

The Group believed that the 2017 One Off Award gave Management the opportunity to build up a meaningful shareholding in Trinity which would further align their interests with shareholders and will help maintain the culture within Trinity which encourages strong and sustained corporate performance that drives absolute returns to shareholders over the longer-term. As a result, the Group announced the grant of Options over 2,541,600 ordinary shares (representing 9% of the Group's then issued share capital) under the LTIP on 25 August 2017, including awards to the then Executive Directors; Bruce Dingwall (902,213 ordinary shares) and Jeremy Bridglalsingh (517,122 ordinary shares). In addition, a further 282,400 Options were held back (to form a retention pool) to be issued at the discretion of the Remuneration Committee, for example in the case of hiring new Executives or EMT members.

On 30 June 2020 the Remuneration Committee granted Options over 142,296 ordinary shares under the LTIP to a member of the EMT on the same terms as the awards issued on 24 August 2017, having effectively replaced 2017 One Off Award issued to a previous member of the EMT who had left the Group and whose awards had consequently been forfeited. The remaining Options held back (to form a retention pool) were cancelled on 2 July 2020.

The Options vested on 30 June 2022, subject to meeting performance targets relating to:

- In respect of 70% of the award, the Group's share price growth from the 2017 placing price of 49.8 pence per share. If the three-month Volume-Weighted Average Price ("VWAP") at the testing date is 350 pence or more per share, this part of the award will vest in full. If the VWAP at the testing date is 49.8 pence per share or less, this part of the award will not vest at all. If the VWAP at the testing date is between 49.8 pence and 350 pence per share, this part of the award will vest on a pro-rated straight-line basis;
- In respect of 20% of the award, full repayment of the amount due to the BIR on or before 30 September 2019, in accordance with the terms of the Creditors' Proposal approved in 2017. The final payment to the BIR under the Creditors' Proposal occurred in 2018; and
- In respect of 10% of the award, redemption of all the CLNs issued in January 2017 before the second anniversary of their issue. The CLNs were redeemed in 2018.

The Options vested in whole or in part on 30 June 2020, 30 June 2021 and 30 June 2022, to the extent that the relevant performance conditions have been met. Subject to meeting these conditions and continued employment in the Group, the Options are exercisable at nil cost by the participants.

The Options were tested on June 30 2020 against the relevant performance conditions resulting in the following outcome:

- In respect of the Group's share price growth, 118,402 LTIPs vested based on the 3-month VWAP of 67.5p prevailing as at 30 June 2020.
- As the BIR was repaid in full before 30 September 2019, 20% of the overall award, being 515,507 LTIPs, vested in full.
- As the CLNs were duly redeemed prior to the second anniversary of their issue, 10% of the overall award, being 257,754 LTIPs, vested in full.

Therefore, at the first testing date, a total of 891,663 LTIP's from the 2017 One-Off Award vested.

The Options were tested again on 30 June 2021 against the Group's share price growth performance target resulting in 471,131 LTIPs vesting based on the 3-month VWAP of 148.9p prevailing at 30 June 2021.

The final vesting of the 2017 One Off Award was due to occur on 30 June 2022. However, as the three-month average VWAP to 30 June 2022 of 130.0p was below that prevailing at 30 June 2021 the remaining 1,214,744 unvested options lapsed.

All options being a total of 1,362,794 options have been exercised and there are no remaining vested options available to be exercised.

Directors' Report

The Directors' Annual Report on the affairs of the Group, together with the Audited Consolidated Financial Statements and Independent Auditors' Report for the year ended 31 December 2023 are as follows:

Principal Activities

Trinity is an independent oil producer whose principal activities are the exploration, development, production and sale of crude oil. Its core focus is T&T where the Group operates assets onshore and offshore on both the West and East Coasts. Trinity's portfolio includes current production, significant near-term production growth opportunities from low-risk developments, and multiple exploration prospects with the potential to deliver meaningful production and reserves growth. The Group is also evaluating alternative energy projects, including an assessment of solar and wind power options for its East Coast asset.

Strategic Report

The Group is required by the CA 2006 to include a Strategic Report in its Annual Report. The information that fulfils this requirement can be found from pages 1 to 18.

Going Concern

The Board adopted the going concern basis in preparing these consolidated financial statements.

In making their going concern assessment, the Board have considered the Group's current financial position, budget and cash flow forecast. The going concern assessment has considered the current operating environment and the potential impact of the volatility of the oil price.

The Group started 2024 with a stable operating and financial position; 2023 average production of 2,790 barrels of oil per day ("bopd"), (2022 2,975 bopd), and cash and short-term investments of $9.8 million as at 31 December 2023 (2022: $12.1 million). The Group's base case going concern assessment is based upon management's best estimate of forward commodity price curves and uses production in line with approved asset plans. The base case forecast was prepared with consideration of the following:

- Future oil prices are assumed to be in line with the forward curve prevailing as at 1 May 2024. The forward price curve applied in the cash flow forecast starts at a realised price of $72.2/bbl in May 2024, fluctuating each month down to $68.6/bbl in December 2024 through to $64.8/bbl in December 2025.
- Average forecast production for the years to December 2023 and December 2024 are in line with the Group's asset development plans, with production being maintained by RCPs, WOs and swabbing activities;
- No SPT is assumed to be incurred on both onshore and offshore assets in 2024 or 2025, as the forecast realised price is below $75.0/bbl;
- Trinity continuing to progress various growth and business development opportunities;
- No derivative instruments being put in place for 2024; and
- No drawdown of working capital overdraft facility.

Management considers this is a reasonable base scenario, reflecting a prudent outlook for the future oil price, production profile and costs. The cash flow forecast showed that the Group will remain in a strong financial position for at least the next twelve months, and as such being able to meet its liabilities as they fall due.

Management has considered a separate stressed scenario including:

- the effect of reductions in Brent oil prices at $60.0/bbl being sustained across the forecast period, noting that the base case pricing is in line with market prices; and
- the compounded impact of a reduction in production by 10%.

The stressed case cash flow forecast allows for the impact of mitigating actions that are within the Group's control which include:

- Reducing non-core and discretionary opex and administrative costs across the forecast period.
- Reducing discretionary capital expenditure and capital returns over the forecast period.

The Directors have received a letter of support from its subsidiary, Trinity Exploration and Production Services Limited.

All reasonably plausible forecasts demonstrate that the Group's cash balances are maintained under such scenarios and as such are sufficient to meet the Group's obligations as they fall due.

As a result, at the date of approval of the financial statements, the Board have a reasonable expectation that the Group has sufficient and adequate resources to continue in existence for at least twelve months post approval of these financial statements and is poised for continued growth. For this reason, the Board have concluded it is appropriate to continue to adopt the going concern basis of accounting in the preparation of the consolidated and company financial statements.

Dividend Policy

In May 2023 the Board agreed a new Capital Allocation Policy which included the payment of a modest but sustainable dividend and the scope for additional distributions in the form of share buybacks or special dividends. The maiden interim dividend of 0.5 pence per ordinary shares was paid on 26 October 2023 to all shareholders on the register on 6 October 2023.

Share Buybacks

The Company announced share buyback programmes on 20 September 2022, 24 October 2022, and 28 April 2023. Under these programmes, the Company bought back shares which returned USD 2.1 million to shareholders. The Company's share capital consists of 39,899,813 ordinary shares in issue (including treasury shares) of USD 0.01 each, with 1,171,686 shares held in treasury. The total voting rights in the Company at 31 December 2023 was therefore 38,728,127.

Substantial Shareholdings

The Shareholders holding over 3% of the voting rights as at 31 March 2024 were as follows:

Shareholder	No of Shares as at 31 March 2024	% of issued share capital as at 31 March 2024
Hargreaves Lansdown private clients*	4,308,724	11.10
David and Monique Newlands	4,130,500	10.64
Angus Christian Winther	3,113,299	8.02
Gavin Matthew White	2,914,748	7.51
The CS Living Trust	1,985,414	5.12
The David A. Segel Trust	1,985,414	5.12
Inactive Investor ISA (Clients)*	1,816,903	4.68
Jan-Dirk Leuders**	1,574,835	4.06
Scott Casto**	1,574,834	4.06
Interactive Investor Clients*	1,276,763	3.29
Bruce Dingwall's Trust	1,168,932	3.01

* Private Client Holdings

** Includes 111,460 shares held jointly between Scott Casto and Jan-Dirk Lueders through CMT Investments LLC

Directors

The Directors who served during the period and at the date of this Report are as follows:

Name	Role	Appointment Date
Nicholas Clayton	Non-Executive Chair	28 November 2018 to present
Jeremy Bridglalsingh	Executive Director and CEO	11 January 2017 to present
Angus Winther	Non-Executive Director	11 January 2017 to 27 June 2023
James Menzies	Independent Non-Executive Director	23 June 2017 to present
Derek Hudson	Independent Non-Executive Director	14 September 2021 to present
Kaat Van Hecke	Independent Non-Executive Director	22 February 2022 to present
Jonathan Cooper	Independent Non-Executive Director	8 August 2023 to present
Julian Kennedy	Executive Director and CFO	8 August 2023 to present

The Directors who held office at 31 December 2023 had the following interests in the ordinary shares in the capital of the Company which amounted to 1.20% of the Group's total issued share capital:

	No. of Consolidated Ordinary Shares – USD 0.01 2023	No. of Consolidated Ordinary Shares – USD 0.01 2022
Jeremy Bridglalsingh	**319,463**	319,463
James Menzies	**115,000**	115,000
Nicholas Clayton	**30,000**	30,000
TOTAL	**464,463**	464,463

Notes:

Shares figures shown for both 2023 and 2022 are post 2021 share consolidation.

Directors' Report (continued)

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act 2006 and related legislation. The Articles of Association may be amended by special resolution of the shareholders. The powers of Directors are described in the main Board's terms of reference, copies of which are available on request, and the Corporate Governance Statement on page 21.

Directors' share options/LTIPs

Details of Directors' share options/LTIPs are provided in the Directors' Remuneration Report on pages 33 to 41.

Directors' Indemnities

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors which were made during the period and remain in force at the date of this Report.

Political contributions

The Group has made no political contribution to any source during both the current and preceding years.

HSSE

In 2023 the Group continued to evolve its HSSE strategies and standards through lessons learnt from previous years and improve our base performance as the Group increases operational activity.

The Share Dealing Code

The Group has adopted a code on dealings in securities which the Board regards as appropriate for an AIM listed company and is compliant with the Market Abuse Regulations. The Group takes all reasonable steps to ensure compliance by Directors, employees and agents with the provisions of the AIM rules relating to dealings in securities.

Financial Risk Management

Details on the Group's exposure to risk on price, liquidity and cash flows are addressed under Risk Management and Internal Controls on pages 16 to 18.

Likely Future Developments

Future development plans have been addressed in the Strategic Report on pages 1 to 18.

Independent Auditors

At the AGM held in June 2023, the Shareholders approved the re-appointment of BDO as the auditors of the Group. Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Group's auditors are unaware; and
- the Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the CA 2006.

Amanda Bateman
For and on behalf of AMBA Secretaries Limited
Company Secretary

22 May 2024

Statement of Directors' Responsibilities in respect of the Financial Statements

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

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

In preparing these financial statements, the directors are required to

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

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

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

On behalf of Board

Nicholas Clayton
Non-Executive Chair
22 May 2024

Independent Auditor's Report
to the members of Trinity Exploration & Production Plc

Opinion on the financial statements

In our opinion:

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

We have audited the financial statements of Trinity Exploration & Production plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 December 2023 which comprise the consolidated and company statements of financial position, the consolidated statement of comprehensive income, the consolidated and company statement of cash flows, the consolidated and company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- We have obtained an understanding of the impact of oil price on the Group to date, discussed the risks and uncertainties with Management. We challenged Management's assessment of the potential risks and uncertainties associated with the global economic environment including the impact on the labour force, supply chain, oil prices and access to finance, concluding that it is accurate based on past experience and external forecasts (oil prices).
- We have obtained Management's assessment and supporting cash flow forecast and performed a detailed review of the calculation including a check of arithmetical accuracy, as well as challenging the key operating assumptions based on empirical data and external data, where possible.
- We have assessed the going concern forecast for its consistency against approved budgets and Field Development Plans and the consistency with the impairment models, as applicable. We have performed a retrospective analysis of costs and capital expenditure for FY2023 against previous budgets to assess forecasting accuracy and investigate variances against budget to satisfy ourselves that the underlying cost estimates are appropriate.
- We have performed sensitivity analysis on key assumptions included within the cash flow forecast to understand the impact on headroom.
- We reviewed the adequacy and completeness of disclosures in the financial statements in respect of going concern.

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

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

Overview			
Coverage	*100% (2022:95%) of Group gross profit before tax* *100% (2022: 100%) of Group revenue* *99% (2022: 99%) of Group total assets*		
Key audit matters		**2023**	2022
	Carrying value of oil and gas assets	**Yes**	Yes
	Carrying value of exploration and evaluation assets	**Yes**	Yes
Materiality	*Group financial statements as a whole* *$1,040,000 (2022: $1,150,000) based on 1.5% (2022: 1.25%) of total revenue*		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

In approaching the audit, we considered how the Group is organised and managed. We assessed there to be three significant components, being the Parent Company (Trinity Exploration & Production plc), Trinity Exploration and Production (Galeota) Limited and Oilbelt Services limited.

The Parent Company and both the significant operating components are based in Trinidad and Tobago and were subject to a full scope audit which is consistent with the prior year. The audits of the Trinidad & Tobago significant operating components were performed in Trinidad & Tobago by a local BDO network member firm. The audits of the Parent Company and the Group consolidation were performed in the United Kingdom by the Group audit team.

The remaining components of the Group were considered non-significant, and these components were principally subject to analytical review procedures performed by the Group audit team.

Our involvement with component auditors

For the work performed by component auditors, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. Our involvement with component auditors included the following:

- Detailed Group reporting instructions were sent to the component auditor, which included the significant areas to be covered by the audits (including areas that were considered to be key audit matters as detailed below) and set out the information to be reported to the Group audit team.
- The Group audit team was actively involved in the direction of the audits performed by the component auditor for Group reporting purposes, along with the consideration of findings and determination of conclusions drawn.
- The Group audit team reviewed the component auditor's work papers remotely from the UK, attended planning and clearance meetings for the significant components and engaged with the component auditor during their fieldwork and completion phases.
- The Group audit team performed procedures in respect of significant risk areas that included key audit matters in addition to procedures performed by the component auditor.

Independent Auditor's Report (continued)

Our oversight of the component teams included maintaining a continuous and open dialogue, as well as holding formal meetings to ensure that we were fully aware of their progress and the results of their procedures.

Key audit matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of oil and gas assets (please refer note 13) *Under IAS 36,* Management is required to carry out an assessment for any indicators on the Group's oil and gas assets at each reporting date and, if potential indicators of impairment are identified, Management are required to perform a full assessment of the recoverable value of the oil and gas assets in accordance with the requirements of the relevant accounting standard. Management carried out an impairment test which has culminated in an impairment of $1.5m being recognised in respect of the Brighton, FZ-2, and PS-4. Given materiality of oil and gas assets in the context of the Group's balance sheet, coupled with the judgements involved in determining if indicators of impairments exist and estimates involved in estimating if the carrying value is supportable, also the appropriateness of disclosures related to the impairment charge and sensitivities associated with alternative potential inputs into the model, we have considered this to be a key audit matter.	We obtained and examined Management's impairment indicator paper to assess the appropriateness of their conclusion that potential indicators of impairment were present. We then obtained Management's impairment paper and models and challenged these as below. We assessed the appropriateness of Management's determination of each cash generating unit (CGU) in order to determine if the conclusions were in line with the relevant accounting standard. We obtained Management's discounted cash flow models (VIU) and performed data integrity and arithmetical checks on the models. We determined whether the basis of preparation of the models were in line with the applicable accounting standard, our expectations and valuation methodology. We compared the actual performance of the CGUs during 2023 to budgets for the period in order to assess the quality of Management's forecasting. We challenged the model (prepared as discounted cash flows) focussing on the appropriateness of estimates with reference to empirical data and external evidence with specific emphasis on the following assumptions: oil prices, reserves, production levels, unit costs and discount rate. We benchmarked forecast oil prices to current price curves, empirical data and market analysis. We assessed the consistency of production profiles and capital expenditure forecasts against the Group's Field Development Plans, approved budgets, external reserves engineer decline rates, and met with operational Management to inform our assessment and understanding of these plans and budgets. With the assistance of our internal valuation experts, we reperformed the WACC calculation received from Management and assessed the reasonableness of key inputs. These included the risk premiums which could be tied to third party data and wider equity analysis. We recalculated the $1.5m impairment recognised, being the difference. between the asset carrying value and the net realisable value determined in the impairment model. We reviewed the disclosures in the financial statements regarding key assumptions and sensitivity of the carrying value to reasonable changes in such assumptions to check that were in accordance with the requirements of the relevant accounting standard. **Key observations:** Based on the procedures performed, we found Management's assessment of the carrying value of producing oil and gas assets to be supported by the underlying models and the judgements and estimates applied reasonable.

