Trigon Metals Inc.

Condensed consolidated interim financial statements

For the three and six months ended September 30, 2023 and 2022

(Expressed in U.S. Dollars)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada (CPA Canada) for a review of interim financial statements by an entity's auditor.

Trigon Metals Inc.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in US dollars)

As at	Notes	September 30, 2023	March 31, 2023
ASSETS			
Current assets			
Cash		**$ 8,750,861**	$ 20,732,663
Amounts receivable	5	**1,525,304**	434,235
Prepaid expenses	6	**135,506**	61,602
Inventory		**326,950**	-
Total current assets		**10,738,621**	21,228,500
Non-current assets			
Property and equipment	7	**27,053,273**	13,209,752
Buyback option on streaming arrangement	16	**1,233,797**	1,233,797
Total Assets		**$ 39,025,691**	$ 35,672,049
LIABILITIES			
Current			
Accounts payable and accrued liabilities	8,14	**$ 2,502,195**	$ 235,087
Lease liability	17	**51,063**	63,525
Acquisition fees payable	9	**438,963**	575,839
Warrant liability	13	**1,109,868**	252,716
Deferred revenue on streaming arrangement	16	**3,137,019**	644,570
Total current liabilities		**7,239,108**	1,771,737
Non-current liabilities			
Lease liability	17	**112,062**	130,658
Acquisition fees payable	9	**914,030**	698,159
Deferred revenue on streaming arrangement	16	**41,940,707**	39,978,229
Total Liabilities		**$ 50,205,907**	$ 42,578,783
EQUITY (DEFICIENCY)			
Equity (deficiency) attributable to shareholders of Trigon Metals Inc.:			
Share capital	12	**47,264,385**	44,550,809
Warrants	13	**4,093,609**	5,020,340
Contributed surplus	13	**1,357,360**	1,369,258
Currency translation reserve		**10,543,512**	10,543,512
Deficit		**(71,608,860)**	(65,741,722)
Total equity (deficiency) attributable to shareholders of Trigon Metals Inc.		**(8,349,994)**	(4,257,803)
Non-controlling interest		**(2,830,222)**	(2,648,931)
Total Equity (Deficiency)		**(11,180,216)**	(6,906,734)
Total Liabilities and Equity		**$ 39,025,691**	$ 35,672,049

Nature of operation and going concern (note 1)
Commitments and contingencies (notes 15,16)

Approved by the Board of Directors on November 28, 2023.

“Jed Richardson”
Jed Richardson
Director

“Larisa Sprott”
Larisa Sprott
Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Trigon Metals Inc.
Condensed Consolidated Interim Statements of Loss
(Expressed in US dollars)

	Notes	Three months ended September 30, 2023	Three months ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022
Pre-production revenue		**$ -**	$ 310,655	**$ 36,363**	$ 618,850
Cost of sales		**-**	409,982	**143,159**	1,013,048
Gross profit (loss)		**-**	(99,327)	**$ (106,796)**	$ (394,198)
Expenses					
Consulting fees	14	**$ 248,871**	$ 448,066	**$ 501,755**	$ 774,344
Professional fees		**82,329**	48,433	**99,655**	77,016
Travel and related costs		**35,824**	4,463	**51,426**	62,219
Investors relations and filing fees		**62,007**	12,710	**106,145**	123,972
General and administrative costs		**24,026**	20,216	**52,846**	40,409
Exploration and evaluation expenditures	9	**937,084**	370,512	**1,613,733**	787,910
Depreciation	7	**98,017**	95,314	**202,394**	195,529
Share-based compensation	12,14	**23,571**	90,775	**23,571**	90,775
Foreign exchange (gain) / loss		**74,605**	(184,447)	**(199,230)**	(28,670)
Total expenses before the undernoted		**$ 1,586,334**	$ 906,042	**$ 2,452,295**	$ 2,123,504
Other income (expense)					
Interest income		**155,429**	333	**367,128**	1,708
Interest expense	16	**-**	(165,536)	**-**	(259,110)
Other income		**3,318**	10,894	**3,954**	18,146
Change in fair value of convertible security		**-**	231,332	**-**	340,044
Finance charges	16	**(14,328)**	(101,149)	**(31,538)**	(3,077,669)
Impairment of receivables		**(40,491)**	(147)	**(41,133)**	(1,448)
Change in fair value of warrant liability	7	**73,482**	-	**(9,926)**	-
Accretion expenses	9,16	**(2,304,966)**	(49,178)	**(4,547,800)**	(98,266)
Loss on asset disposal		**-**	(15,430)	**-**	(15,430)
Net loss		**$ (3,713,890)**	$ (994,923)	**$ (6,818,406)**	$ (5,609,727)
Other comprehensive loss					
Items that may be subsequently reclassified to net loss:					
Cumulative exchange translation adjustments		**-**	(127,910)	**-**	(422,782)
Other comprehensive loss		**$ -**	$ (127,910)	**$ -**	$ (422,782)
Comprehensive loss		**$ (3,713,890)**	**$ (1,122,833)**	**$ (6,818,406)**	$ (6,032,509)
Net loss attributable to:					
Shareholders of Trigon Metals Inc.		**$ (3,690,210)**	(1,032,925)	**$ (6,637,115)**	$ (5,277,586)
Non-controlling interest		**(23,680)**	(61,324)	**(181,291)**	(332,141)
		$ (3,713,890)	$ (1,094,249)	**$ (6,818,406)**	$ (5,609,727)
Comprehensive loss attributable to:					
Shareholders of Trigon Metals Inc.		**$ (3,690,210)**	(1,455,707)	**$ (6,637,115)**	$ (5,700,368)
Non-controlling interest		**(23,680)**	(61,324)	**(181,291)**	(332,141)
		$ (3,713,890)	$ (1,517,031)	**$ (6,818,406)**	$ (6,032,509)
Loss per share					
Basic and diluted		**(0.02)**	(0.01)	**(0.04)**	(0.03)
Weighted average number of common shares outstanding					
Basic and diluted		**197,022,806**	169,656,202	**186,044,410**	169,656,202

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Trigon Metals Inc.
Condensed Consolidated Interim Statements of Shareholder Equity
(Expressed in US dollars)

	Notes	Number of common shares	Share Capital	Contributed surplus	Warrants	Equity component of convertible security	Deficit	Cumulative translation reserve	Total shareholders' equity (deficiency)	Non-controlling interest	Total equity
Balance as at March 31, 2022		**169,656,202**	**$ 47,747,825**	**$ 1,439,104**	**$ 3,135,914**	**$ -**	**$ (49,520,197)**	**$ 6,974,897**	**$ 9,777,543**	**$ (901,454)**	**$ 8,876,089**
Net loss for the period		-	-	-	-	-	(4,854,804)	(422,782)	(5,277,586)	(332,141)	(5,609,727)
Warrants issued	12,13	-	-	-	2,290,150	-		-	2,290,150	-	2,290,150
Share and warrants issue costs	12,13	-	(11,352)	-	(6,484)	-		-	(17,836)	-	(17,836)
Convertible security issuance		-	-	-	-	498,596	-	-	498,596	-	498,596
Stock option grant		-	-	90,775	-	-	-	-	90,775	-	90,775
Stock option expiry				(48,208)	-	-	48,208	-	-	-	-
Change in presentation currency	4	-	(4,238,835)	(129,795)	(386,888)	(23,680)	4,281,976	4,492,181	3,994,959	(8,223)	3,986,735.37
Balance as at September 30, 2022		**169,656,202**	**$ 43,497,638**	**$ 1,351,876**	**$ 5,032,692**	**$ 474,916**	**$ (50,044,817)**	**$ 11,044,296**	**$ 11,356,601**	**$ (1,241,818)**	**$ 10,114,783**
Balance as at March 31, 2023		**174,927,807**	**$ 44,550,809**	**$ 1,369,258**	**$ 5,020,340**	**$ -**	**$ (65,741,722)**	**$ 10,543,512**	**$ (4,257,803)**	**$ (2,648,931)**	**$ (6,906,734)**
Net loss for the period		-	-	-	-	-	(6,637,115)		(6,637,115)	(181,291)	(6,818,406)
Shares issued on licence acquisition	12,13	84,129	12,983	-	-	-	-	-	12,983	-	12,983
Stock options vested	12,13	-	-	23,571	-	-	-	-	23,571	-	23,571
Options expired unexercised	12,13	-	-	(35,469)	-	-	35,469	-	-	-	-
Private placement		25,000,000	3,783,015	-	-	-	-	-	3,783,015	-	3,783,015
Warrants issued	12,13	-	(762,862)	-	-	-	-	-	(762,862)	-	(762,862)
Share and warrant issue costs	12,13	-	(319,560)	-	(192,223)	-	-	-	(511,783)	-	(511,783)
Warrant expiry		-	-	-	(734,508)	-	734,508	-	-	-	-
Balance as at September 30, 2023		**200,011,936**	**$ 47,264,385**	**$ 1,357,360**	**$ 4,093,609**	**$ -**	**$ (71,608,860)**	**$ 10,543,512**	**$ (8,349,994)**	**$ (2,830,222)**	**$ (11,180,216)**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Trigon Metals Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in US dollars)