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of exploration & evaluation assets (refer Note 15) For assets classed as E&E, Management are required to perform an assessment of whether there are any impairment indicators in accordance with IFRS 6 Exploration for the Evaluation of Mineral Resources. If any indicators exist then a full impairment review will be required. This impairment review must be in accordance with IAS 36. The recoverability of E&E assets depends upon a number of factors common to the oil and gas sector, including the extent to which a company can establish field development plan, the ability of the company to obtain necessary financing to complete the development of such reserves and future profitable production or proceeds from the disposal thereof. Management has carried out an impairment test which has culminated in an impairment of $11.7m being recognised in respect of PS4 – Acquisition costs as well as PS4 – Jacobin well. Given the significant degree of judgment involved in assessing E&E assets for impairment indicators we consider this a key audit matter for our audit.	We reviewed Management's impairment indicator assessment and considered whether there are any of the indicators of impairment in line with criteria set out under IFRS 6. We checked this assessment with reference to results of exploration work performed in the year, future planned expenditure and publicly available information. We verified a sample of capitalised costs and assessed the nature of the costs capitalised under the accounting policy to evaluate whether they meet capitalisation criteria under IFRS 6. We reviewed the existence of licences and checked the Group's compliance with terms of these licences. For Galeota, we challenged Management whether the continued delay to development should be considered to be an indicator of impairment in itself. We have considered the new strategy to redevelop the existing assets and further the E&E activity and consider this appropriately held under IFRS 6; and We reviewed the board minutes during the year, as well as post year-end, assessing Management's intention to continue the Galeota Development and the budget for future capital expenditure. This included challenging management on whether the re-assessment of the field development plan was considered to be an indicator of impairment. We also reviewed the strategic plans for the Jacobin well and PS-4 related capitalised costs for any indicators of impairment. We reviewed and considered the proposed disclosure in the financial statements in accordance with the requirements of IFRS 6. **Key observations:** Based on the procedures performed, we found Management's assessment of the carrying value of exploration and evaluation assets to be supported by the underlying models and the judgements and estimates applied reasonable.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Independent Auditor's Report (continued)

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		**Parent company financial statements**	
	2023	2022	**2023**	2022
Materiality	$1,040,000	$1,150,000	$360,000	$410,000
Basis for determining materiality	1.5% of Total revenue	1.25% of Total revenue	1.5% of Total assets (However capped at 35% of Group)	1.25% of Total assets (However capped at 35% of Group)
Rationale for the benchmark applied	Materiality has been based on total revenue. The Group is in the growth phase with primary focus on generating revenue reflecting the overall performance of the business.	The benchmark reflects The Group's primary focus on generating sustainable growth in revenue through increasing production volume.	Set at an allocation of The Group materiality given the assessment of aggregation risk.	Set at an allocation of The Group materiality given the assessment of aggregation risk.
Performance materiality	$720,000	$750,000	$252,000	$266,500
Basis for determining performance materiality	70% of the above materiality level.	65% of the above materiality level.	70% of the above materiality level.	65% of the above materiality level.
Rationale for the percentage applied for performance materiality	We considered several factors, including the expected total value of known and likely misstatements, and management's attitude towards proposed adjustments and our knowledge of the Group and Parent Company's internal controls.	65% of the above materiality level based on expected level of known and likely misstatements and management's attitude towards proposed adjustments. Performance materiality was reduced to reflect an increased risk as the Group was subjected to a Cyber-attack during the year.	We considered several factors, including the expected total value of known and likely misstatements and our knowledge of the Group and Parent Company's internal controls.	65% of the above materiality level based on expected level of known and likely misstatements and management's attitude towards proposed adjustments. Performance materiality was reduced to reflect an increased risk as the Group was subjected to a Cyber-attack during the year.

Component materiality

For the purposes of our Group audit opinion, we set materiality for each significant component of the Group, based on a percentage of between 35% and 100% (2022: 36% and 90%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from $360,000 to $1,040,000 (2022: $410,000 to $1,035,000). In the audit of each component, we further applied performance materiality levels of 70% (2022: 65%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of $20,000 (2022: $23,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative ground.

Other information

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement on page 45, the Directors are responsible for preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

We obtained an understanding of the legal and regulatory framework applicable to the Group. We considered the associated oil & gas, environmental and taxation laws and regulations of Trinidad & Tobago to be the most relevant to the audit given the Geographical areas of focus of the Group.

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Discussion with management, the Audit Committee, the Component auditors and Component management.

We considered the significant laws and regulations to be elements of the applicable accounting framework, tax legislations, Companies Act 2006, Corporate and VAT legislation, Employment Taxes, Health Safety and the Bribery Act 2010, Petroleum Act 1969, Occupational Safety & Health Act 2004 (Trinidad laws and regulations). and the QCA corporate governance code.

Independent Auditor's Report (continued)

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be environmental regulations and the health and safety legislation.

Our procedures in respect of the above included:

- Reviewing RNS announcements and minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Holding discussions with Management and the Audit Committee to consider any known or suspected instances of non-compliance with laws and regulations, or fraud; and
- Reviewing Management's correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Making enquiries with Management and the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Reviewing minutes from Board meetings of those charged with governance and RNS announcements for any known or suspected instances of fraud;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the area's most susceptible to fraud to be management override of controls, revenue recognition and management bias regarding the following key accounting estimates and judgements:

- Provision for decommissioning costs;
- Estimation of reserves
- Impairment of Oil and Gas assets
- Impairment of Exploration and Evaluation assets
- Recoverability of deferred tax assets.

Our procedures included:

- We have reviewed the control environment surrounding journals and assessed the posting and approval of the journals. This included understanding the integrity of the data as well as testing the underlying journal data for completeness and accuracy.
- We have audited and verified specific and unusual journal entries made during the year, agreeing these to supporting documentation. Based on understanding of the Group, we have determined key risk characteristics to filter the population of journals – e.g. entries to revenue, entries to cash, credit entries to the P&L;
- We have challenged the journal entries which were made to unusual account combinations and those outside the normal course of business by testing key expenses to Group's approved supplier list.
- We have introduced an element of random testing into our audit strategy to introduce unpredictability in our approach;
- We have critically reviewed the consolidation and obtained evidence supporting the validity of significant manual or late journals posted at consolidated level.
- We have assessed and challenged key estimates and judgements applied by Management in the financial statements to assess their appropriateness under ISA 540 and the existence of any systematic bias;
- We have reported unadjusted misstatements that we identified during the audit, that exceeded the level of triviality. We have assessed the extent to which the unadjusted errors indicate material bias that may be reflective of manipulation of results or KPIs.
- We have obtained an understanding of each material revenue stream and related controls, accounting policies and procedures.
- We have reviewed the terms of the sales arrangement with Heritage Petroleum Company Limited to assess the appropriateness of revenue recognition policies and review the Group's accounting treatment to ensure it is in line with IFRS 15 Revenue from Contracts with Customers.
- We have verified existence of sales throughout the year to cash and supporting documentation to confirm volume and pricing, together with evidence (custody tickets) regarding the transfer of control and ensured the revenue is recognised in the correct period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including component engagement teams who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Matt Crane

Matt Crane
(Senior Statutory Auditor)

For and on behalf of BDO LLP,
Statutory Auditor
London, UK

22 May 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2023

(Expressed in United States Dollars)	Note	2023 $'000	2022 $'000
Revenues			
Crude oil sales	4	**69,819**	92,232
Other income		**7**	7
		69,826	92,239
Operating Expenses			
Royalties		**(20,864)**	(30,091)
Production costs		**(22,402)**	(19,242)
General & Administrative ("G&A") expenses		**(7,375)**	(7,181)
Covid-19 expenses*		**–**	(579)
Depreciation, Depletion & Amortisation ("DD&A")	13-15	**(8,935)**	(7,617)
Share Option Expense ("SOE")		**(528)**	(647)
Foreign exchange ("FX") loss		**(65)**	(394)
Impairment losses on financial assets ("ILFA")/ net reversal		**(64)**	46
Derivative expenses	6	**–**	(10,446)
Fair value income derivative instruments	6	**–**	2,883
		(60,233)	(73,268)
Operating Profit before Supplemental Petroleum Taxes ("SPT")		**9,593**	18,971
SPT		**(5,697)**	(9,012)
Operating Profit before Impairment, Exceptional items and Decommissioning reduction		**3,896**	9,959
Impairment	8	**(13,462)**	(6,050)
Exceptional items	7	**(307)**	(161)
Decommissioning reduction	7	**2,508**	–
Operating (Loss)/Profit		**(7,365)**	3,748
Finance income	9	**50**	48
Finance costs	9	**(2,214)**	(1,339)
(Loss)/Profit Before Income Taxation		**(9,529)**	2,457
Income taxation credit/(charge)	10	**2,725**	(2,344)
(Loss)/Profit for the year		**(6,804)**	113
Other Comprehensive Income/(Expense)			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation of foreign operations		**1**	(20)
Total Comprehensive (Loss)/Income for the year		**(6,803)**	93
Earnings per share (expressed in dollars per share)			
Basic	11	**0.0**	0.0
Diluted	11	**0.0**	0.0

* Covid-19 expenses have been reclassified as Operating Expenses.

Consolidated Statement of Financial Position
at 31 December 2023

(Expressed in United States Dollars)	Note	2023 $'000	2022 $'000
ASSETS			
Non-current Assets			
Property, plant and equipment	13	**35,188**	44,987
Right-of-Use ("ROU") assets	14	**312**	838
Intangible assets	15	**31,399**	33,537
Abandonment fund	16	**4,962**	4,511
Performance bond	17	**606**	602
Deferred tax assets ("DTA")	18	**15,703**	12,465
		88,170	96,940
Current Assets			
Inventories	19	**3,916**	4,615
Trade and other receivables	20	**11,709**	10,560
Taxation recoverable		**509**	231
Cash and cash equivalents	22	**9,819**	12,131
		25,953	27,537
Total Assets		**114,123**	124,477
EQUITY AND LIABILITIES			
Capital and Reserves Attributable to Equity Holders			
Share capital	23	**399**	399
Share based payment reserve	25	**2,812**	2,990
Reverse acquisition reserve	26	**(89,268)**	(89,268)
Translation reserve		**(1,666)**	(1,667)
Treasury shares	24	**(1,553)**	(1,522)
Retained earnings		**138,321**	145,199
Total Equity		**49,045**	56,131
Non-current Liabilities			
Lease liability	14	**137**	341
Deferred tax liabilities ("DTL")	18	**1,862**	1,940
Provision for other liabilities	28	**45,076**	52,460
Employee benefits		**31**	23
		47,106	54,764
Current Liabilities			
Trade and other payables	29	**13,094**	10,045
Bank overdraft	30	**4,000**	2,700
Lease liability	14	**208**	584
Provision for other liabilities	28	**622**	249
Dividend payable	21	**5**	–
Taxation payable		**43**	4
		17,972	13,582
Total Liabilities		**65,078**	68,346
Total Equity and Liabilities		**114,123**	124,477

The financial statements on pages 54 to 101 were authorised for issue by the Board of Directors on 22 May 2024 and were signed on its behalf by:

Jeremy Bridglalsingh
Director

22 May 2024

Company Statement of Financial Position
at 31 December 2023

(Expressed in United States Dollars)	Note	2023 $'000	2022 $'000
ASSETS			
Non-current Assets			
Investment in subsidiaries	12	**61,342**	60,864
Current Assets			
Trade and other receivables	20	**259**	233
Intercompany	20	**4,567**	2,830
Cash and cash equivalents	22	**1,194**	2,102
		6,020	5,165
Total Assets		**67,362**	66,029
EQUITY AND LIABILITIES			
Capital and Reserves Attributable to Equity Holders			
Share capital	23	**399**	399
Share based payment reserve		**3,596**	3,775
Merger reserves		**6,552**	6,552
Treasury shares	24	**(1,553)**	(1,522)
Retained earnings		**41,635**	43,529
Total Equity		**50,629**	52,733
Current Liabilities			
Trade and other payables	29	**678**	565
Intercompany	31	**16,050**	12,731
Dividend payable		**5**	–
		16,733	13,296
Total Liabilities		**16,733**	13,296
Total Equity and Liabilities		**67,362**	66,029

The Company has elected to take the exemption under section 408 of the Companies Act 2006, to not present the Statement of comprehensive income. The net loss for the parent company was $1.9 million (2022: $9.4 million).

The financial statements on pages 54 to 101 were authorised for issue by the Board of Directors on 22 May 2024 and were signed on its behalf by:

Jeremy Bridglalsingh
Director

22 May 2024

Trinity Exploration & Production plc
Registered Number: 07535869

Consolidated Statement of Changes in Equity
for the year ended 31 December 2023

Year ended 31 December 2022	Share Capital $'000	Share Based Payment Reserve $'000	Reverse Acquisition Reserve $'000	Treasury Shares $'000	Translation Reserve $'000	Retained Earnings $'000	Total Equity $'000
At 1 January 2022	389	3,784	(89,268)	–	(1,650)	143,666	56,921
Issue of shares	10	–	–	–	–	–	10
LTIPs lapsed (Note 25)	–	(1,416)	–	–	–	1,416	–
Share based payment expense (Note 25)	–	622	–	–	–	–	622
Treasury shares acquired (Note 24)	–	–	–	(1,522)	–	–	(1,522)
Translation adjustment	–	–	–	–	3	4	7
Profit for the year	–	–	–	–	–	113	113
Other comprehensive income/ (expense)							
Exchange differences on translation of foreign operations	–	–	–	–	(20)	–	(20)
Total comprehensive income for the year	–	–	–	–	(20)	113	93
At 31 December 2022	**399**	**2,990**	**(89,268)**	**(1,522)**	**(1,667)**	**145,199**	**56,131**

Year ended 31 December 2023	Share Capital $'000	Share Based Payment Reserve $'000	Reverse Acquisition Reserve $'000	Treasury Shares $'000	Translation Reserve $'000	Retained Earnings $'000	Total Equity $'000
At 1 January 2023	399	2,990	(89,268)	(1,522)	(1,667)	145,199	56,131
Share options exercised/lapsed	–	(698)	–	–	–	698	–
Share based payment expense (Note 25)	–	520	–	–	–	–	520
Treasury shares acquired	–	–	–	(566)	–	–	(566)
Treasury shares issued	–	–	–	535	–	(535)	–
Dividends						(236)	(236)
Translation adjustment	–	–	–	–	–	(1)	(1)
Loss for the year	–	–	–	–	–	(6,804)	(6,804)
Other comprehensive income/ (expense)							
Exchange differences on translation of foreign operations	–	–	–	–	1	–	1
Total comprehensive loss for the year	–	–	–	–	1	(6,804)	(6,803)
At 31 December 2023	**399**	**2,812**	**(89,268)**	**(1,553)**	**(1,666)**	**138,321**	**49,045**

Company Statement of Changes in Equity
for the year 31 December 2023

Year ended 31 December 2022	Share Capital $'000	Share Based Payment Reserve $'000	Merger Reserves $'000	Treasury Shares $'000	Retained Earnings $'000	Total Equity $'000
At 1 January 2022	389	4,569	6,552	–	51,526	63,036
Issue of shares	10	–	–	–	–	10
Share based payment charge (Note 25)	–	622	–	–	–	622
Share options exercised/lapsed (Note 25)	–	(1,416)	–	–	1,416	–
Treasury shares (Note 24)	–	–	–	(1,522)	–	(1,522)
Total comprehensive loss for the year	–	–	–	–	(9,413)	(9,413)
At 31 December 2022	**399**	**3,775**	**6,552**	**(1,522)**	**43,529**	**52,733**

Year ended 31 December 2023	Share Capital $'000	Share Based Payment Reserve $'000	Merger Reserves $'000	Treasury Shares $'000	Retained Earnings $'000	Total Equity $'000
At 1 January 2022	399	3,775	6,552	(1,522)	43,529	52,733
Share options exercised	–	(698)	–	–	698	–
Share based payment expense (Note 25)	–	519	–	–	–	519
Treasury shares acquired (Note 24)	–	–	–	(566)	–	(566)
Treasury shares issued (Note 24)	–	–	–	535	(535)	–
Dividends	–	–	–	–	(236)	(236)
Total comprehensive loss for the year	–	–	–	–	(1,821)	(1,821)
At 31 December 2023	**399**	**3,596**	**6,552**	**(1,553)**	**41,635**	**50,629**