	Notes	Six months ended September 30, 2023	2022 (Note 4)
Cash provided by (used in):			
Operating activities			
Net loss for the period		**$ (6,818,406)**	$ (5,609,727)
Adjustments for items not affecting cash:			
Depreciation	7	**202,394**	195,529
Accretion expense	16	**4,547,800**	98,266
Non-cash finance charges		**-**	2,490,655
Change in fair value of warrant liability		**9,926**	-
Share-based compensation		**23,571**	90,775
Change in fair value of convertible security		**-**	(340,044)
Loss on asset disposal		**-**	15,430
Foreign exchange gain		**(5,156)**	-
Net cash from operating activities before changes in working capital		**(2,039,871)**	(3,059,116)
Net changes in non-cash working capital			
Change in amounts receivable		**(1,091,069)**	1,531,328
Change in prepaid expenses		**(73,904)**	255,571
Change in inventory		**(326,950)**	-
Change in accounts payable and accrued liabilities		**2,267,108**	(136,036)
Net cash flows used in operating activities		**(1,264,686)**	(1,408,253)
Investing activities			
Purchase of property and equipment	7	**(14,045,915)**	(2,975,993)
Net cash flows used in investing activities		**(14,045,915)**	(2,975,993)
Financing activities			
Private placement	12	**3,783,015**	-
Share and warrant issuance costs	12	**(404,314)**	(18,079)
Proceeds from loan received	16	**-**	2,501,165
Loan repaid	16	**-**	(2,372,491)
Proceeds from convertible security received		**-**	4,219,645
Financing fees		**-**	(147,516)
Payment of principal portion of lease liability	17	**(29,155)**	-
Net cash flows provided by financing activities		**3,349,546**	4,182,724
(Decrease)/ Increase in cash during the period		**(11,961,055)**	(269,069)
Effect of exchange rates		**(20,747)**	254,316
Cash - beginning of period		**20,732,663**	312,906
Cash - end of period		**$ 8,750,861**	$ 298,153
Supplemental information			
Compensation options		**$ 107,469**	$ -
Shares issued on license acquisition		**12,983**	-

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Trigon Metals Inc. (the "Company" or "Trigon") was incorporated under the Business Corporations Act of Canada on April 1, 2005. On December 28, 2016, the Company changed its name from Kombat Copper Inc. to Trigon Metals Inc. and its stock symbol from "KBT" to "TM". The Company's head office is located at 130 Queens Quay East, Suite 1224, Toronto, Ontario, M5A 0P6.

These condensed consolidated interim financial statements were reviewed, approved and authorized for issue by the Board of Directors on November 28, 2023.

The principal business activities of Trigon and its subsidiaries (collectively, the "Company") are the acquisition, maintenance, exploration and development of mines and mineral properties on the African continent. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Significant time and major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The recoverability of the amounts shown for property and equipment is dependent upon the Company obtaining the necessary financing to complete the exploration, evaluation and development of its properties, the discovery of economically recoverable reserves and future profitable operations, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, social and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

Going concern

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. A different basis of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at September 30, 2023, the Company had working capital of $3,499,513 compared with working capital of $19,456,763 as at March 31, 2023. During the three and six months ended September 30, 2023, the Company had net losses of $3,713,890 and $6,818,406, respectively, (three and six months ended September 30, 2022: losses of $994,923 and $5,609,727, respectively). The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration and development activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with current cash on hand, revenue and potential proceeds from the exercise of warrants/stock options. During fiscal 2024 and 2023, the Company was able to raise funds through financings and its streaming agreement (see Note 18). However, there is no assurance that additional financing will be available on terms acceptable to the Company, or at all. These matters represent uncertainties that cast doubt on the Company's ability to continue as a going concern. These condensed consolidated interim financial statements do not reflect adjustments to the carrying value of assets and liabilities that would be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements of the Company and its subsidiaries have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and accounting policies based on International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretation Committee ("IFRIC") interpretations.

The accounting policies as set out in the Company's audited consolidated financial statements for the year ended March 31, 2023 were consistently applied to all periods presented, unless otherwise noted below.