Consolidated Statement of Cash Flows
for the year 31 December 2023

(Expressed in United States Dollars)	Note	2023 $'000	2022 $'000
Operating Activities			
(Loss)/Profit before taxation		**(9,529)**	2,457
Adjustments for:			
Foreign exchange ("FX") loss		**65**	394
Finance cost – loans and interest	9	**137**	229
Finance income	9	**(50)**	(48)
Finance cost – decommissioning provision	28	**2,077**	1,110
Share-based payment expense		**528**	647
DD&A	13-15	**8,935**	7,617
Loss on disposal		**15**	–
Impairment/ (net reversal) of financial assets		**64**	(46)
Inventory impairment		**–**	334
Impairment of exploration and evaluation assets		**11,766**	–
Impairment of property, plant and equipment	13	**1,542**	5,558
Fair value gain on derivative financial instruments		**–**	(2,883)
Other impairments	13	**147**	158
Net release of decommissioning costs		**(2,508)**	–
		13,189	15,527
Changes In Working Capital			
Inventories	19	**699**	(1,129)
Trade and other receivables	16,20	**(1,664)**	(376)
Trade and other payables	28,29	**1,822**	1,353
		857	(152)
Income taxation paid		**(831)**	(3,390)
Net Cash Inflow from Operating Activities		**13,215**	11,985
Investing Activities			
Purchase of exploration and evaluation ("E&E") assets and investment in research & development	15	**(8,972)**	(388)
Purchase of computer software	15	**(492)**	(102)
Purchase of property, plant and equipment	13	**(5,917)**	(15,016)
Performance bond		**–**	(130)
Net Cash Outflow from Investing Activities		**(15,381)**	(15,636)
Financing Activities			
Finance income		**50**	48
Finance cost		**(50)**	(94)
Proceeds from the issue of shares		**0**	10
Principal paid on lease liability		**(589)**	(536)
Interest paid on lease liability		**(86)**	(135)
Dividends paid		**(231)**	–
Acquisition of treasury shares		**(566)**	(1,522)
Bank overdraft		**1,300**	–
Net Cash Outflow from Financing Activities		**(172)**	(2,229)
Decrease in Cash and Cash Equivalents		**(2,338)**	(5,880)
Cash and Cash Equivalents			
At beginning of year		**12,131**	18,312
Effects of foreign exchange rates differences on cash		**26**	(301)
Decrease in Cash and Cash equivalents		**(2,338)**	(5,880)

Company Statement of Cash Flows
for the year 31 December 2023

At end of year	22	**9,819**	12,131

(Expressed in United States Dollars)	Note	**2023 $'000**	2022 $'000
Operating Activities			
Loss before taxation		**(1,821)**	(9,413)
Adjustments for:			
Foreign exchange ("FX") loss		**(22)**	306
Finance income		**(164)**	(156)
Share based payment charge		**41**	107
Impairment loss/ (net reversal) on financial assets		**129**	(14)
Fair value loss on derivative financial instruments		**–**	(2,883)
		(1,837)	(12,053)
Changes In Working Capital			
Trade and other receivables		**(1,893)**	521
Trade and other payables		**3,432**	12,188
		1,539	12,709
Taxation Paid		**–**	–
Net Cash (Outflow)/ Inflow from Operating Activities		**(298)**	656
Financing Activities			
Finance income		**164**	156
Issue of shares		**0**	10
Dividends paid		**(231)**	–
Treasury shares		**(566)**	(1,522)
Net Cash Outflow from Financing Activities		**(633)**	(1,356)
Decrease In Cash and Cash Equivalents		**(931)**	(700)
Cash and Cash Equivalents			
At beginning of year		**2,102**	3,108
Effects of foreign exchange rates differences on cash		**23**	(306)
Decrease Cash and Cash equivalents		**(931)**	(700)
At End of Year	22	**1,194**	2,102

Notes to the Consolidated Financial Statements
31 December 2023

1 Background and Summary of significant accounting policies

The principal accounting policies applied in the preparation of this consolidated financial information are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for Trinity Exploration & Production plc ("Trinity" or "the Company" or "Parent") and its subsidiaries (together "the Group").

Background

Trinity is an independent energy company limited by shares and listed on the Alternative Investment Market ("AIM") market of the London Stock Exchange ("LSE"). The Company is incorporated and domiciled in England and the address of the registered office is c/o Pinsent Masons LLP 1 Park Row, Leeds LS1 5AB, United Kingdom ("UK"). The Group is involved in the exploration, development and production of oil reserves in Trinidad & Tobago ("T&T").

Basis of preparation

The Group's and Company's financial statements have been prepared and approved by the Board of Directors ("Board") in accordance with international accounting standards as adopted in the United Kingdom.

The preparation of the consolidated financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the Board and Executive Management Team ("EMT") (together "Management") to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial information, are disclosed in Note 3: Critical Accounting Estimates and Assumptions.

The Company has taken advantage of the exemption in Section 408 of the Companies Act 2006 not to present its own income statement or Statement of Comprehensive Income. The loss for the Company for the year was $1.9 million (2022: $9.4 million loss).

Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, except certain financial assets and liabilities (including derivative financial instruments) – which are measured at fair value through the Consolidated Statement of Comprehensive Income. Accounting policies have been applied consistently, other than where a new accounting policy has been adopted.

Going Concern

The Board adopted the going concern basis in preparing these consolidated financial statements.

In making their going concern assessment, the Board have considered the Group's current financial position, budget and cash flow forecast. The going concern assessment has considered the current operating environment and the potential impact of the volatility of the oil price.

The Group started 2024 with a stable operating and financial position; 2023 average production of 2,790 barrels of oil per day ("bopd"), (2022 2,975 bopd), and cash and short-term investments of $9.8 million as at 31 December 2023 (2022: $12.1 million). The Group's base case going concern assessment is based upon management's best estimate of forward commodity price curves and uses production in line with approved asset plans. The base case forecast was prepared with consideration of the following:

- Future oil prices are assumed to be in line with the forward curve prevailing as at 2 April 2024. The forward price curve applied in the cash flow forecast starts at a realised price of $75.3/bbl in April 2024, fluctuating each month down to $69.7/bbl in December 2024 through to $65.5/bbl in December 2025.
- Average forecast production for the years to December 2023 and December 2024 are in line with the Group's asset development plans, with production being maintained by RCPs, WOs and swabbing activities;
- No SPT is assumed to be incurred on both onshore and offshore assets in 2024 or 2025, as the forecast realised price is below $75.0/bbl;
- Trinity continuing to progress various growth and business development opportunities; and
- No derivative instruments being put in place for 2024.
- No drawdown of working capital overdraft facility

Notes to the Consolidated Financial Statements

Management considers this is a reasonable base scenario, reflecting a prudent outlook for the future oil price, production profile and costs. The cash flow forecast showed that the Group will remain in a strong financial position for at least the next twelve months, and as such being able to meet its liabilities as they fall due.

Management has considered a separate stressed scenario including:

- the effect of reductions in Brent oil prices at $60.0/bbl being sustained across the forecast period, noting that the base case pricing is in line with market prices; and
- the compounded impact of a reduction in production by 10%.

The stressed case cash flow forecast allows for the impact of mitigating actions that are within the Group's control which include:

- Reducing non-core and discretionary opex and administrative costs across the forecast period.
- Reducing discretionary capital expenditure and capital returns over the forecast period.

All reasonably plausible forecasts demonstrate that the Group's cash balances are maintained under such scenarios and as such are sufficient to meet the Group's obligations as they fall due.

As a result, at the date of approval of the financial statements, the Board have a reasonable expectation that the Group has sufficient and adequate resources to continue in existence for at least twelve months post approval of these financial statements and is poised for continued growth. For this reason, the Board have concluded it is appropriate to continue to adopt the going concern basis of accounting in the preparation of the consolidated and company financial statements.

The directors of Trinity Exploration & Production Plc have received a letter of support from Trinity Exploration and Production Services Limited confirming that they will not recall related party balances and any loan to the Company for a period of not less than twelve months from the date of signing of Company's statutory accounts unless the Company can repay the related party balances and loan.

Changes in accounting policies

(a) New standards, interpretations and amendments adopted from 1 January 2023:

The following amendments are effective for the period beginning 1 January 2023:

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements); Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors); Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes); and
- International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 Income Taxes) (effective immediately upon the issue of the amendments and retrospectively).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2023. There is no impact to the 2023 accounts.

(b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2024:

- Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements);
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements); and
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures)

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)

The Group is currently assessing the impact of these new accounting standards and amendments. The Group does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities, as the conversion feature in its convertible debt instruments is classified as an equity instrument and therefore, does not affect the classification of its convertible debt as a non-current liability. The Group does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Group.

Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the subsidiaries listed in Note 12. The financial information incorporates the financial information of the Group made up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Comprehensive Income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the Statement of Comprehensive Income. Costs related to an acquisition are expensed as incurred.

Uniform accounting policies have been adopted across the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Share-based payments

The Group operates a number of equity-settled, share-based compensation plans comprised of Long-Term Incentive Plans ("LTIPs") as consideration for services rendered by the Group's employees. The fair value of the services received in exchange for the grant of share-based payments is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options or LTIP awards granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of share-based payments that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options or LTIP awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Consolidated Statement of Comprehensive Income, with a corresponding adjustment to equity. When the options are exercised, the Group issues new shares or utilises shares held in Treasury. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the Company of options and LTIPs over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Employee Benefit Trust

The Group established the Trinity Exploration and Production plc Employee Benefit Trust, which is consolidated in accordance with the principles in Note 1 – Basis of consolidation. When the options are exercised, the trust transfers the appropriate amount of shares to the employee. The proceeds received, net of any directly attributable transaction costs, are credited directly to equity.

Cash-settled share-based payments

The Group operates a cash-settled share-based plan comprised of reference shares as consideration for services rendered by the Group's employees.

Cash-settled share-based payments result in the recognition of a liability, which is an obligation to make a payment in cash or other assets, based on the price of the underlying equity instrument. At each reporting date, and ultimately at the settlement date, the fair value of the recognised liability is remeasured. Remeasurement applies to the recognised portion of the liability through to vesting date. The full amount is remeasured from vesting date to settlement date. The cumulative net cost and amounts recognised in profit or loss that will ultimately be recognised in respect of the transaction will be equal to the amount paid to settle the liability.

Notes to the Consolidated Financial Statements (continued)

Foreign currency translation

(a) Functional and presentation currency

Company: The functional and presentation currency of the Company is United States Dollars ("USD" or "$").

Group: The functional currencies of the Group operating entities are Trinidad & Tobago Dollars ("TTD") and United States dollars as these are the currencies of the primary economic environment in which the entities operate. The presentation currency is USD which better reflects the Group's business activities and improves the ability of users of the consolidated financial statements to compare financial results with others in the international Oil and Gas industry. The Consolidated Statement of Financial Position is translated at the closing rate and Consolidated Statement of Comprehensive Income is translated at the average rate from both USD and Great British Pound ("GBP" or "£") currencies. The following exchange rates have been used in the preparation of these financial statements:

	2023		2022	
	$	**£**	$	£
Average rate TTD = $/£	**6.750**	**8.397**	6.754	8.357
Closing rate TTD = $/£	**6.716**	**8.550**	6.742	8.146

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. FX gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the consolidated Statement of Comprehensive Income. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in the consolidated Statement of Comprehensive Income as part of the fair value gain or loss and translation differences on non-monetary assets.

(c) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Consolidated Statement of Financial Position
- income and expenses for each Statement of Comprehensive Income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(d) Translation differences

Differences arising from retranslation of the financial statements at the year-end are recognised in the Translation reserve through "Other comprehensive income".

Intangible assets

(a) Exploration and Evaluation ("E&E") assets

i) Capitalisation

E&E assets are initially classified as intangible assets. Such costs include those directly associated with an exploration area. Upon discovery of commercial reserves capitalisation is recognised within Property, Plant and Equipment.

Oil and natural gas E&E expenditures are accounted for using the successful efforts method of accounting. Under this method, costs are accumulated on a prospect-by-prospect basis and capitalised upon discovery of commercially viable mineral reserves. If the commercial viability is not achieved or achievable, such costs are charged to expense.

Costs incurred in the E&E of assets includes*:*

- *Licence and property acquisition costs*

Exploration and property leasehold acquisition costs are capitalised within E&E assets.

- *E&E expenditure*

Costs directly associated with an exploration well are capitalised until the determination of reserves is evaluated. Such costs include topographical, geological, geochemical, and geophysical studies, exploratory drilling costs, trenching, sampling and activities in relation to evaluating the technical feasibility and commercial viability of extracting mineral resources. Capitalisation is made within property, plant and equipment or intangible assets according to its nature, although a majority of such expenditure is capitalised as an intangible asset. If commercial reserves are found, the costs continue to be carried as an asset. If commercial reserves are not found, E&E expenditures are written off as a dry hole when that determination is made.

Once commercial reserves are found, E&E assets are tested for impairment and transferred to development tangible and intangible assets as applicable. No depreciation and/or amortisation are charged during the E&E phase.

Where development costs have been capitalised and Management has determined a strategic change to focus on E&E activities in an asset, these costs are transferred from development costs to E&E assets in the period the strategic change was made. An Impairment assessment is performed prior to the transfer in accordance with IFRS 6 impairment guidance noted below.

ii) Impairment

E&E assets are tested for impairment (in accordance with the criteria set out in IFRS 6: Exploration for and Evaluation of Mineral Resources) whenever facts and circumstances indicate impairment. An impairment loss is recognised for the amount by which the E&E assets' carrying amount exceed their recoverable amount. The recoverable amount is the higher of the E&Es assets' Fair Value Less Costs of Disposal ("FVLCD") and their Value In Use ("VIU"). For the purposes of assessing impairment, the E&E assets subject to testing are grouped with existing Cash Generating Units ("CGU") of related production fields located in the same geographical region. The geographical region is the same as that used for reserves reporting purposes.

The following indicators are evaluated to determine whether these assets should be tested for impairment:

- The period for which the Group has the right to explore in the specific area has lapsed.
- Whether substantive expenditure on further E&E in the specific area is budgeted or planned.
- Whether E&E in the specific area have not led to the discovery of commercially viable quantities and the Company has decided to discontinue such activities in the specific area; and/or
- Whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

(b) Computer software

Computer software is initially recognised at cost once it is purchased. Internally generated software is capitalised once it is proven technological feasibility, probable future benefits, intent and ability to use the software, resources to complete the software, and ability to measure cost. It is amortised over its four-year useful life, based on pattern of benefits (straight-line is the default) and charge recognised under DD&A.

Notes to the Consolidated Financial Statements (continued)

Property, plant and equipment

(a) Oil & Gas Assets

i) Development and Producing Assets – Capitalisation

Development expenditures are costs incurred to obtain access to proven reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas. These costs include transfers from E&Es subsequent to finding commercially viable reserves, development drilling and new reserve type, infrastructure costs and development Geological and Geophysical ("G&G") costs. Acquisitions of oil and gas properties are accounted for under the acquisition method where the transaction meets the definition of a business combination.

Transactions involving the purchases of an individual field interest, or a group of field interests, that do not meet the definition of a business (and therefore do not apply business combination accounting) are treated as asset purchases, irrespective of whether the specific transactions involve the transfer of the field interests directly, or the transfer of an incorporated entity. Accordingly, the consideration is allocated to the assets and liabilities purchased on a relative fair value basis.

Proceeds on disposal are applied to the carrying amount of the specific asset or development and production assets disposed of. Any excess is recorded as a gain on disposal in the Consolidated Statement of Comprehensive Income and any shortfall between the proceeds and the carrying amount is recorded as a loss on disposal in the Consolidated Statement of Comprehensive Income.

Development expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development commercially proven wells is capitalised according to its nature. When development is completed on a specific field it is transferred to Production Assets. No depreciation and/or amortisation are charged during the development phase.

Expenditure on G&G surveys used to locate and identify properties with the potential to produce commercial quantities of oil and gas as well as to determine the optimal location for development wells are capitalised.

ii) Development and Producing Assets – Impairment

An impairment test is performed whenever events and circumstances arising during the development or production phase indicate that the carrying value of a development or production asset may exceed its recoverable amount. Impairment triggers include but are not limited to, declining long term market prices for oil and gas, significant downward reserve revisions, increased regulations or fiscal changes, market capitalisation being below net assets, deteriorating local conditions such that it become unsafe to continue operations) and obsolescence.

The carrying value is compared against the expected recoverable amount. The recoverable amount is the higher of an asset's FVLCD and the VIU. For the purposes of assessing impairment, assets are grouped at the lowest levels (its CGU) for which there are separately identifiable cash flows. The CGU applied for impairment test purposes is generally the field. These fields are the same as that used for reserves reporting purposes.

iii) Producing Assets – DD&A

The provision for DD&A of developed and producing Oil & Gas Assets are calculated using the unit-of-production method. Oil & Gas Assets are depreciated generally on a field-by-field basis using the unit-of-production method which is the ratio of oil and gas production in the period to the estimated quantities of commercial reserves at the end of the period plus the production in the period. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future development costs. Changes in the estimates of commercial reserves or future development costs are dealt with prospectively.

iv) Decommissioning asset and provisions

Provision for decommissioning is recognised in accordance with the contractual obligations at the commencement of oil and gas production. The amount recognised is the net present value of the estimated cost of decommissioning at the end of the economic producing lives of the wells and the end of the useful lives of refinery and storage units. Such costs include removal of equipment and restoration of land or seabed. The unwinding of the discount on the provision is included in the Consolidated Statement of Comprehensive Income within finance costs.

A corresponding asset is also created at an amount equal to the provision. This is subsequently depleted as part of the capital costs of the production assets. Any change in the present value of the estimated expenditure or discount rates are reflected as an adjustment to the provision and the asset and dealt with prospectively.

Decommissioning provisions are updated at each balance sheet date for changes in the estimates of the amount or timing of future cash flows and changes in the discount rate. Changes to provisions that relate to the removal of an asset are added to or deducted from the carrying amount of the related asset in the current period. However, the adjustments to the asset are restricted. The asset cannot decrease below zero and cannot increase above its recoverable amount:

- if the decrease in provision exceeds the carrying amount of the asset, the excess is recognised immediately in profit or loss;
- adjustments that result in an addition to the cost of the asset are assessed to determine if the new carrying amount is fully recoverable or not. An impairment test is required if there is an indication that the asset may not be fully recoverable.