The preparation of condensed interim financial statements in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. Certain disclosures included in the annual financial statements have been condensed or omitted. Accordingly, these unaudited condensed consolidated interim financial statements should be read in conjunction with the annual audited consolidated financial statements as at March 31, 2023.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are stated at their fair values. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

Consolidation

These condensed consolidated interim financial statements incorporate the accounts of Trigon Metals Inc. and its subsidiaries, PNT Financeco Corp. (Barbados) 100% (2022 – 100%), Kombat Holdings Namibia (Pty) Ltd. (Namibia) 100% (2022 - 100%), Trigon Mining (Namibia) (Pty) Ltd. ("Trigon Namibia") (Namibia) 80% (2022 – 80%), Trigon (Morocco) Holding Corp. (Canada) 100% (2022 – 0%), and Technomine Africa Sarl ("Technomine") (Morocco) 100% (2022 – 100%). The Company voluntarily wound up Gazania Investments Nine (Pty) Ltd. ("Gazania") (Namibia) on August 4, 2023. All intercompany transactions, balances, income and expenses are eliminated on consolidation. The 20% of Trigon Namibia not owned by the Company is owned by the Namibia State Mining Company and a local Namibian partner. Trigon (Morocco) Holding Corp. was incorporated in the year ending March 31, 2023.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. These condensed consolidated interim financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

For non-wholly owned, controlled subsidiaries, the net assets attributable to outside equity shareholders are presented as "non-controlling interests" in the equity section of the consolidated statement of financial position. Profit for the period that is attributable to non-controlling interests is calculated based on the ownership of the minority shareholders in the subsidiary. Warrants and stock options issued by subsidiaries, exercisable into subsidiary shares, are presented as a component of non-controlling interest in the consolidated statement of financial position.

When the Company ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

The partial disposal of an interest resulting in loss of control meets the definition of a disposal group. A disposal group qualifies as a discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of loss.

Significant accounting policies

The unaudited condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended March 31, 2023 with the exception of the adoption of amended standards and new policies outlined below.

Amended accounting standards

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The Company adopted this standard effective April 1, 2023. There were no significant changes to the financial statements as a result of this adoption.

IAS 1 – In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The Company adopted this standard effective April 1, 2023. There were no significant changes to the financial statements as a result of this adoption.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The Company adopted this standard effective April 1, 2023. There were no significant changes to the financial statements as a result of this adoption.

IAS 12 – In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The Company adopted this standard effective April 1, 2023. There were no significant changes to the financial statements as a result of this adoption.

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

The preparation of the condensed consolidated interim financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The significant areas of judgment and estimation uncertainty considered by management in preparing the condensed consolidated interim financial statements include:

Critical judgment in applying accounting policies:

- Assets' carrying values and impairment charges

  Events or changes in circumstances can give rise to significant impairment charges or reversals of impairment in a particular year. Management exercises its judgment in determining when such events or changes in circumstances have arisen and where such circumstances evidence a significant or prolonged decline of fair value on assets indicating impairment.

- Commercial production

  The determination of when the mine is in a condition necessary for it to be capable of operating in the manner intended by management (referred to as "commercial production") is a matter of judgment that will impact when the Company recognizes revenue and operating costs in the consolidated statement of loss and depreciation and depletion commence. In making this determination, management considers whether (a) the major capital expenditures to bring the mine to the condition necessary for it to be capable of operating in the manner intended by management have been completed; (b) a reasonable period of commissioning has been completed; (c) consistent operating results have been achieved at the previously budgeted level of design capacity; and (d) the transfer of operations from the construction personnel to operations personnel has been completed. As at September 30, 2023, management and the Board has not declared commercial production.

- Determination of functional currency

  Based on the primary indicators in IAS 21 – The Effects of Change in Foreign Exchange Rates – the US dollar has been determined as the presentation currency of the Company, with the US dollar as the functional currency for all subsidiaries, as the US dollar is the currency in which funds from financing activities (i.e. issuing debt and equity instruments) are generated and because the activities of the foreign operation are carried out as an extension of the reporting entity, rather than being carried out with a significant degree of autonomy. Effects of changes in foreign exchange rates are recorded as foreign exchange gain (loss) on the statement of loss. If the functional currency of the Namibian entities had been the Namibian dollar ("N$"), the effect of changes in foreign exchange rates would have been reflected as other comprehensive income and carried as a cumulative translation adjustment within accumulated other comprehensive income in the equity section of the consolidated statement of financial position. The Company's presentation and functional currency for the Company and all subsidiaries were both the Canadian dollar until October 24, 2022.

- Determination of discount rates

  Determination of the discount rate for acquisition fees payable is based on comparison to similar interest-bearing debt instruments of a group of comparative companies.

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (continued)

Critical judgment in applying accounting policies (continued):

- Expected credit losses

  Determining allowance for expected credit losses ("ECLs") requires management to make assumptions about historical patterns for probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what historical patterns suggest.

Key sources of estimation uncertainty:

- Depreciation rates

  All property and equipment, with the exception of land and buildings, are depreciated on a straight-line basis over three to five years, which the Company believes is the best approximation of the asset utility to the Company. If the estimated life had been longer than management's estimate, the carrying amount of the asset would have been higher.

  The Company's ROU asset is depreciated on a straight-line basis over 10 years, which represents the life of the lease associated with the ROU asset. The Company believes this approach represents the best approximation of the asset utility to the Company.