(b) *Non-Oil & Gas Assets*

All property, plant and equipment are recorded at historical cost less accumulated depreciation and any impairment losses. Historical cost includes the original purchase price of the asset and expenditure that is directly attributable to bringing the asset to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The provision for depreciation with respect to operations other than oil and gas producing activities is computed using the straight-line method based on estimated useful lives as follows:

Leasehold and buildings	20 years
Plant and equipment	4 years
Other	4 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate at each Statement of Financial Position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the Consolidated Statement of Comprehensive Income.

Repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing assets will flow to the Group. Major renovations such as leasehold improvements are depreciated over the remaining useful life of the related asset.

Impairment of non-financial assets

At each reporting date, assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's FVLCD and VIU. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Inventories

Crude oil is stated at the lower of cost and net realisable value. Cost is determined by the average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Materials and supplies used mainly in drilling wells, RCPs and WOs are stated at lower of cost and net realisable value. Cost is determined using the weighted average cost method.

Cash and Cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are amounts due from customers for crude oil sold in the ordinary course of business. They are generally due for settlement within thirty days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

Notes to the Consolidated Financial Statements (continued)

The Group applies the simplified approach to determine impairment of trade receivables. The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the historical default rates observed over the expected life of the receivable and adjusted forward-looking estimates. This is then applied to the gross carrying amount of the receivable to arrive at the loss allowance for the period.

Trade payables

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

Impairment of Financial Assets

The financial assets within the Group are subject to the Expected Credit Losses ("ECL") model. The Group applies the ECL model to trade receivables for sales of inventory and from the provision of consulting services as well as Intercompany receivables. While Cash and Cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(i) Trade receivables

The Group applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables.

Financial assets recognition of impairment provisions under IFRS 9 is based on the ECL model. The ECL model is applicable to financial assets classified at amortised cost and contract assets under IFRS 15: Revenue from Contracts with Customers. The measurement of ECL reflects an unbiased and probability weighted amount that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions. The Group applied the simplified approach to determine impairment of its trade and other receivables. The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the Group's historical default rates observed over the expected life of the receivables and adjusted forward looking estimates. This is then applied to the gross carrying amount of the receivables to arrive at the loss allowance for the period.

(ii) Intercompany receivables

The Company applies IFRS 9 through the recognition of ECL for intercompany positions. Intercompany positions eliminate in the consolidated financial statements. In measurement of the ECL, IFRS 9 notes that the maximum period over which expected impairment losses is measured is the longest contractual period where the Company is exposed to credit risk. The three-stage general impairment model was used, Probability of Default ("PD") x Loss Given Default ("LGD") x Exposure at Default ("EAD"). Measurement of the ECL at a probability-weighted amount that reflects the possibility of a credit loss occurs, and the possibility that no credit loss occurs and even if the possibility of a credit loss occurring is low.

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in DTA and DTL attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, DTLs are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit/loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

DTA are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

DTL and DTA are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

DTA and DTL are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Property Tax ("PT")

From 2018 until 2020, PT had been recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Assessments were based on the Annual Rental Value ("ARV") of property. The Annual Taxable Value ("ATV") is the ARV subject to deductions and allowances in respect of voids and loss of rent multiplied by the respective PT rate. The PT rates applicable to the Group were industrial with building rates at 6% and industrial without building rates at 3%.

The Finance Act 2023 amendment waives PT accrued for past years up to 31 December 2023, and so no liability is now being recognised. Refer to note 3 (f).

Revenue recognition

IFRS 15 Revenue from Contracts with Customers requires that revenue is recognised by performance obligation, as or when each performance obligation is satisfied, and that variable elements of pricing are recognised and to the extent that it is not highly probable they will be reversed.

The Group has evaluated its customer contract with the Heritage Petroleum Company Limited ("Heritage"), to identify the performance obligations, the timing of the revenue recognition and the treatment of variable elements of pricing. Sales revenue represents the sales value of the Group's oil sold in the year.

Revenue associated with the sale of crude oil is measured based on the consideration specified in contracts with customers.

Revenue is recognised when control is transferred from the Group to its customer and the Group has the present right to payment. The transfer of control of crude oil coincides with title passing to the customer and the customer taking physical possession. Typically, payment for the sale of the oil is received by the end of the month following the month in which the sale is recognised.

Prices are based on prices determined by Heritage, with agreed contractual adjustments for quality. Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for oil and gas products in the normal course of business.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, where it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Notes to the Consolidated Financial Statements (continued)

Lease liabilities were measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the group's incremental borrowing rate. The lease payments are discounted using the Group's incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, Trinity received an indicative third-party lending rate from Central Bank of Trinidad and Tobago.

Right of use assets were initially measured at the amount of the lease liability. Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease.

The lease term can be described as the non-cancellable period of the lease plus periods covered by an option to extend or an option to terminate if the lessee is reasonably certain to exercise the extension option or not exercise the termination option.

Share capital

Ordinary shares are classified as equity. The nominal value of any shares issued is recognised in share capital with the excess above the nominal amount paid being shown within share premium.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity. Where, on issuing shares, share premium has been recognised, the expenses of issuing those shares and any commission paid on the issue of those shares have been written off against the share premium account.

Treasury Shares

Where any Group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received is included in equity attributable to the owners of the Company. Shares held by the Company are disclosed as treasury shares and deducted from equity.

Derivative financial Instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group has not applied hedge accounting and all oil price derivative financial instruments (categorised as Derivative Income/(Expenses)) are measured at fair value through profit and loss.

Financial assets at fair value through profit or loss are classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within twelve months, otherwise they are classified as non-current. Financial assets are derecognised when the rights to the cash flows expire, risks and rewards are transferred or control of the asset is transferred.

A financial liability is removed from the Statement of Financial Position only when it is extinguished; that is, when the obligation specified in the contract is discharged, cancelled or expired.

Investments

Investments are shown at cost less provision for any impairment in value. The Company performs impairment reviews in respect of investments whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. An impairment loss is recognised when the higher of the investment's net realisable value and fair value less cost of disposal is less than the carrying amount.

Exceptional Items

Exceptional items are disclosed separately in the consolidated financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are distinct from routine operations which are material items of income or expense that have been shown separately due to the non-recurring nature and in the significance of their nature or amount.

2 Financial Risk Management

Financial risk factors

The Group's activities expose it to a variety of financial risks. The Group's overall Risk Management program seeks to minimise potential adverse effects on the Group's financial performance.

Management is responsible for Group Risk Management and for identifying and evaluating financial risks.

(a) Market risk

(i) Foreign currency ("FX") risk

The Group is exposed to FX risk primarily with respect to the United States dollar. FX risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not the entity's functional currency.

Foreign currency sensitivity

The Group is mainly exposed to the currency fluctuations of the US dollar. The sensitivity analysis principally arises on FX gain/loss on translation of the USD denominated receivables. The following table details the Group's sensitivity to a 10% (2022: 10%) increase and decrease in the functional currency (TT Dollar) of the main operating subsidiary against the US Dollar with all other variables held constant. 10% (2022: 10%) is the sensitivity rate that best represents Management's assessment of the possible change in the foreign exchange rates affecting the Group. A positive number below indicates an increase in profit and equity when the US dollar weakens against the functional currency. For a strengthening of the US Dollar against the functional currency, there would be an equal and opposite impact on the profit and equity, and the balances below would be negative.

	2023 $'000	2022 $'000
Profit/(loss) for the year and Equity		
10% strengthening of the US Dollar/ (2022: 10%)	**(253)**	(269)
10% weakening of the US Dollar/ (2022: 10%)	**253**	269

(ii) Price risk

The Group is exposed to commodity price risk regarding its sales of crude oil which is an internationally traded commodity.

Price risk sensitivity

The Group is a price taker and is mainly exposed to the risk relating to price fluctuations. The following table details the Group's sensitivity to a 20% (2022: 20%) increase and decrease in realised oil prices. 20% (2022: 20%) is the sensitivity rate that best represents Management's assessment of the possible change in the oil prices that may affect the Group. The positive number below indicates an increase in revenue, while there would be an equal and opposite impact on revenue if there is a decrease in prices by 20%.

	2023 $'000	2022 $'000
Revenue		
20% increase in price/ (2022: 20%)	**13,885**	18,931
20% decrease in price/(2022: 20%)	**(13,885)**	(18,931)

The Group did not implement any hedge options during the financial year.

(iii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from borrowings which expose the Group to cash flow interest rate risk. The Group manages risk by limiting the exposure to floating interest rates and maintaining a balance between floating and fixed contract rates.

At 31 December 2023, there were no loan commitments to attract interest rates on foreign currency-denominated borrowings, (2022: nil). During 2023 there was a bank overdraft facility which incurred $0.1 million interest (2022: $0.1 million).

Notes to the Consolidated Financial Statements (continued)

(b) Credit risk

Credit risk arises from Cash and Cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. For banks and financial institutions, Management determines the placement of funds based on its judgement and experience to minimise risk.

All sales are made to a state-owned entity, Heritage.

The Group applies an IFRS 9 simplified model for measuring the ECL which uses a lifetime expected loss allowance and are measured on the days past due criterion. Having reviewed past payments combined with the credit profile of its existing trade debtors in order to assess the potential for impairment, Management made the decision in keeping with the standard to calculate a provision for long outstanding receivables associated with the Petrotrin outstanding ORR incentive receipts. The ECL for those sales were assessed at the end of the year and was immaterial. A provision matrix was applied to determine the historical and forward-looking loss rates which was used to ultimately calculate an ECL allowance, which resulted in a provision being made of $0.01 million.

For Heritage sales, the ECL was immaterial as all sales payments were made during the stipulated time frame. However, ECL was also calculated on Joint interest billings outstanding, which resulted in a provision of $0.1 million (2022: $0.1 million). Similar to sales, a provision matrix was applied to determine the historical and forward-looking loss rates which was used to ultimately calculate an ECL allowance.

The Company also assessed impairment through the three-stage approach to derive at the ECL. Through assessing impairment via this method, a provision amount of $0.1 million (2022: $0.1 million) was calculated.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and short-term funds and the availability of funding through an adequate amount of committed credit facilities. Management monitors rolling forecasts of the Group's liquidity and Cash and Cash equivalents on the basis of expected cash flow. At the end of the year the Group held cash at bank of $9.8 million (2022: $12.1 million).

Management monitors rolling forecasts of the Group's Cash and Cash equivalents on the basis of expected cash flows. This is carried out at the Group level in accordance with practice and limits set by the Group, refer to the disclosures in Note 1: Background and accounting policies – Going Concern for more information regarding the factors considered by the Company in managing liquidity risk.

The table below analyses the Group's and Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

(a) All non-derivative financial liabilities, and

(b) Net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities.

Group

At 31 December 2023	Less than 1 year $'000	1 to 2 years $'000	2 to 5 years $'000	Total $'000
Non-derivatives				
Trade and other payables	**13,094**	**–**	**–**	**13,094**
Lease liabilities	**208**	**137**	**–**	**345**
Bank overdraft	**4,000**	**–**	**–**	**4,000**
	17,302	**137**	**–**	**17,439**

At 31 December 2022	$'000	$'000	$'000	$'000
Non-derivatives				
Trade and other payables	10,045	–	–	10,045
Lease liabilities	584	204	137	925
Bank overdraft	2,700	–	–	2,700
	13,329	204	137	13,670

Company

At 31 December 2023	Less than 1 year $'000	Total $'000
Non-derivatives		
Trade and other payables	**678**	**678**
Intercompany	**16,050**	**16,050**
	16,728	**16,728**

At 31 December 2022	$'000	$'000
Non-derivatives		
Trade and other payables	565	565
Intercompany	12,731	12,731
	13,296	13,296

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as Net Cash/(Debt) divided by Total Capital. Net Cash/(Debt) is calculated as total borrowings less Cash and Cash equivalents. Borrowing relates to the overdraft facility where all covenants (current ratio not less than 1.25:1) were met. Total capital is calculated as 'equity' as shown in the Consolidated Statement Of Financial position plus Net Cash/(Debt).

	2023 $'000	2022 $'000
Net cash	**5,819**	9,431
Total equity	**(49,045)**	(56,131)
Total capital	**(43,226)**	(46,700)
Gearing ratio	**(13.5)%**	(20.2)%

(e) Fair value estimation

The Group and Company have classified financial instruments into the three levels prescribed under the accounting standards.

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.
- Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Notes to the Consolidated Financial Statements (continued)

3. Critical Accounting Estimates and Judgements

The preparation of the consolidated financial statements requires the use of accounting estimates which, by definition, seldom equal the actual results. Management also exercise judgement in applying the Group's and the Company's accounting policies. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Recoverability of DTA

DTA mainly arise from tax losses and are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those DTA are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability on key estimates of future cost, production volumes, price and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the level of DTA recognised which can result in a charge or credit during the period in which the change occurs. The Group has concluded that the DTA recognised will be recoverable using approved business plans and budgets for the specific subsidiaries in which the DTA arose. See note 18.

(b) Provision for decommissioning costs

This provision is significantly affected by changes in technology, laws and regulations which may affect the actual cost and timing of decommissioning to be incurred at a future date:

Decommissioning Cost estimates and reversals:

In 2023 there was a refresh of the well abandonment cost methodology which resulted in cost reductions for both onshore and offshore well abandonment costs. The change resulted in a significant decrease ($6.6 million) in well abandonment cost estimates. In addition, during 2023 the Tabaquite licence was relinquished resulting in a $3.0 million release of decommissioning liability. There was no material change to the platform abandonment methodology. The total reduction in decommissioning liability was $9.6 million.

The reduction in decommissioning liability resulted in a reduction in the related decommissioning asset ($ 9.6 million – refer to Note 13) and a net impact to the statement of comprehensive income where decommissioning assets were fully utilised ($2.5 million – refer to Note 7).

Decommissioning rates:

The estimate is also impacted by the discount rates used in the provisioning calculations. The discount rates used are the Group's risk-free rate and the core inflation rate applicable. The provision has been estimated using a rate based on maturity and a core inflation rate. See Note 28: Provision for other liabilities

	Bands (years)	**2023**	2022
Risk free rates	6-11	**3.84%**	3.96%
	12-18	**3.98%**	4.04%
	19-21	**4.22%**	4.14%
	22-23	**4.22%**	4.09%
Inflation rate		**3.20%**	3.20%

The following table details the Group's sensitivity to a 1% (2022: 1%) increase and decrease in discount and inflation rates. 1% (2022: 1%) is the sensitivity rate that best represents Management's assessment of the possible change in the rates that may affect the Group. A positive number below indicates an increase in provisions and finance costs, while a negative number indicates a decrease in provisions and finance costs. The impact in 2023 of a 1% change in these variables is as follows:

	Consolidated Statement of Financial Position: Obligation 2023 $'000	Consolidated Statement of Comprehensive Income/Expense 2023 $'000
Discount rate		
1% increase in assumed rate	**(6,310)**	**106**
1% decrease in assumed rate	**7,595**	**(273)**
Inflation rate		
1% increase in assumed rate	**7,592**	**343**
1% decrease in assumed rate	**(6,419)**	**(346)**

(c) Estimation of reserves

All reserve estimates involve some degree of uncertainty, which depends chiefly on the amount of reliable geological and engineering data available at the time of the estimate. Generally, reserve estimates are revised as additional data becomes available. The Group's reserve estimates are also evaluated when required by independent external reserve evaluators. The Group estimated its own commercial reserves, guided by international Petroleum Resource Management System (PRMS) application guidelines, based on technical information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates.

The key assumptions used in the estimation of reserves are as follows:

- Technical production profiles for the various assets onshore and offshore held by the Group.
- Economic assumptions such as forecast period, discount rate, crude price, operating cost, capital expenditure and fiscal structure.

As the economic assumptions used may change, and as additional geological information is obtained during the operation of a field, estimates of recoverable reserves may also change. Such changes may impact the Group's reported financial position and results, which include:

- The carrying value of E&E assets, oil and gas properties, property and plant and equipment, may be affected due to changes in estimated future cash flows. See notes 13 and 15.
- Depreciation and amortisation charges in the Statement of Comprehensive Income are depreciated on a unit of production basis at a rate calculated by reference to proved and probable ("2P") reserve estimates and incorporating the estimated future cost of developing and extracting those reserves. There may be changes where such charges are determined using the unit of production method, or where the useful life of the related assets change. See notes 13 and 15.
- Provisions for decommissioning may change – where changes to the reserve estimates affect expectations about when such activities will occur and the associated cost of these activities. See note 28.
- The recognition and carrying value of DTA may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets. See note 18.

(d) Impairment of Property, Plant and Equipment

Management performs impairment assessments on the Group's property, plant and equipment once there are indicators of impairment. Triggers for impairment relate to changes in the key factors that impact on impairment which are production, oil price, capital expenditures and operating expenditures. In order to test for impairment, the higher of FVLCD and VIU calculations are prepared and an estimate of the timing and amount of cash flows expected respectively to arise from the CGU. A CGU represents an individual field or asset held by the Group. During 2023 an impairment charge of $1.5 million was recognised on the Group's property, plant and equipment (2022: $5.6 million) see Note 8. The impairment charge resulted in the carrying amount of the respective CGUs being written down to their recoverable amount.