- Assets' carrying values and impairment charges

  The determination of carrying values and impairment charges and their individual assumptions require that management make an estimate based on the best available information at each reporting period including the future expectation of mine development to extend life of mine. Under situations where management has determined indicators of impairment are present, an impairment assessment will be performed by management whereupon management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets.

- Mineral Reserve and Mineral Resource estimates

  The figures for Mineral Reserves and Mineral Resources are determined in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control.

  Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions, including economic assumptions such as metal prices and market conditions, and future circumstances could have a material effect in the future on the Company's financial position and results of operation.

- Share-based payment transactions and warrants and warrant liability

  The Company records share-based compensation at fair value over the vesting period. The Company also issues warrants. The fair value of the options and warrants is determined using the Black-Scholes options pricing model and management assumptions including the expected dividend yield, expected volatility, forfeiture rate, risk free rate and expected life. Should the underlying assumptions change, it will impact the fair value. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Streaming arrangements and deferred revenue

  Management has determined that based on the agreements, the counterparty assumes significant business risk and rewards associated with the timing and amount of metals being delivered. There is also judgement involved in determining the implied financing cost associated with the streaming arrangement. Management's intention is to settle the obligations under this arrangement through the delivery of non-financial items (i.e., silver and copper), rather than cash or financial assets. As such, the deposits received from the counterparty have been recorded as deferred revenue in the consolidated statement of financial position.

3. CRITICAL ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS (continued)

- Estimation of decommissioning and restoration costs and the timing of expenditure

  The cost estimates are updated annually to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

- Income, value added, withholding and other taxes

  In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

  The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

- Contingencies

  Refer to Note 15.

4. CHANGE IN FUNCTIONAL AND PRESENTATION CURRENCY

Functional currency

With the execution of the Sprott streaming arrangement, management has determined that the US dollar is the predominant currency used to fund the development of the Company's Kombat Mine. As such, management has concluded that the most appropriate functional currency of the parent Company and all subsidiaries, is the US dollar. Previously, the functional currency of the parent Company and all subsidiaries was the Canadian dollar. This change has been accounted for prospectively from October 24, 2022. All assets, liabilities, and equities were translated to US dollars at the exchange rate on October 24, 2022. As a result, the cumulative translation differences which had arisen up to the date of change of functional currency were reallocated to other components within equity.

Presentation currency

Subsequent to the execution of the Sprott streaming agreement, the majority of the Company's transactions are conducted in US dollars and quarterly reporting to management and the Board of Directors is reflected in US dollars. Effective October 24, 2022, the presentation currency of the Company was changed from Canadian dollars to US dollars. The change in presentation currency represents a voluntary change in accounting policy, which has been applied retrospectively. Information for fiscal year ending March 31, 2023 was translated from Canadian dollars to US dollars using the procedures outlined below:

- Assets and liabilities were translated into US dollars at each period-end closing rate of exchange;
- Income and expenses were translated into US dollars at average rates of exchange for each period as the average rate was considered a reasonable proxy for the prevailing rates at the dates of the transactions;
- Differences resulting from the retranslation of opening net assets and the results for each period have been taken to OCI;
- Share capital and other reserves were translated at the closing rate of exchange prevailing at each period end closing rate; and
- Accumulated retained losses and non-controlling interest were translated at the average rates of exchange for each period.

The exchange rates used were:

	Year ended March 31, 2023	Six months ended September 30, 2022
	CAD:USD	CAD:USD
Average rate	1.3130	1.3056
Closing rate	1.3544	1.3707

5. AMOUNTS RECEIVABLE

	September 30, 2023	March 31, 2023
Sales taxes receivable	$ 67,320	$ 33,554
VAT receivable	1,431,574	375,142
Trade and other receivable	26,410	25,539
	$ 1,525,304	$ 434,235

(Expressed in US dollars)

6. PREPAID EXPENSES

	September 30, 2023	March 31, 2023
Insurance	$ 12,699	$ -
Other	122,807	61,602
	$ 135,506	$ 61,602

7. PROPERTY AND EQUIPMENT

Property and equipment are carried at cost less accumulated depreciation and impairment and consist of the following:

Cost	Office furniture, equipment and software	Vehicles	Buildings	Land	Machinery and equipment	Right of use assets	Mine development and plant under construction	Total
Balance, March 31, 2022	$ 329,374	$ 251,168	$ 48,775	$ 146,123	$ 398,748	$ 1,624,344	$ 13,061,000	$ 15,859,532
Additions	209,096	105,886	-	-	1,669,537	333,268	3,160,206	5,477,993
Impairment	-	-	-	-	-	-	(6,024,810)	(6,024,810)
Disposals	(6,671)	(121,187)	-	-	-	-	-	(127,858)
Effect of foreign exchange difference	(29,921)	(19,015)	(3,759)	(11,262)	(68,148)	(132,658)	(942,426)	(1,207,189)
Balance, March 31, 2023	$ 501,878	$ 216,852	$ 45,016	$ 134,861	$ 2,000,137	$ 1,824,954	$ 9,253,970	$ 13,977,668
Additions	39,412	217,296	-	-	1,510,737	-	12,278,470	14,045,915
Balance, September 30, 2023	$ 541,290	$ 434,148	$ 45,016	$ 134,861	$ 3,510,874	$ 1,824,954	$ 21,532,440	$ 28,023,583
Accumulated depreciation, depletion and impairment								
Balance, March 31, 2022	$ (68,402)	$ (65,356)	$ (8,534)	$ -	$ (95,327)	$ (56,499)	$ -	$ (294,118)
Depreciation for the period	(244,483)	(43,158)	-	-	(63,751)	(198,901)	-	(550,293)
Disposals	2,224	32,118	-	-	-	-	-	34,342
Effect of foreign exchange difference	15,842	8,065	658	-	8,776	8,812	-	42,153
Balance, March 31, 2023	$ (294,819)	$ (68,331)	$ (7,876)	$ -	$ (150,302)	$ (246,588)	$ -	$ (767,916)
Depreciation for the period	(59,940)	(39,780)	(1,688)	-	(68,406)	(32,580)	-	(202,394)
Balance, September 30, 2023	$ (354,759)	$ (108,111)	$ (9,564)	$ -	$ (218,708)	$ (279,168)	$ -	$ (970,310)
Net book value								
As at March 31, 2023	**$ 207,059**	**$ 148,521**	**$ 37,140**	**$ 134,861**	**$ 1,849,835**	**$ 1,578,366**	**$ 9,253,970**	**$ 13,209,752**
As at September 30, 2023	**$ 186,531**	**$ 326,037**	**$ 35,452**	**$ 134,861**	**$ 3,292,166**	**$ 1,545,786**	**$ 21,532,440**	**$ 27,053,273**

The Company determined that it will no longer pursue additional development at the Central Pit at its Kombat Mine and as a result, impaired $6,024,810 in mine development costs related to this area during the year ended March 31, 2023.

(Expressed in US dollars)

7. PROPERTY AND EQUIPMENT (continued)

Reconciliation of the carrying amounts as at September 30, 2023 and 2022 are as follows:

	September 30, 2023			March 31, 2023		
	Cost	Accumulated Depreciation	Net book value	Cost	Accumulated Depreciation	Net book value
Office furnitures, equipment and software	**$ 541,290**	**$ 354,759**	**$ 186,531**	$ 501,878	$ 294,819	$ 207,059
Vehicles	**434,148**	**108,111**	**326,037**	216,852	68,331	148,521
Buildings	**45,016**	**9,564**	**35,452**	45,016	7,876	37,140
Land	**134,861**	**-**	**134,861**	134,861	-	134,861
Machinery and equipment	**3,510,874**	**218,708**	**3,292,166**	2,000,137	150,302	1,849,835
Right of use assets	**1,824,954**	**279,168**	**1,545,786**	1,824,954	246,588	1,578,366
Assets under construction	**21,532,440**	**-**	**21,532,440**	9,253,970	-	9,253,970
	$ 28,023,583	**$ 970,310**	**$ 27,053,273**	$ 13,977,668	$ 767,916	$ 13,209,752

As at September 30, 2023, the carrying value of property and equipment is comprised of $nil in Canada (March 31, 2023 - $nil), $4,560 in Morocco (March 31, 2023 - $17,448) and $27,048,713 in Namibia (March 31, 2023 - $13,192,304).

Epiroc Equipment Finance

On August 21, 2023, the Company announced that it agreed to purchase underground mining equipment from Epiroc South Africa (Pty) Ltd for $8,933,261. The purchase is being completed pursuant to an equipment finance facility (the "Facility") for 85% of the purchase consideration ($7,593,272.30), with a 15% down payment ($1,339,988.70) paid upfront by Trigon. The Facility will be secured solely by the equipment (the "Security") and an unsecured corporate guarantee. The Facility contains a 0.75% arrangement fee, will bear interest at a rate of 10.95% per annum and have a term of 60 months from the shipment date of each piece of equipment. Repayments will be made in 55 monthly installments, commencing 6 months after the first shipment. As at September 30, 2023, no equipment has been delivered and the financing has not commenced.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2023	March 31, 2023
Trade payables	$ 2,408,748	$ 153,446
Accruals	93,447	81,641
	$ 2,502,195	$ 235,087