Oil & Gas Assets $1.5 million (2022: $5.6 million) impairment

Management has carried out an impairment test on the Oil & Gas Assets classified as property, plant and equipment. This test compares the carrying value of the assets at the reporting date with the recoverable amount for each CGU. The recoverable amount is the higher of the FVLCD and VIU. The FVLCD is the amount that a market participant would pay for the CGU less the cost of disposal. The FVLCD approach utilised a discounted cash flow based on the 2P reserve estimates of the CGUs of the Group. VIU is the present value of the future cash flows expected to be derived from an asset or CGU in its current condition. The period over which Management has projected its cash flow forecast, ranges between 7-24 year economic lives based on the field economic life profile. The field economic life profile was derived by using licence extension data which is permitted in accordance with the Society of Petroleum Engineers ("SPE") reserves reporting guidelines outlined in the 2019 Petroleum Resource Management System ("PRMS"). While there is the risk that licences may not be renewed upon expiry, Management considers this to be very low based on historic precedent. For the discounted cash flows to be calculated, Management has used a production profile based on its best estimate of proven and probable reserves of each CGU and a range of assumptions, including an external oil and gas price profile and a discount rate which, taking into account other assumptions used in the calculation, Management considers to be reflective of the risks. The impairment calculation considers the decommissioning asset and liability used to derive the impairment charge.

Notes to the Consolidated Financial Statements (continued)

The discounted cash flow approach assessment involves judgement as to the likely commerciality of the asset. For the discounted cash flows to be calculated, Management has used a production profile based on its 2P reserve estimate of the assets and a range of assumptions *(see note 3(c))*. Its 2P reserves which are estimated using standard recognised evaluation techniques on a fully funded basis; future revenues and estimated development costs and decommissioning liabilities pertaining to the CGU's; and a discount rate utilised for the purposes of deriving a recoverable value.

	2024	2025	2026	2027	2028	2029
Realised price	64.8	62.1	60.1	58.7	57.8	57.4

If the price deck used in the impairment calculation had been 10% lower than Management's estimates at 31 December 2023, the Group would have a $4.1 million increase on impairment of Oil & Gas Assets (2022: $16.1 million increase). If the price deck used in the impairment calculation had been 10% higher than Management's estimates at 31 December 2023, the Group would have a $0.1 million decrease on impairment of the Oil & Gas Assets (2022: $0.6 million decrease). The valuation is considered to be a level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

For the year ended 31 December 2023, Management's estimate of the Group's cost of capital was 14.4% (2022:15.0%). If the estimated cost of capital used in determining the post-tax discount rate for the CGU's had been 1% lower than Management's estimates the Group would have a $0.1 million increase (2022: $0.0 million) change to the impairment position for 2023 against Oil & Gas Assets within property, plant and equipment. If the estimated cost of capital had been 1% higher than Management's estimates the Group would have a $0.1 million decrease to the impairment position for 2023 (2022: $0.0 million increase).

(e) Impairment of intangible E&E assets

In estimating the recoverability of exploration assets, Management considers contingent resources associated with certain evaluation assets as estimated by the Group's internal experts. Furthermore, Management factors in future development plans and licence expiries into the assessment. Exploration assets remain capitalised as long as sufficient progress is being made in assessing whether petroleum production is technically feasible and commercially viable. This assessment requires significant Management judgement, as exploration assets are subject to regular internal review to confirm the continued intent to establish the technical feasibility and commercial viability of a project. At the end of 2023 a review for impairment triggers was carried out and there were no impairment losses realised against the carrying values of the Group's E&E assets.

The Group reviews the carrying values of intangible E&E assets when there are impairment indicators which would tell whether an E&E asset has suffered any impairment. The amounts of intangible E&E assets represent the costs of active projects the commerciality of which is unevaluated until reserves can be appraised.

- *Impairment of Jacobin Well Cost*

Impairment triggers were identified on this asset as at 31 December 2023. An impairment assessment was performed resulting in an impairment of $9.6 million.

- *Impairment of PS 4 E&E costs*

In 2022, an E&E asset (reclassified from Oil and Gas developed asset) was recognised for costs relating to the PS-4 acquisition costs. At 31 December 2023, impairment triggers were identified mainly related to the reduction in 2C resources. An assessment was performed and resulted in the impairment of $2.1 million.

(f) Property tax

PT is assessed on property owned by the Group in T&T governed by the Property Tax Act 2009 and later Property Tax 2018 amendment of T&T. The calculation of the PT is described in *note 1 Background and Summary of significant accounting policies.*

The Property Tax Act and subsequent Amendments to the Act requires the Board of Inland Revenue to issue a Notice of Assessment on or before 31 March each year. The amendment in the Finance Act 2023 waives the tax up to 31 December 2023.

The collection of the tax will be effective from 2024 for residential properties only, until the valuation roll has been completed and the Notice of Assessment given for the other property types. The Group will continue to monitor developments in the Property tax law and reassess this at each reporting period. As such, the Group has not recognised any PT liabilities to 31 December 2023.

(g) Share-based payments

The Company has in place a share-based compensation plan (the LTIP) for the Executive Director and the EMT which is designed to provide long-term incentives to align interests with shareholders. The Company measures the cost of these equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share-based payments is measured using a Monte Carlo or Black-Scholes option pricing model. The measurement inputs to this model, including expected volatility, weighted average expected life of the instruments, expected dividends and risk-free interest rate, rely on Management judgements. See note 25 for details.

4 Segment Information

Management has determined the operating segments which are Onshore, West Coast and East Coast reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for making strategic decisions inclusive of allocating resources and assessing performance of the operating segments. The chief operating decision maker has been identified as the EMT (which includes the Chief Executive Officer, Chief Financial Officer, Chief Operations Officer and Chief of Staff & General Counsel), which makes strategic decisions in accordance with Board policy.

Management have considered the requirements of IFRS 8 Operating Segments, in regard to the determination of operating segments, and concluded that the Group has only one significant operating segment being the exploration and development, production and extraction of hydrocarbons.

All revenue is generated from crude oil sales in T&T to one customer, Heritage. All revenue is generated at a point in time. All non-current assets of the Group are located in T&T.

5 Operating Profit Before Impairment and Exceptional Items

	2023 $'000	2022 $'000
Operating profit before impairment and exceptional items is stated after taking the following items into account:		
DD&A (Note 13)	**8,168**	6,890
Depreciation on ROU (Note 14)	**533**	534
Amortisation of computer software (Note 15)	**233**	193
Employee costs (Note 35)	**9,484**	8,317
Inventory recognised as expense, charged to operating expenses	**66**	174

Auditors' remuneration

During the year the Group (including its overseas subsidiaries) obtained the following services from the Company's Auditors as detailed below:

	2023 $'000	2022 $'000
- Fees payable to the Company's auditors' and their affiliated firms for the audit of the Parent Company and consolidated financial statements:		
BDO LLP (UK based)	**358**	220
BDO Limited (T&T and Barbados based)	**106**	107
- Fees payable to the Company's auditors' for other services: The audit of Company's subsidiaries	**18**	16
Audit related assurance services – interim review	**37**	29
Total assurance and auditors' remuneration	**519**	372

All fees in 2023 are in respect of services provided by BDO LLP and their affiliated firms. The independence and objectivity of the external auditors are considered on a regular basis by the Audit Committee, with particular regard to the level of non-audit fees incurred. The professional fees relates to tax services rendered for advice on tax losses.

Notes to the Consolidated Financial Statements (continued)

6 Derivative expenses

The net (loss)/ gain in fair value is recognised in the Consolidated Statement of Comprehensive Income during the year:

	31 December 2023 $'000	31 December 2022 $'000
Derivative expenses (realised)	**–**	(10,446)
Movement in FV of derivative financial instruments (unrealised)	**–**	2,883
	–	(7,563)

7 Decommissioning Release/Reduction

Reduction of Decommissioning costs estimates	(114)	–
Release of Decommissioning Liablilty- Tabaquite field	(2,394)	–
Decommissioning release/reduction Total	**(2,508)**	**–**

- Reduction of Decommissioning cost estimates $0.1 million
- Release of Decommissioning cost estimate: $2.4 million in relation to Tabaquite Field surrendered.

See Note 3(b): Critical Accounting Estimates and Judgement

Exceptional Items:

Items that are material either because of their size, their nature, or that are non-recurring are considered as exceptional items and are presented within the line items to which they best relate. During the current period, exceptional items as detailed below have been included in the Consolidated Statement of Comprehensive Income. An analysis of the amounts presented as exceptional items in these consolidated financial statements are highlighted below.

	31 December 2023 $'000	31 December 2022 $'000
ICT incident costs	**161**	161
Bravo Fire costs	**146**	–
Exceptional Items Total	**307**	161

- Charges relating to ICT incident: $0.2 million charge in relation to costs incurred in relation to the cyber incident
- Charges relating to Bravo Fire incident: $0.1 million charge in relation to costs incurred for the Bravo Fire in April 2023

8 Impairment

	31 December 2023 $'000	31 December 2022 $'000
Impairment of Inventory	**–**	334
Impairment of Jacobin Well Costs	**9,634**	–
Impairment of PS4 E&E costs	**2,132**	–
Impairment of property, plant and equipment	**1,549**	5,558
Other impairment of property, plant and equipment	**147**	158
Total expense	**13,462**	6,050

- *Impairment of inventory* – No charge in relation to inventory impairment. In 2022 $0.3 million on moving inventory items.
- *Impairment of Jacobin Well Costs* – $9.6 million charge on Exploration and Evaluation costs relating to the Jacobin Well *(See Note 3(e): Critical Accounting Estimates and Judgement)*
- *Impairment of E&E assets* – $2.1 million charge on PS4 Exploration and Evaluation costs *(See Note 3(e): Critical Accounting Estimates and Judgement)*
- *Impairment of property, plant and equipment* – $1.5 million charge in relation to property, plant and equipment and cash generating units *(See Note 3(d): Critical Accounting Estimates and Judgement)*
- *Other impairment of property, plant and equipment* – $0.1 million charge in other property, plant equipment costs.

9 Finance income and costs

Recognised in the consolidated statement of comprehensive income

	2023 $'000	2022 $'000
Finance income		
Interest Income	**50**	48

	2023 $'000	2022 $'000
Finance costs		
Decommissioning – Unwinding of discount (Note 28)	**(2,077)**	(1,110)
Interest on Leases (Note 14)	**(86)**	(135)
Interest and other expenses on overdraft	**(51)**	(94)
	(2,214)	(1,339)

10 Income Taxation

	2023 $'000	2022 $'000
Current Taxes		
Petroleum profits tax	**422**	2,404
Unemployment levy	**169**	960
Deferred Taxes		
Current year		
Movement in asset due to tax losses recognised (Note 18)	**(3,238)**	(935)
Movement in liability due to accelerated tax depreciation (Note 18)	**(78)**	(85)
Income tax (credit)/ expense	**(2,725)**	2,344

Notes to the Consolidated Financial Statements (continued)

The Group's effective tax rate varies from the statutory rate for UK companies of 19% (2022:19%) as a result of the differences shown below:

	2023 $'000	2022 $'000
Loss/ (Profit) before taxation	**(9,529)**	2,457
Tax calculated at domestic tax rates applicable to profits in the respective countries	**(3,101)**	4,836
Expenses not deductible for tax purposes	**17,005**	13,448
Impact on tax losses	**(2,327)**	(5,671)
Deferred tax on capital allowances in the current period recognised	**(11,064)**	(9,334)
Tax losses previously generated now recognised in the current period	**(3,238)**	(935)
Tax (credit)/ charge	**(2,725)**	2,344

Corporate income tax is calculated at 19% (2022: 19%) of the assessable profit for the year for the UK Parent Company, 55% for the operating subsidiaries in Trinidad and Tobago (2022: 55%) and 30% (2022: 30%) for the corporate subsidiaries in Trinidad and Tobago.

Taxation losses at 31 December 2023 available for set off against future taxable profits amounts to approximately $224.4 million (2022: $227.5 million), with tax losses recognised of $31.4 million at the end of 2023. These losses do not have an expiry date. While Management have filed Returns, these have not yet been confirmed by the Board of Inland Revenue ("BIR") or His Majesty's Revenue and Customs ("HMRC"). Tax losses carried forward by companies engaged in petroleum production business in Trinidad and Tobago are restricted to set off in a year of in a year of income 75% of the otherwise chargeable profits.

11 Earnings Per Share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated using the weighted average number of ordinary shares adjusted to assume the conversion of all potentially dilutive ordinary shares.

Year ended 31 December 2023	(Loss)/Profit for the year $'000	Weighted Average Number of Shares '000	Earnings Per Share $
Basic	**(6,804)**	**38,687**	**0.0**
Diluted	**(6,804)**	**38,687**	**0.0**
Year ended 31 December 2022			
Basic	113	39,094	0.0
Diluted	113	40,524	0.0

Impact of dilutive ordinary shares:

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The awards issued under the Company's LTIP (see movements in number of LTIPs note 25) are considered potential ordinary shares.

There was no impact on the weighted average number of shares outstanding during 2023 as LTIP's were excluded from the weighted average dilutive share calculation because their effect would be anti-dilutive and therefore both basic and diluted earnings per share are the same in 2023.

The basic shares balance was amended through the net effect of the issuance of new shares (following exercise of Options) and the repurchase of shares through the share buyback programme in 2023 (See notes 23 and 24).

12 Investment In Subsidiaries

	Company	
	2023 $'000	2022 $'000
Opening balance	**60,864**	60,347
Share based payment forfeiture	**(69)**	–
Share based payment	**547**	517
Closing balance	**61,342**	60,864

The investment in subsidiaries is recognised initially at the fair value of the consideration paid. The Group subsequently measures the investment in subsidiaries at cost less impairments. Increases in the investment in subsidiaries relate to capital contributed by the Company to its subsidiary undertakings.

Listing of Subsidiaries

The Group's subsidiaries at 31 December 2023 are listed below:

Name	Registered Address/Country of Incorporation	Nature of Business	% Shares held by the Group
Bayfield Energy Limited	c/o Pinsent Masons LLP, 1 Park Row, Leeds, LS1 5AB, UK	Holding Company	99.99998%
Trinity Exploration & Production (UK) Limited	13 Queen's Road, Aberdeen, AB15 4YL, UK	Holding Company	100%
Trinity Exploration and Production Services (UK) Limited	c/o Pinsent Masons LLP, 1 Park Row, Leeds, LS1 5AB, UK	Service Company	100%
Bayfield Energy do Brasil Ltda	Av. Presidente Vargas 509, Rio de Janeiro, 20071-003, Brazil	Dormant	100%
Trinity Exploration & Production (Barbados) Limited	Ground Floor, One Welches, Welches, St. Thomas BB22025, Barbados	Holding Company	100%
Trinity Exploration and Production (Trinidad and Tobago) Limited	3rd Floor Southern Supplies Limited Building, 40-44 Sutton Street, San Fernando, Trinidad & Tobago ("Trinidad address")	Holding Company	100%
Trinity Exploration and Production (Galeota) Limited	Trinidad address	Oil and Gas	100%
Oilbelt Services Limited	Trinidad address	Oil and Gas	100%
Trinity Exploration and Production Services Limited	Trinidad address	Service Company	100%
Trinity Midstream Limited	Trinidad address	Oil and Gas	100%
Trinity Exploration and Production (Erin 1) Limited	Trinidad address	Oil and Gas	100%
Trinity Exploration and Production (Erin 2) Limited	Trinidad address	Oil and Gas	100%
Trinity Exploration and Production (Forest 1) Limited	Trinidad address	Oil and Gas	100%
Trinity Exploration and Production (Forest 2) Limited	Trinidad address	Oil and Gas	100%
Trinity Exploration and Production (Forest 3) Limited	Trinidad address	Oil and Gas	100%
Trinity Renewable Resources Limited	Trinidad address	Oil and Gas	100%
Trinity Exploration and Production plc Employee Benefit Trust	c/o Pinsent Masons LLP 1 Park Row, Leeds, LS1 5AB, UK	Employee Benefit Trust	100%

Notes to the Consolidated Financial Statements (continued)

13 Property, Plant and Equipment

Year ended 31 December 2023	Plant & Equipment $'000	Leasehold & Buildings $'000	Oil & Gas Assets $'000	Total $'000
Opening net book amount at 1 January 2023	4,255	1,271	39,461	44,987
Additions	1,573	27	5,306	6,906
Transfers (Note 15)	–	–	319	319
Disposals	(21)	–	(6)	(27)
Tabaquite decommissioning asset relinquishment	–	–	(632)	(632)
Reduction to decommissioning estimate (Note 3(b))	–	–	(6,508)	(6,508)
Impairment charge	(36)	–	(1,653)	(1,689)
DD&A charge for year	(630)	(192)	(7,346)	(8,168)
Closing net book amount at 31 December 2023	**5,141**	**1,106**	**28,941**	**35,188**
At 31 December 2023				
Cost	19,709	3,510	327,454	350,673
Accumulated DD&A and impairment	(14,568)	(2,404)	(298,513)	(315,485)
Closing net book amount	**5,141**	**1,106**	**28,941**	**35,188**

Year ended 31 December 2022	Plant & Equipment $'000	Leasehold & Buildings $'000	Oil & Gas Assets $'000	Total $'000
Opening net book amount at 1 January 2022	2,919	1,388	45,200	49,507
Additions	1,999	71	13,062	15,132
Transfers (Note 3(h))	–	–	(2,451)	(2,451)
Adjustment to decommissioning estimate (Note 28)	–	–	(4,595)	(4,595)
Impairment charge	(62)	–	(5,654)	(5,716)
DD&A charge for year	(601)	(188)	(6,101)	(6,890)
Closing net book amount at 31 December 2022	**4,255**	**1,271**	**39,461**	**44,987**
At 31 December 2022				
Cost	18,193	3,483	323,497	345,173
Accumulated DD&A and impairment	(13,938)	(2,212)	(284,036)	(300,186)
Closing net book amount	**4,255**	**1,271**	**39,461**	**44,987**

1 *An impairment loss of $1.7 million (2022: $5.7 million) was recognised on Oil & Gas Assets (see Note 3 (d)) as a result of the carrying value being higher than the recoverable amount. The recoverable amount was determined by assessing its fair value less costs of disposal.*

14 Leases

The Group has recognised ROU assets and lease liabilities.

(i) Amounts recognised in the Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position shows the following amounts relating to leases:

	31 December 2023 $'000	31 December 2022 $'000
Right-of-use assets		
Non-current assets	312	838
Lease Liabilities		
Current	208	584
Non-current	137	341
	345	925

The ROU assets relate to motor vehicles, office building, rental house and office equipment leases that met the recognition criteria of a Lease under IFRS 16.

(ii) Amounts recognised in the Consolidated Statement of Comprehensive Income

The Consolidated Statement of Comprehensive Income shows the following amounts relating to leases:

	2023 $'000	2022 $'000
Depreciation charge of ROU assets		
Depreciation	**(533)**	(534)
Interest expense (including finance cost)	**(86)**	(135)

The total cash outflow for leases in 2023 was $0.7 million (2022: $0.7 million)

(iii) The Group's leasing activities and how these are accounted.

The Group leases various offices, equipment, staff housing and vehicles. Rental contracts are typically made for fixed periods of 6 months to 4 years.

Contracts may contain both lease and non-lease components. There were no non-lease components identified and as such the Group allocates the consideration in the contract to a single lease component based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Notes to the Consolidated Financial Statements (continued)

15 Intangible Assets

The carrying amounts and changes in the year are as follows:

Year ended 31 December 2023	Exploration and Evaluation assets $'000	Computer software $'000	Research and Development $'000	Total $'000
Opening net book amount at 1 January 2023	32,903	405	229	33,537
Additions	9,421	492	267	10,180
Transfers	(319)	–	–	(319)
Impairment charge	(11,766)	–	–	(11,766)
Amortisation charge for year	–	(233)	–	(233)
Closing net book amount at 31 December 2023	**30,239**	**664**	**496**	**31,399**
At 31 December 2023				
Cost	30,239	1,471	496	32,206
Accumulated amortisation	–	(807)	–	(807)
Closing net book amount	**30,239**	**664**	**496**	**31,399**

Year ended 31 December 2022	Exploration and Evaluation assets $'000	Computer software $'000	Research and Development $'000	Total $'000
Opening net book amount at 1 January 2022	30,217	496	46	30,759
Additions	235	102	183	520
Transfers (Note 3(h))	2,451	–	–	2,451
Amortisation charge for year	–	(193)	–	(193)
Closing net book amount at 31 December 2022	32,903	405	**229**	**33,537**
At 31 December 2022				
Cost	32,903	979	229	34,111
Accumulated amortisation	–	(574)	–	(574)
Closing net book amount	**32,903**	**405**	**229**	**33,537**

- E&E assets: Represents the cost for the TGAL 1 exploration well. The Group tests whether E&E assets have suffered any impairment triggers on an annual basis and there was an impairment loss of $11,766 (2022: nil). See reference 3 (e) (impairment of intangible E&E assets).
- Computer Software: In 2023, costs incurred in connection with the acquisition of software.
- Research and Development: In 2023, there were costs associated for various initiatives in connection with reducing carbon emissions.

16 Abandonment fund

	2023 $'000	2022 $'000
At 1 January	**4,511**	4,021
Additions	**451**	490
At 31 December	**4,962**	4,511

Abandonment funds are restricted cash put aside in escrow for abandonment and environmental purposes in accordance with contractual obligations to be used in accordance with the contract.

17 Performance bond

	2023 $'000	2022 $'000
At 1 January and 31 December	**606**	602

The Group's Lease Operatorship Assets ("LOA") licences were renewed in June 2021. New Performance Bonds for each of the LOA were put in place totaling $0.47 million at a bond fee of 1.75% executed with First Citizens Bank Trinidad and Tobago Limited and effective until 31 December 2030. A performance bond of $0.13 million for PS-4 block was also executed with First Citizens Bank Trinidad and Tobago Limited in 2022 effective 31 December 2030 at a bond fee of 1.75%. These funds have been restricted to fixed deposits for the period of the respective LOA licences at varying rates of interest.

18 Deferred Income Taxation

Group

The analysis of DTA is as follows:

	2023 $'000	2022 $'000
DTA:		
DTA to be recovered in more than 12 months	**(11,507)**	(7,774)
DTA to be recovered in less than 12 months	**(4,196)**	(4,691)
DTL:		
DTL to be settled in more than 12 months	**1,862**	1,940
Net DTA	**(13,841)**	(10,525)

The movement on the deferred income tax is as follows:

	2023 $'000	2022 $'000
At beginning of year	**(10,525)**	(9,505)
Movement for the year	**(3,238)**	(935)
Unwinding of deferred tax on fair value uplift	**(78)**	(85)
Net DTA	**(13,841)**	(10,525)

The deferred tax balances are analysed below:

	2021 $'000	Movement $'000	2022 $'000	Movement $'000	**2023 $'000**
Acquisition	(33,436)	–	(33,436)	–	**(33,436)**
Tax losses recognised	(45,009)	(935)	(45,944)	(3,238)	**(49,182)**
Tax losses derecognised	66,915		66,915	–	**66,915**
	(11,530)	(935)	(12,465)	(3,238)	**(15,703)**

	2021 $'000	Movement $'000	2022 $'000	Movement $'000	**2023 $'000**
DLT					
Accelerated tax depreciation and non-current asset impairment	(19,375)	–	(19,375)	–	**(19,375)**
Acquisitions	19,580	–	19,580	–	**19,580**
Fair value uplift	1,820	(85)	1,735	(78)	**1,657**
	2,025	(85)	1,940	(78)	**1,862**

Notes to the Consolidated Financial Statements (continued)

DTA are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits are probable. Deferred tax assets of $3.2 million have been recognised (2022: $0.9 million was recognised) based on estimated future taxable profits. The Group has unrecognised deferred tax assets amounting to $82.5 million which have no expiry date.

DTL have decreased by $0.1 million related to unwinding of assets.

- DTA and DTL can only be offset in the consolidated statement of financial position if an entity has a legal right to settle current tax amounts on a net basis and deferred tax amounts are levied by the same tax authority (as per IAS 12). The Group has no legal right to offset any DTA and DTL.
- Tax losses – At the end of 2023 the Group had gross tax losses carried forward of $224.4 million (2022: $227.5 million) represented by corporate tax losses in the UK of $34.7 million (2022: $33.2 million) and PPT and Corporate tax losses in Trinidad and Tobago of $189.7 million (2022: $194.3 million). In the UK corporation tax losses may be carried forward indefinitely. Similarly, in Trinidad and Tobago PPT and corporate tax losses may be carried forward indefinitely to reduce the taxes in future years. As of 1 January 2020, however, PPT losses can only be utilised to shelter a maximum of 75 percent of PPT per annum.

19 Inventories

	Crude oil $'000	Materials and supplies $'000	Total $'000
At 1 January 2023	125	3,851	3,976
Net inventory movement	25	(85)	(60)
At 31 December 2023	**150**	**3,766**	**3,916**
At 1 January 2022	96	3,724	3,820
Impairment (see note 8)	–	(334)	(334)
Net inventory movement	29	1,100	1,129
At 31 December 2022	125	4,490	4,615

(i) *Assigning costs to inventories*

The costs of individual items of inventory within the category material and supplies are determined using weighted average costs. The cost assigned for crude oil is based on the lower of cost and net realisable value. In the current year there was no impairment of inventory items (2022: $0.3 million).

20 Trade and Other Receivables

	Group		Company	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
Due within 1 year				
Amounts due from related parties (Note 31 (d))			**4,567**	2,830
Trade receivables	**4,393**	4,643	**–**	–
Less: provision for impairment of trade and intercompany receivables	**(26)**	(4)	**–**	–
Trade receivables: net	**4,367**	4,639	**4,567**	2,830
Prepayments	**1,005**	969	**158**	198
VAT recoverable	**6,015**	4,657	**101**	29
Other receivables	**420**	351	**–**	6
Less: provision for Impairment of other receivables	**(98)**	(56)	**–**	–
	11,709	10,560	**4,826**	3,063

The fair value of trade and other receivables approximate their carrying amounts.

The Group applies the IFRS 9 simplified model for measuring ECL which uses a lifetime expected loss allowance and are measured on the days past due criterion.

Trade receivables – Heritage net sales receipts have been collected on a timely basis. Since the Joint Interest Billing ("Jibs") balances are outstanding, an ECL was calculated at 31 December 2023 of $0.1 million (31 December 2022: $0.1 million) against Other receivables.

VAT recoverable (gross) – As at 31 December 2022 the VAT recoverable amount was $4.7 million. During the period ending 31 December 2023, the Group generated future refunds of $5.2 million, refunds received amounted to $3.9 million.

All trade receivables are with the Group's only customer, Heritage. Ageing analysis of these trade receivables as at 31 December 2023 is as follows:

	2023 $'000	2022 $'000
Up to 30 days	4,313	4,544
>60 days	–	–
>180 days	54	95
	4,367	4,639

The carrying amount of the Group's trade and other receivables are denominated in the following currencies:

	Group		Company	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
USD	**3,378**	3,381	**4,724**	2,873
GBP	**260**	260	**102**	190
TTD	**8,071**	6,919	**–**	–
	11,709	10,560	**4,826**	3,063

The maximum exposure to credit risk at the reporting date is the value of each class of receivable as shown above. The Group does not hold any collateral as security.

The credit quality of the financial assets that are neither past due nor impaired can be assessed by reference to historical information about the counterparty default rates:

	Group		Company	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
Trade receivables				
Counterparties without external credit rating:				
Existing customers with no defaults in the past	**11,709**	10,560	**–**	–

The fair value of trade and other receivables approximate their carrying amounts.

The Group applies the IFRS 9 simplified model for measuring expected credit losses ("ECL") using a lifetime expected loss provision for trade and other receivables. The expected loss rates are based on the Group's historical credit losses experienced over a period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on key macroeconomic factors affecting the Group's customer including GDP, foreign exchange rates, WTI crude oil price and inflation rates. In calculating an ECL, two default loss rates are established; default loss rate 1 which is calculated through the ageing profiles of sales, and default loss rate 2 which is default loss rate 1 adjusted based on forward looking information.

Having reviewed past payment performance combined with the credit rating of Heritage (and its predecessor, Petrotrin), a Provision matrix was completed to calculate a potential impairment on the receivable balances. Trade receivables that are less than six months past due are not considered impaired and at 31 December 2023, trade receivables of $4.4 million (2022: $4.6 million) were therefore considered to be fully performing.

At the end of 2023 a total of $0.1 million was outstanding from Petrotrin (2022: $0.1 million). An ECL of $0.0 million was applied to the outstanding $0.1 million receivables amount due from Petrotrin.

For other Joint Interest Billing receivable amounts from Heritage, an ECL of $0.1 million (2022: $0.1 million) was calculated.

Notes to the Consolidated Financial Statements (continued)

21 Dividend Payable

The Company declared dividends of US$ 0.2 million (2022: nil) for the six months ended 30 June 2023. As at 31 December 2023, US$ 0.0 million remains payable to shareholders.

	As at 31 December 2023 $'000	As at 31 December 2022 $'000
Dividend declared	**236**	
Dividend paid	**(231)**	–
Dividend payable	**5**	–

22 Cash and Cash Equivalents

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Short term investment	**245**	1,033	**245**	1,033
Cash and cash equivalents	**9,574**	11,098	**949**	1,069
	9,819	12,131	**1,194**	2,102

Cash and Cash equivalents disclosed above and in the consolidated statement of cash flows exclude restricted cash and are available for general use by the Group.

23 Share Capital and Share Premium

Group

	Number of shares	Ordinary shares $'000	Share premium $'000	Total $'000
As at 1 January 2023	39,884,637	399	–	399
Shares Issued at Nominal value	15,176	0	–	0
As at 31 December 2023	**39,899,813**	**399**	**–**	**399**

24 Treasury Shares

Treasury shares are shares in the Company that are held by the Company. From September 2022 to June 2023, three share buyback programmes were executed.

Group and Company

	Number of shares	Cost $'000	Total $'000
As at 1 January 2023	1,072,000	1,522	1,522
Share buybacks	477,000	566	566
Shares issued out of Treasury	(377,313)	(535)	(535)
As at 31 December 2023	**1,171,687**	**1,553**	**1,553**

25 Share Based Payment Reserve

The share-based payments reserve is used to recognise:

- The grant date fair value of options issued to employees but not exercised
- The grant date fair value of share awards issued to employees
- The grant date fair value of deferred share awards granted to employees but not yet vested; and
- The issue of shares held by the Employee Share Trust to employees.

During 2023 the Group had in place share-based payment arrangements for its employees and Executive Directors, the LTIP. The Share Option Plan referenced below is fully vested and expensed. The current year charge for share-based payments are solely in relation to the LTIP arrangements shown below, with further details of each scheme following:

	2023 $'000	2022 $'000
At 1 January	**2,990**	3,784
Share based payment expense:		
Exercised/lapsed options realised to retained earnings	**(698)**	(1,416)
LTIP expense	**520**	622
At 31 December	**2,812**	2,990

Share Option Plan

Share Options were granted to Executive Directors and to selected employees. The exercise price of the granted option was equal to Management's best estimate of the fair value of the shares at the time of the award of the options. The Group has no legal or constructive obligation to repurchase or settle the options in cash. These Share Options were fully vested in 2015 and 2016 with nil exercised and expiry dates in 2022 and 2023. The table below gives details:

			2022		2021
Grant-Vest	Expiry Date	**Exercise price per Share Options**	**Number of Options**	Exercise price per Share Options	Number of Share Options
2012-2015	2022		**–**	GBP8.60	168,554
2013-2016	2023		**28,954**	GBP12.00	28,954
			28,954		197,508

The inputs into the Black-Scholes model for options granted in prior periods were as follows:

Grant date	29 May 2013	14 February 2013
Share price	GBP 11.90	GBP 12.00
Average Exercise price	GBP 12.00	GBP 8.90
Expected volatility	55%	78%
Risk-free rates	4.5%	4.5%
Expected dividend yields	0%	0%
Vesting period	3 years	3 years

LTIP

LTIP awards are designed to provide long-term incentives for the Executive Directors and other members of the EMT to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if certain performance standards are met. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

2017 One off Award

One Off LTIP awards were granted in August 2017 over 2,541,600 ordinary shares and in June 2020 over a further 142,296 ordinary shares (the "2017 One Off Award"). The 2017 One Off Award vested in full on 30 June 2022, subject to meeting performance targets relating to the following:

- In respect of 70% of the award, the Company's share price growth from the 2017 placing price of 49.8 pence per share. If the three-month volume-weighted price ("VWAP") at the testing date is 350 pence or more per share, this part of the award will vest in full. If the VWAP at the testing date is 49.8 pence per share or less, this part of the award will not vest at all. If the VWAP at the testing date is between 49.8 pence and 350 pence per share, this part of the award will vest on a pro-rated straight-line basis;
- In respect of 20% of the award, repayment of the amount due to the BIR in accordance with the terms of the Creditors Proposal approved in 2017. The final payment occurred in 2018; and
- In respect of 10% of the award, redemption of all the Convertible Loan Notes ("CLN") issued in January 2017 before the second anniversary of their issue. All of the CLNs were redeemed in 2018.

Notes to the Consolidated Financial Statements (continued)

The total fair value of the 2017 One Off Award was $2.6 million and was expensed over the vesting period with the full charge pro-rated over the period up to 30 June 2022. However, the 2017 One Off Award could vest in full or in part on 30 June 2020 or 2021 with the appropriate charge being taken over that vesting period. The fair value at grant date was independently determined using an adjusted form of the Black Scholes Model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies.

The model inputs for the 2017 One Off Award were as follows:

Grant Date	24 August 2017	30 June 2020
Share price at grant date	GBP 107.50p	GBP 79.00p
Exercise price	GBP 0.00	GBP 0.00
Expected volatility	73.3%	84.9%
Risk-free interest rates	0.44%	(0.07%)
Expected dividend yields	0%	0%
Vesting period 1	30 June 2020	–
Vesting period 2	30 June 2021	–
Vesting period 3	30 June 2022	30 June 2022

The final vesting of the 2017 One Off Award was due to occur on 30 June 2022. However, as the three-month average VWAP to 30 June 2022 of 130.0p was below that prevailing at 30 June 2021, the remaining 1,214,744 unvested options lapsed.