(Expressed in US dollars)

9. EXPLORATION AND EVALUATION EXPENDITURES

	Three months ended September 30,		Six months ended September 30,	
	2023	2022	**2023**	2022
Trigon Namibia				
Drilling and assay	**$ 7,184**	$ 3,448	**$ 10,275**	$ 7,804
Field office and support	**301,234**	70,042	**473,217**	148,804
Consulting and labour	**333,212**	205,680	**632,050**	420,775
Licence and permit	**671**	5,349	**109,326**	13,487
Travel	**16,020**	14,289	**27,694**	43,988
	$ 658,321	$ 298,808	**$ 1,252,562**	$ 634,858
Technomine, Morocco				
Assay and survey	**$ 200,060**	$ (10)	**$ 200,060**	$ 425
Field office and support	**566**	7,712	**9,728**	21,686
Consulting and labour	**73,302**	62,970	**146,548**	128,688
Travel	**4,835**	1,032	**4,835**	2,253
	$ 278,763	$ 71,704	**$ 361,171**	$ 153,052
Total exploration and evaluation expenditures	**$ 937,084**	$ 370,512	**$ 1,613,733**	$ 787,910

The Company holds an effective 80% interest in its five mining licenses in Northern Namibia through its subsidiary, Trigon Namibia. The mining licenses were renewed by the Namibian Ministry of Mines and Energy in June 2021 for a 10-year period from June 2, 2021.

On February 20, 2020, Trigon Namibia was awarded an Exclusive Prospecting Licence 7525 ("EPL 7525") by the Ministry of Mines and Energy in Namibia for a three-year period, commencing on January 17, 2020. EPL 7525 is situated to the west of the Kombat project and south of certain of the Company's licenses related to the Kombat Mine. The renewal of this EPL has been granted for a two-year period commencing on June 16, 2023.

Acquisition of Copper King Extension of Kombat

On January 30, 2023, the Company announced that it had entered into a definitive agreement to expand its land holding in Namibia, through the acquisition of exclusive prospecting licence 8529 ("EPL 8529") from Namibian company, Otiwa Mining and Prospecting CC ("Otiwa"). EPL 8529 surrounds the Company's Kombat and Gross Otavi projects in Otavi mountain land. EPL 8529 is valid for a period of three years from November 9, 2022 to November 8, 2025 and was transferred to Trigon Namibia with effect from May 24, 2023.

The purchase consideration for the licence comprises a cash price of $98,576 (N$1,750,000) and $19,058 (N$250,000) to which has been settled by the issuance of 84,129 shares of the Company. The acquisition of the licence was completed on June 13, 2023.

Following this purchase, the Company is the holder of the following exclusive prospecting licences, reflecting the current status of activities, as follows:

1. EPL 7525 in the Grootfontein district, active status.
2. EPL 8529 in Grootfontein district, active status.
3. EPL 8598 in the Grootfontein district, pending formal grant.

9. EXPLORATION AND EVALUATION EXPENDITURES (continued)

On September 24, 2020, the Company acquired a 100% equity interest in Technomine, a Moroccan company, from Technomine's previous shareholders (the "Vendors"). Technomine owns a 100% interest in the Silver Hill Project ("Silver Hill") in Morocco. Below are the terms of the transaction:

1. Pay to the Vendors $369,467 (CAD$500,000) in cash (paid) and issue 6,000,000 common shares (issued) on closing of the Transaction (the "First Payment"). The common shares were valued at $554,200 (CAD$750,000) based on their trading price subsequent to the signing of the share purchase agreement.
2. On the one-year anniversary of the closing of the transaction, Trigon was to pay to the Vendors $295,574 (CAD$400,000) (outstanding) and issue such number of Trigon common shares equal to $184,734 (CAD$250,000) (based on their trading price at the time) (outstanding) (the "Second Payment").
3. Upon the completion of an independent National Instrument 43-101 compliant Mineral Resource estimate at Silver Hill showing at least 100,000 tonnes of contained copper and/or equivalent, Trigon shall issue such number of shares equal to $923,668 (CAD$1,250,000) (based on their trading price at the time) to the Vendors (outstanding).

In addition, the Company paid $33,252 (CAD$45,000) cash and issued 300,000 common shares to Majilias Inc. for its role as an arm's length finder. The common shares were valued at $27,710 (CAD$37,500) based on their trading price subsequent to the signing of the share purchase agreement. The finder shall also be entitled to share consideration comprising the Second Payment, when paid by Trigon.

The Second Payment was delayed to allow the Company to preserve its working capital. The delay is not expected to have an impact on the Company.