2017 and 2018 LTIP Award

In January 2019 Options over 282,400 ordinary shares and in May 2019 Options over 383,282 ordinary shares were granted under the LTIP awards in accordance with the policy announced to the market on 25 August 2017 in respect of the performance of the Company in the financial years ended 31 December 2017 and 2018 respectively. These awards vested on 1 January 2021 and the May 2019 awards vested on 2 January 2022 subject to meeting the performance criteria set out in the table below and continued employment with the Company.

Performance	Vesting
Below the Median	None of the award will vest
Median (50th percentile)	30% of the maximum award will vest
Between Median and Upper Quartile	Straight Line basis between these points
Upper Quartile (75%)	100% of the maximum award will vest.
Above the Upper Quartile	100% of the maximum award will vest

These awards were subject to the achievement of relative Total Shareholder Return ("TSR") performance targets measured over a 3-year performance period ending on 1 January 2021 and 31 December 2021 respectively. The amounts stated above represent the maximum possible opportunity.

The total fair value at grant date of the LTIP awards granted during the period ended 31 December 2019 was $0.9 million and this was expensed over the vesting period with the full charge pro-rated over the vesting period. The fair value at grant date was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies. The model inputs for the LTIP awards granted during the period ended 31 December 2019 included:

	2017 LTIP Award	2018 LTIP Award
Grant Dates	2 January 2019	9 May 2019
Share price at grant dates	GBP167.7p	GBP146.6p
Exercise price	GBP0.00	GBP0.00
Expected volatility	113.9%	113.9%
Risk-free interest rates	0.73%	0.73%
Expected dividend yields	0%	0%
Vesting period	1 January 2021	2 January 2022

2019 LTIP Award

On 25 June 2020 and 30 October 2020 Options over a total of 481,586 ordinary shares were granted under the LTIP in accordance with the policy announced to the market on 25 August 2017 in respect of the performance of the Company in the financial year ended 31 December 2019. These LTIP awards vested on 2 January 2023, subject to meeting the performance criteria set out in the table below and continued employment with the Company.

Performance	Vesting
Below the Median	None of the award will vest
Median (50th percentile)	30% of the maximum award will vest
Between Median and Upper Quartile	Straight Line basis between these points
Upper Quartile (75%)	100% of the maximum award will vest.
Above the Upper Quartile	100% of the maximum award will vest

These Awards are subject to the achievement of relative TSR performance targets measured over a three-year performance period ending on 31 December 2022. The amounts stated above represent the maximum possible opportunity.

The total fair value at grant date of the LTIP awards granted during the period ended 31 December 2020 was $0.4 million and this will be pro-rated and expensed over the vesting period. The fair value at grant date was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies. The model inputs for the LTIP awards granted during the period ended 31 December 2020 included:

	2019 LTIP Award	2019 LTIP Award
Grant Dates	25 June 2020	30 October 2020
Share price at grant dates	GBP79.0	GBP77.0
Exercise price	GBP0.00	GBP0.00
Expected volatility	84.9%	84.9%
Risk-free interest rates	(0.07%)	(0.07%)
Expected dividend yields	0%	0%
Vesting dates	2 January 2023	2 January 2023

2020 LTIP Award

On 13 August 2021, Options over a total of 325,000 ordinary shares were granted under the LTIP in accordance with a revised LTIP scheme (the Revised LTIP") in respect of the performance of the Company in the financial year ended 31 December 2020. These LTIP awards will vest on 1 January 2024, subject to meeting the performance criteria set and continued employment in the Company.

The performance targets set for awards made under the Revised LTIP during the period ended 31 December 2021 will be measured considering both the Company's absolute TSR performance and the Company's relative TSR performance over a three-year period, commencing with the current financial year of the Company (i.e. a measurement period of 1 January 2021 to 31 December 2023). TSR calculations will be determined by reference to the volume weighted three-month average price prior to the start and end of the measurement period (with the starting average price adjusted for the Share Consolidation). The three-month volume weighted average price at the start of the performance period was 88p (adjusted for the Share Consolidation).

The performance targets provide that:

- No portion of a distinct one-half of the LTIP Award (the "Absolute TSR Part") may vest unless the Company's compound annual growth rate of TSR over the performance period is at least 10% p.a., for which 30% of the Absolute TSR Part may vest, rising on a straight-line basis for full vesting of the Absolute TSR Part if the Company's compound annual growth rate of TSR over the performance period equals or exceeds 25% p.a.
- No portion of the other distinct one-half of the LTIP Award (the "Relative TSR Part") may vest unless the Company's TSR over the performance period ranks at least median relative to the TSR performance within a comparator group of companies, for which 30% of the Relative TSR Part may vest, rising on a straight line basis for full vesting of the Relative TSR Part if the Company's TSR over the performance period ranks upper quartile or better relative to the TSR performance within a comparator group. However, an underpin term applies to the Relative TSR Part which provides that, regardless of relative TSR performance, no vesting may ordinarily accrue in respect of the Relative TSR Part unless the Company's compound annual growth rate of TSR over the performance period is at least 10% per annum.

Notes to the Consolidated Financial Statements (continued)

The total fair value at grant date of the LTIP awards granted during the period ended 31 December 2021 was $0.7 million and this will be pro-rated and expensed over the vesting period. The fair value at grant date was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies. The model inputs for the LTIP awards granted during the period ended 31 December 2021 included:

	2020 LTIP Award
Grant Date	13 August 2021
Share price at grant dates	GBP146.00p
Exercise price	GBP0.00
Expected volatility	6.3%
Risk-free interest rates	(0.20%)
Expected dividend yields	0%
Vesting dates	1 January 2024

2021 LTIP Award

On 6 June 2022, 24 October 2022 and 9 December 2022 Options over a total of 415,000 ordinary shares were granted in accordance with the Revised LTIP in respect of the performance of the Company in the financial year ended 31 December 2021. The earliest vesting date for the Award will be 1 January 2025, subject to meeting the performance criteria set and continued employment in the Company.

The performance targets set for awards made under the Revised LTIP during the period ended 31 December 2022 will be measured considering both the Company's absolute TSR performance and the Company's relative TSR performance over a three-year period, commencing with the current financial year of the Company (i.e. a measurement period of 1 January 2022 to 31 December 2024). TSR calculations will be determined by reference to the volume weighted three month average price prior to the start and end of the measurement period (with the starting average price adjusted for the Share Consolidation). The three-month volume weighted average price at the start of the performance period was £1.38 (adjusted for the Share Consolidation).

The performance targets provide that:

- No portion of a distinct one-half of the LTIP Award (the "Absolute TSR Part") may vest unless the Company's compound annual growth rate of TSR over the performance period is at least 10% p.a., for which 30% of the Absolute TSR Part may vest, rising on a straight line basis for full vesting of the Absolute TSR Part if the Company's compound annual growth rate of TSR over the performance period equals or exceeds 20% p.a.
- No portion of the other distinct one-half of the LTIP Award (the "Relative TSR Part") may vest unless the Company's TSR over the performance period ranks at least median relative to the TSR performance within a comparator group of companies, for which 30% of the Relative TSR Part may vest, rising on a straight line basis for full vesting of the Relative TSR Part if the Company's TSR over the performance period ranks upper quartile or better relative to the TSR performance within a comparator group. However, an underpin term applies to the Relative TSR Part which provides that, regardless of relative TSR performance, no vesting may ordinarily accrue in respect of the Relative TSR Part unless the Company's compound annual growth rate of TSR over the performance period is at least 10% per annum.

The total fair value at grant date of the LTIP awards granted in the period ended 31 December 2022 was $0.6 million and this will be pro-rated and expensed over the vesting period. The fair value at grant date was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies. The model inputs for the LTIP awards granted during the period ended 31 December 2022 included:

	2021 LTIP Award
Grant Date	Jun/Oct/Dec 2022
Share price at grant dates	GBP135p/120p/108p
Exercise price	GBP0.00
Expected volatility	79%
Risk-free interest rates	1.83%/3.59%/3.28%
Expected dividend yields	0%
Vesting dates	1 January 2025

2022 LTIP Award

On 22 August 2023, the Company announces that 565,000 options have been granted under the LTIP in respect of the Company's performance in the year to 31 December 2022 (the "2022 LTIP Award"), including 100,000 options granted to Jeremy Bridglalsingh, Chief Executive Officer, 175,000 options granted to Julian Kennedy, Chief Financial Officer, (CFO) (of which 100,000 are one-off options granted on joining the Board), and 100,000 one-off options granted to the new Chief Operating Officer, (COO) who joined earlier this year. The 2022 Annual LTIP Award represents 1.42% of the Company's current issued share capital. Excluding the one-off options issued to the CFO and COO concerning their appointments, the 2022 Annual LTIP Award represents 0.91 per cent of the current issued share capital of the Company.

The performance targets set for awards made under the 2022 Annual LTIP Award will be measured considering both the Company's absolute TSR performance and the Company's relative TSR performance over a three-year period, commencing with the current financial year of the Company (i.e. a measurement period of 1 January 2023 to 31 December 2025). TSR calculations will be determined by reference to the three-month average closing price prior to the start and end of the measurement period. The three-month average closing price at the start of the performance period for the 2022 Annual LTIP Award was £1.15.

The performance targets provide that:

- No portion of a distinct one-half of the 2022 Annual LTIP Award (the "Absolute TSR Part") may vest unless the Company's compound annual growth rate of TSR over the performance period is at least 10% p.a., for which 30% of the Absolute TSR Part may vest, rising on a straight line basis for full vesting of the Absolute TSR Part if the Company's compound annual growth rate of TSR over the performance period equals or exceeds 20% p.a.
- No portion of the other distinct one-half of the 2022 Annual LTIP Award (the "Relative TSR Part") may vest unless the Company's TSR over the performance period ranks at least median relative to the TSR performance within a comparator group of companies, for which 30% of the Relative TSR Part may vest, rising on a straight line basis for full vesting of the Relative TSR Part if the Company's TSR over the performance period ranks upper quartile or better relative to the TSR performance within a comparator group. However, an underpin term applies to the Relative TSR Part which provides that, regardless of relative TSR performance, no vesting may ordinarily accrue in respect of the Relative TSR Part unless the Company's compound annual growth rate of TSR over the performance period is at least 10% per annum.

The total fair value at grant date of the LTIP awards granted in the period ended 31 December 2023 was $0.8 million and this will be pro-rated and expensed over the vesting period. The fair value at grant date was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and the correlations and volatilities of the peer group companies. The model inputs for the LTIP awards granted during the period ended 31 December 2023 included:

	2022 LTIP Award
Grant Date	August 2023
Share price at grant dates	GBP 90p
Exercise price	GBP0.00
Expected volatility	52%
Risk-free interest rates	5.01%
Expected dividend yields	0%
Vesting dates	1 January 2026

Movements in the number of LTIPs outstanding and their related weighted average exercise prices are as follows:

	2023 Average exercise price per Share Option	**Number of Options**	2022 Average exercise price per Share Option	Number of Options
At 1 January	**GBP 0.00**	**1,430,360**	GBP 0.00	3,381,299
Forfeited/Lapsed	**GBP 0.00**	**(231,930)**	GBP 0.00	(1,360,733)
Granted[1]	**GBP 0.00**	**565,000**	GBP 0.00	415,000
Exercised	**GBP 0.00**	**(463,608)**	GBP 0.00	(1,005,206)
At 31 December	**GBP 0.00**	**1,299,822**	GBP 0.00	1,430,360

1 Weighted average fair value of LTIPs granted GBP 1.15

Notes to the Consolidated Financial Statements (continued)

LTIPs outstanding at the end of the year have the following expiry date and exercise prices:

Grant-Vest	Expiry date	Exercise price	**2023**	2022
24/8/2017 – 30/6/2022	24/08/2027	GBP 0.00	**–**	167,037
2/1/2019 – 1/1/2021	1/1/2024	GBP 0.00	**–**	50,858
9/5/2019 – 2/1/2021	2/1/2025	GBP 0.00	**–**	90,879
25/6/2020 – 2/1/2023	2/1/2026	GBP 0.00	**94,822**	381,586
13/8/2021 – 31/12/2023	2/1/2027	GBP 0.00	**275,000**	325,000
6/6/2022 – 1/1/2025	1/1/2027	GBP 0.00	**365,000**	415,000
22/8/2023 – 1/1/2026	1/1/2028	GBP 0.00	**565,000**	–

26 Merger and Reverse Acquisition Reserves

	Reverse Acquisition Reserve $'000	Merger Reserve $'000	Total $'000
At 1 January 2023	(89,268)	–	(89,268)
Capital re-organisation/reduction	–	–	–
Translation differences	–	–	–
At 31 December 2023	**(89,268)**	–	**(89,268)**
At 1 January 2022	(89,268)	–	(89,268)
Capital re-organisation/reduction	–	–	–
Translation differences	–	–	–
At 31 December 2022	(89,268)	–	(89,268)

The issue of shares by the Company as part of the reverse acquisition (February 2013) met the criteria for merger relief such that no share premium was recorded. As allowed under the UK Companies Act 2006 and required by IAS 27 ('Consolidated and separate financial statements'), a merger reserve equal to the difference between the fair value of the shares acquired by the Company and the aggregation of the nominal value of the shares issued by the Company has been recorded.

27 Adjusted EBITDA

Adjusted EBITDA is a non-IFRS measure used by the Group to measure business performance. It is calculated as Operating Profit before SPT, PT, Impairment and Exceptional Items for the period, adjusted for DD&A, ILFA, SOE, FX Gain/(Loss) and the movement in the FV of Derivative Financial Instruments.

The Group presents Adjusted EBITDA as it is used in assessing the Group's growth and operational efficiencies as it illustrates the underlying performance of the Group's business by excluding items not considered by Management to reflect the underlying operations of the Group.

Adjusted EBITDA is calculated as follows:

	2023 $'000	2022 $'000
Operating Profit Before SPT, Impairment and Exceptional Items	**9,593**	18,971
DD&A (note 13 – 15)	**8,935**	7,617
ILFA (Note 20)	**64**	(46)
SOE (Note 24)	**528**	647
FX (loss)/gain	**65**	394
Loss on disposal	**15**	–
Movement in FV of Derivative Financial Instruments (Note 6)	**–**	(2,883)
Adjusted EBITDA	**19,200**	24,700
	'000	**'000**
Weighted average ordinary shares outstanding – basic	**38,867**	39,094
Weighted average ordinary shares outstanding – diluted	**39,987**	40,524
	$	$
Adjusted EBITDA per share – basic	**0.50**	0.64
Adjusted EBITDA per share – diluted	**0.48**	0.61

Adjusted EBIDA after Current Taxes (*the impact of SPT and PPT/UL*) is calculated as follows:

	2023 $'000	2022 $'000
Adjusted EBITDA	**19,200**	24,700
SPT	**(5,697)**	(9,012)
PT	**(591)**	(3,365)
Adjusted EBIDA After Current Taxes	**12,912**	12,323
	'000	'000
Weighted average ordinary shares outstanding – basic	**38,687**	39,094
Weighted average ordinary shares outstanding – diluted	**39,987**	40,524
	$	$
Adjusted EBIDA After Current Taxes per share – basic	**0.33**	0.32
Adjusted EBIDA After Current Taxes per share – diluted	**0.32**	0.31

Notes to the Consolidated Financial Statements (continued)

28 Provision for Other Liabilities

(a) Non-current:

Year ended 31 December 2022	Decommissioning provision $'000	Closure of pits $'000	Total $'000
Opening amount as at 1 January 2023	51,857	603	52,460
Unwinding of discount (Note 9)	2,077	–	2,077
Revision to estimates (Note 13)	(9,638)	–	(9,638)
Additions	–	40	40
Translation differences	137	–	137
Closing balance at 31 December 2023	**44,433**	**643**	**45,076**

Year ended 31 December 2022			
Opening amount as at 1 January 2022	55,220	470	55,690
Unwinding of discount (Note 9)	1,110	–	1,110
Revision to estimates (Note 13)	(4,595)	–	(4,595)
Additions	–	138	138
Translation differences	122	(5)	117
Closing balance at 31 December 2022	**51,857**	**603**	**52,460**

Decommissioning provision

The Group operates oil fields and this cost represents an estimate of the amounts required for abandonment of the Group's wells, platforms, gathering station and pipeline infrastructures. The amounts are calculated based on the provisions of existing contractual agreements with Heritage and MEEI. Furthermore, liabilities for decommissioning costs are recognised when the Group has an obligation to dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reasonable estimate of that liability can be made. An obligation for decommissioning may also crystallise during the period of operation of a facility through a change in legislation or through a decision to terminate operations.

The amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. A corresponding item of property, plant and equipment of an amount equivalent to the provision is also created. This is subsequently depreciated as part of the capital costs of the facility or item of plant. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding property, plant and equipment. Some of the key assumptions made in the present value decommissioning calculation include the following:

a. Core inflation rate – 3.20% (2022: 3.20%)

b. Risk free rate – 3.84% – 4.22% (2022: 3.96% – 4.14%)

c. Estimated market value/decommissioning cost

d. Estimated life of each asset

See Note 3(b): Critical Accounting Estimates and Assumptions for the rates used and sensitivity analysis.

Closure of Pits

Closure of pits relate to the remedy and closure of pits associated with drilling new onshore wells. It is an environmental regulatory requirement set by the Environmental Management Authority ("EMA") that all open drill pits for onshore drilling must be closed after sufficient testing has deemed it safe to close the pit.

(b) Current:

Year ended 31 December 2023	Litigation claims $'000	Other provisions $'000	Total $'000
Opening amount as at 1 January 2022	137	112	249
Payments	(15)	(112)	(127)
Additions	–	500	500
Closing balance at 31 December 2023	**122**	**500**	**622**

Year ended 31 December 2022			
Opening amount as at 1 January 2021	46	–	46
Additions	91	112	203
Closing balance at 31 December 2022	**137**	**112**	**249**

Litigation claims

Other provisions

There was a provision of $0.5 million in relation to drilling costs for the Jacobin well.

29 Trade and Other Payables

	Group		Company	
Current	**2023 $'000**	2022 $'000	**2023 $'000**	2022 $'000
Trade payables	**3,154**	2,605	**256**	136
Accruals	**5,747**	4,661	**422**	429
VAT payable	**245**	113		
Other payables	**2,560**	500	**–**	–
SPT	**1,388**	2,166	**–**	–
	13,094	10,045	**678**	565

30 Bank overdraft

	31 December 2023 $'000	31 December 2022 $'000
Bank Overdraft	**4,000**	2,700
	4,000	2,700

An on-demand operating (overdraft) line of $8.0 million exists with FirstCaribbean International Bank (Trinidad & Tobago) Limited ("CIBC"). Details of the overdraft facility:

- Description: Demand revolving credit.
- Interest Rate: United States dollar prime rate minus 6.50% per annum, effective rate 7.75%. Interest is payable monthly.
- Repayment: Upon demand at CIBC's discretion.
- Debenture: Floating charge debenture giving the lender a first ranking floating charge over inventory and trade receivables only.
- Covenant: Current Ratio not less than 1.25:1.

The credit limit on the facility is $8.0 million of which $4.0 million was drawn as at 31 December 2023.

Notes to the Consolidated Financial Statements (continued)

31 Related Party Transactions

Group

The following transactions were carried out with the Group's subsidiaries and related parties. These transactions comprise sales and purchases of goods and services and funding provided in the ordinary course of business during the year. The following are the major transactions and balances with related parties:

(a) Transfers of funds from related parties

	Company	
	2023 $'000	2022 $'000
Company subsidiaries:		
Trinity Exploration and Production Services Limited	**4,600**	10,510
Bayfield Energy Limited	**1**	80
Trinity Exploration and Production (Trinidad and Tobago) Limited	**–**	1,800
Trinity Exploration and Production Services Limited (UK) Limited	**35**	1,100
	4.636	13,490

(b) Transfer of funds to related parties

	Company	
	2023 $'000	2022 $'000
Company subsidiaries:		
Trinity Exploration and Production Services Limited	**(1,000)**	–
Bayfield Energy Limited	**(75)**	–
Trinity Exploration and Production Services Limited (UK) Limited	**(2,079)**	(1,265)
	(3,154)	(1,265)

Related party transactions comprise of the transfer of funds to and from related parties which are payable on demand. Positive balances indicate increase in funds transferred to the entities, while negative balances indicate repayment to entities.

(c) Key Management and Directors' compensation: Key Management includes Board (Executive & Non-Executive). The compensation paid or payable to Key Management for employee services is shown below:

	Group	
	2023 $'000	2022 $'000
Salaries and short-term employee benefits	**857**	876
Post-employment benefits	**40**	30
Share-based payment expense	**196**	279
	1,093	1,185

(d) Year-end balances arising from transfer to and from related parties

	Company	
	2023 $'000	2022 $'000
Receivables from related parties:		
Trinity Exploration & Production (UK) Limited	**80**	40
Trinity Exploration and Production (Galeota) Limited	**15**	2
Bayfield Energy Limited	**204**	122
Trinity Exploration and Production Services (UK) Limited	**4,384**	2,652
Total intercompany receivables	**4,683**	2,816
(Provision for impairment)/Reversal of provision for impairment	**(116)**	14
Closing intercompany receivables (Note 20)	**4,567**	2,830

Company

- The receivables from related parties arise mainly from inter-group recharges. The receivables are unsecured and bear no interest. An ECL provision was calculated $0.1 million (2022: 0.1 million).

	Company	
	2023 $'000	2022 $'000
Payables to related parties:		
Trinity Exploration and Production Services Limited	**14,135**	10,683
Trinity Exploration and Production (Trinidad & Tobago) Ltd	**1,779**	1,779
Oilbelt Services Limited	**136**	269
Total intercompany payables	**16,050**	12,731

32 Taxation Payable

	2023 $'000	2022 $'000
Taxation payable		
PPT	**31**	4
UL	**12**	–
	43	4

Trinidad and Tobago statutory petroleum profit tax ("PPT") and unemployment levy ("UL") are a combined rate of 55% of taxable income. PPT has a tax charge of 50%, while UL has a tax charge of 5% on taxable profits.

Notes to the Consolidated Financial Statements (continued)

33 Financial Instruments by Category

At 31 December 2023 and 2022, the Group held the following financial assets at amortised cost:

	Group		Company	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
Trade and other receivables – current*	**5,199**	5,165	**–**	6
Abandonment fund – non current	**4,962**	4,511	**–**	–
Intercompany	**–**	–	**4,567**	2,830
Cash and cash equivalents	**9,819**	12,131	**1,194**	2,102
	19,980	21,807	**5,761**	4,938

Note (*): Excludes prepayments and VAT recoverable

At 31 December 2023 and 2022, the Group held the following financial liabilities at amortised cost:

	Group		Company	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
Accounts payable and accruals	**8,901**	9,932	**677**	565
Intercompany	**–**	–	**16,050**	12,731
Bank overdraft	**4,000**	2,700	**–**	–
	12,901	12,632	**16,727**	13,296

At 31 December 2023 and 2022, the Group held no financial liabilities at fair value through profit or loss.

34 Commitments and Contingencies

a) Commitments

There are commitments for decommissioning costs of the wells and facilities under the Group's agreements with Heritage, which have been provided for as described in Note 28: Provision for other liabilities.

b) Contingent Liabilities

i) Parent Company Guarantee:

a) PGB – A Letter of Guarantee has been established in substance over the PGB Block where a subsidiary of Trinity is obliged to carry out a Minimum Work Programme to the value of $8.4 million. A clause within the Letter of Guarantee implies that the Guarantor may reduce the Guarantee Sum available for payment to the MEEI under the Letter of Guarantee on an obligation by obligation basis provided PGB delivers to the Guarantor a certificate duly issued and signed by the MEEI.

b) Galeota – A Letter of Guarantee has been established in substance over the Galeota Block where a subsidiary of Trinity is obliged to carry out a Minimum Work Programme to the value of $0.9 million. A clause within the Letter of Guarantee implies that the Guarantor may reduce the Guarantee Sum available for payment to the MEEI under the Letter of Guarantee on an obligation by obligation basis provided the subsidiary of Trinity delivers to the Guarantor a certificate duly issued and signed by the Minister of the MEEI. The Letter of Guarantee was effective from 14 July 2021 until the earlier of performance of Minimum Work Programme or the Guarantor has paid the Guarantee amount.

ii) Jacobin drilling disputed cost: There is a disputed drilling cost of $2.4 million with a supplier in relation to the Jacobin well, where Management has included a provision for $0.5 million which it believes is appropriate based on external advice obtained. $1.9 million is disclosed as a contingent liability.

iii) The Group is party to various claims and actions. Management has considered the matters and where appropriate has obtained external legal advice. No material additional liabilities are expected to arise in connection with these matters, other than those already provided for in these consolidated financial statements.

35 Employee Costs

	Group		Company	
	2023 $'000	2022 $'000	**2023 $'000**	2022 $'000
Employee costs for the Group during the year				
Wages and salaries	**8,489**	7,245	**432**	483
Other pension costs	**467**	425	**70**	–
Share based payment expense	**528**	647	**41**	107
	9,484	8,317	**543**	590

Average monthly number of people

(including Executive and Non-Executive Directors') employed by the Group

	2023 number	2022 number	**2023 number**	2022 number
Executive and Non-Executive Directors	**5**	6	**6**	6
Administrative staff	**107**	102	**–**	–
Operational staff	**170**	168	**–**	–
	282	276	**6**	6

36 Events after the Reporting Period

1. Subsequent to 31 December 2023, the Group received VAT refunds of USD 0.8 million. As at 22 May 2024, the Group had USD 5.1 million in VAT refunds recoverable.
2. On 13 June 2023, Trinity announced its successful bid for the onshore Buenos Ayres block. Subsequent to 31 December 2023, the Group is awaiting finalisation of the exploration and production licence with the MEEI.
3. Fiscal reforms (Finance Act) – Effective 1 January 2024, SPT rates for Small Shallow Marine Area Producers were introduced. It becomes applicable when the weighted average realised crude oil price exceeds US$75/bbl, starting at a rate of 18% and goes up to 40% depending on the price.

   A Small Shallow Marine Area Producer is defined as a person who carries out petroleum operations in shallow marine areas under a licence, sub-licence or contract and produces less than 4,000 barrels of crude oil per day.
4. On 1 May 2024, the board of directors of each of Touchstone and Trinity announced that they have reached an agreement on the terms of a recommended all share offer pursuant to which Touchstone will acquire the entire issued and to be issued ordinary share capital of Trinity (the "Acquisition"). The Acquisition is to be effected by means of a scheme of arrangement under Part 26 of the Companies Act. Under the terms of the Acquisition, Trinity Shareholders shall be entitled to receive 1.5 New Touchstone Shares. Further information on the transaction can be found on our website at https://trinityexploration.com/.

Glossary

Abbreviation	Meaning
2P	Proved and probable resources
2C	Best estimate of contingent resources
Adjusted EBITDA	Operating Profit before Taxes for the period, adjusted for depreciation, depletion & amortisation ("DD&A"), non-cash Share Option Expenses ("SOE"), Impairment losses on Financial assets ("ILFA") and FX gains/(loss) and fair value Gains/Losses on Derivative Financial Instruments
AGM	Annual General Meeting
AIM	Alternative Investment Market of the London Stock Exchange plc
APM	Alternative Performance Measures Guidelines
bbl	barrel
BDO	Binder Dijker Otte
BIR	Board of Inland Revenue of Trinidad & Tobago
BM	Brighton Marine
Board	Board of Directors
bopd	barrels of oil per day
boepd	barrels of oil equivalent per day
c.	circa (approximately)
CA 2006	Companies Act 2006 (as amended from time to time)
Capex	Capital expenditure
CGU	Cash generating units
CIBC	First Caribbean International Bank (Trinidad & Tobago) Limited
CIMA	Chartered Institute of Management Accountants
CLN	Convertible Loan Notes previously in issue by the Group which were fully redeemed as part of the Group's fundraising in 2018
CSR	Corporate Social Responsibility
COVID-19	Coronavirus disease (COVID-19) is an infectious disease caused by a new virus. The disease causes respiratory illness (like the flu) with symptoms such as a cough, fever, and in more severe cases, difficulty breathing
DD&A	Depreciation, depletion and amortisation
Derivatives	Oil Price Derivative Financial Instruments
DOA	Delegation of Authority
DTA	Deferred Tax Asset
DTL	Deferred Tax Liabilities
EAD	Exposure at Default
E&E	Exploration and Evaluation
EIA	Environmental Impact Assessment
ECL	Expected Credit Loss
EMA	Environmental Management Authority
EMT	Executive Management Team
ESG	Environmental Social Governance
EUR	Estimated Ultimate Recovery
FDP	Field Development Plan
FID	Final Investment Decision
FOA	Farmout Agreement
FRC	Financial Reporting Council
FVLCD	Fair Value less Costs of Disposal
FX	Foreign Exchange
G&A	General and Administrative expenses
GBP or **£**	Great British Pound
GHG	Green House Gases
Group	Trinity and its Subsidiaries
H	Half Year i.e. H1 means first half
Heritage	Heritage Petroleum Company Limited

Abbreviation	Meaning
HMRC	Her Majesty Revenue and Customs of the United Kingdom
HSSE	Health, Safety, Security & Environment
IP	Initial Production
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IFRS IC	IFRS Interpretations Committee
ILFA	Impairment losses on Financial assets
JOA	Joint Operatorship Agreement
KPI(s)	Key Performance Indicator(s)
LGD	Loss Given Default
LLP	Limited liability partnership
LNG	Liquefied Natural Gas
LO	Lease Operator
LOA	Lease Operatorship Agreement
LTI	Lost Time Incidents
LTIP	Long-Term Incentive Plan
MEEI	Ministry of Energy and Energy Industries of Trinidad & Tobago
MM	million
Management	Board and EMT
mmbbls	million barrels
mmstb	million stock tank barrels
mt	metric tonnes
MWh	Megawatt hour
NOC	National Oil Company also known as Heritage
NOS	Net Oil Sands
Operating Break-even	The realised price where the Adjusted EBITDA for the respective asset is equal to zero. Consolidated Operating Break-even is the realised price where the Adjusted EBITDA for the entire Group is equal to zero)
OCF	Net Cash Flow from Operating Activities
Operating Expenses	Royalties, Production costs (“Opex”), Depreciation, Depletion & Amortisation (“DD&A”), General & Administrative (“G&A”) expenses, Impairment losses on financial assets (“ILFA”), Share Option Expense (“SOE”) and Foreign exchange (“FX”) (loss)/gain
Opex	Production costs
Operating Profit	Operating Profit from business operations (Operating Revenues less Operating Expenses less SPT & PT less Exceptional items)
ORR	Overriding Royalties
PD	Probability of Default
Petrotrin	The Petroleum Group of Trinidad and Tobago Limited
PGB	Point Ligoure-Guapo Bay-Brighton Marine Outer (West Coast Assets)
Plc	Public Limited Company
PPE	Personnel Protective Equipment
PPT	Petroleum Profits Tax
PRMS	Petroleum Resource Management System
PT	Property Tax
Q	Year quarter (3 months) i.e. Q1 means first quarter
RNS	Regulatory News Service
RCP(s)	Recompletion(s)
Realised price	Actual price received per bbl. A discount is normally applied to the WTI price by Heritage to derive the realised price received by Trinity.
ROU	Right-of-Use
SOE	Share Option Expense
SPT	Supplemental Petroleum Tax

Glossary

Abbreviation	Meaning
START Card	See Think Act Reinforce Track Card
STOIIP	Stock Tank Oil Initially in Place
STOW	Safe to Work
TEPUKL	Trinity Exploration & Production (UK) Limited
TEPGL	Trinity Exploration and Production (Galeota) Limited
Trinity/Company/Parent	Trinity Exploration & Production plc
TOG	Total Oil and Gas
TPH	Total Petroleum Hydrocarbons
TSR	Total Shareholder Return
TTD	Trinidad & Tobago Dollars
T&T	Trinidad & Tobago
UK	United Kingdom
UL	Unemployment Levy
UN SDG	United Nations Sustainable Development Goals
USA	United States of America
USD or **US$** or **$**	United States Dollars
UWI	University of the West Indies
VAT	Value Added Tax
VIU	Value in Use
vs	versus
VWAP	Volume-Weighted Average Price
WTI	West Texas Intermediate – is a grade of crude oil used as a benchmark in oil pricing
WO(s)	Workover(s)
YE	Year-end

Company Information

Company addresses

United Kingdom and Registered Office
c/o Pinsent Masons LLP
1 Park Row
Leeds LS1 5AB

Trinidad & Tobago Office
3rd Floor Southern
Supplies Limited Building
40-44 Sutton Street
San Fernando
Trinidad & Tobago

Corporate Secretarial

Company Secretary

AMBA Secretaries Limited
400 Thames Valley Park Drive
Thames Valley Park
Reading RG6 1PT

Registrar

Link Group
Central Square
29 Wellington Street
Leeds LS1 4DL

Main Bankers

Lloyds Banking Group plc
Bank of Scotland
Level 6 110 St Vincent Street
Glasgow G2 5ER

First Citizens Bank Limited
Superpharm Building
2 South Trunk Road, Gulf View
La Romain
Trinidad & Tobago

CIBC FirstCaribbean International Bank
(Trinidad & Tobago) Limited
74 Long Circular Road
Maraval, Port of Spain
Trinidad & Tobago

Advisers

NOMAD

SPARK Advisory Partners Limited
5 St. John's Lane
London EC1M 4BH

Broker

Cavendish Capital Markets Ltd
One Bartholomew Close
London UK
EC1A 7BL

Independent Auditors

BDO LLP
55 Baker Street
London W1U 7EU

Tax Advisers

EY LLP
4th Floor
2 Marischal Square
Broad Street,
Aberdeen AB10 1BL

Legal Advisers & Solicitors

Pinsent Masons LLP
1 Park Row
Leeds
England
LS1 5AB

Public Relations Adviser

Vigo Consulting
Sackville House
40 Piccadily
London W1J ODR

Printed by Black&Callow
london@blackandcallow.com
www.blackandcallow.com
020 3794 1720

TRINITY
EXPLORATION & PRODUCTION

Trinity Exploration & Production plc

c/o Pinsent Masons LLP
1 Park Row
Leeds LS1 5AB
United Kingdom

E: info@trinioil.com

www.trinityexploration.com