Acquisition of Addana Moroccan properties

The Company announced that it had been granted six exclusive prospecting licences and two mining permits in May and June 2023 in the Addana Mountains of Southern Morocco. These licences relate to a silver and lead deposit.

(Expressed in US dollars)

10. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value on the consolidated statements of financial position are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash, amounts receivable, buyback option on the streaming agreement, accounts payable and accrued liabilities, lease liabilities, warrant liability, and acquisition fees payable. The fair value of the Company's cash, amounts receivable, accounts payable and accrued liabilities, lease liabilities, warrant liability and acquisition fees payable all approximate their carrying values due to the short-term nature of these instruments. The non-current portion of the acquisition fees payable is recorded at a 15% discount rate. The liability component of the warrant liability and buyback option on streaming arrangement are recorded at fair value.

Financial assets and financial liabilities as at September 30, 2023 and March 31, 2023 were as follows:

	Assets & liabilities at amortized cost	Assets & liabilities at fair value through profit & loss	TOTAL
At September 30, 2023			
Financial assets:			
Cash	$ 8,750,861	$ -	$ 8,750,861
Trade receivables	26,410	-	26,410
Buyback option on streaming arrangement	-	1,233,797	1,233,797
Financial liabilities:			
Accounts payable and accrued liabilities	(2,502,195)	-	(2,502,195)
Lease liability	(163,125)	-	(163,125)
Warrant liability	-	(1,109,868)	(1,109,868)
Acquisition fees payable	(1,352,993)	-	(1,352,993)
At March 31, 2023			
Financial assets:			
Cash	$ 20,732,663	$ -	$ 20,732,663
Trade receivables	25,539	-	25,539
Buyback option on streaming arrangement	-	1,233,797	1,233,797
Financial liabilities:			
Accounts payable and accrued liabilities	(235,087)	-	(235,087)
Lease liability	(194,183)	-	(194,183)
Warrant liability	-	(252,716)	(252,716)
Acquisition fees payable	(1,273,998)	-	(1,273,998)

(Expressed in US dollars)

10. FINANCIAL INSTRUMENTS (CONTINUED)

Level 2 hierarchy

The warrant liability is classified as a Level 2 financial instrument within the hierarchy of the Company's financial instruments, measured at FVPL in the consolidated statements of financial position as at September 30, 2023.

Within Level 2, the Company includes inputs other than quoted prices that are observable for the liability such as volatility of the underlying shares, interest rates and time to expiry.

Level 3 hierarchy

The buyback option on the streaming arrangement is classified as a Level 3 financial instrument within the hierarchy of the Company's financial instruments, measured at FVPL in the consolidated statements of financial position as at September 30, 2023 and March 31, 2023.

Fair value as at October 24, 2022	$	-
Change in fair value		1,233,797
Fair value as at March 31, 2023 and September 30, 2023	$	1,233,797

Within Level 3, the Company includes an asset for which observable inputs are not available for use in the fair valuation of this asset. The key assumptions used in the valuation of these instruments included (but were not limited to): the exercise date of the option, the buyback percentage, the date at which the percentage of copper sold under the streaming arrangement would be reduced, the monthly production of copper and silver concentrate, and future pricing and volatility of copper and silver during the option period.

Valuations of assets for which market quotations are not readily available, are inherently uncertain, may fluctuate within short periods of time and are based on estimates, and determination of fair value may differ materially from the values that would have resulted if a ready market existed for the investments. Given the size of this asset, such changes may have a significant impact on the Company's financial condition or operating results.

A 25% change in the fair value of this Level 3 asset as at September 30, 2023 will result in a corresponding increase or decrease of approximately $308,000 (September 30, 2022 - $nil). The sensitivity analysis is intended to reflect the significant uncertainty inherent in the valuation of private investments under current market conditions, and that results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the estimated fair value of these investments. The analysis does not indicate a probability of changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments. Any management actions that may be taken to mitigate inherent risks are not reflected in this analysis.

11. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company considers its capital structure to include the components of shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As the Company's properties are in the exploration and evaluation and development stages, the Company is currently unable to self-finance its operations. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

Risk management is carried out by the management team under policies approved by the Board of Directors. The Company's capital management objectives, policies and processes have remained unchanged during the six months ended September 30, 2023. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of September 30, 2023, the Company believes it is compliant with the policies of the TSXV.

(Expressed in US dollars)

11. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS (Continued)

Financial risks

The Company's financial instruments comprise cash, amounts receivable, buyback option on the stream agreement, accounts payable and accrued liabilities, lease liability, warrant liability, and acquisition fees payable. The main use of these financial instruments is to fund operations and the pursuit of capital transactions. The main risks that could adversely affect the Company's financial assets, liabilities or future cash flows are credit risk, liquidity risk and market risk.

Management mandates and agrees policies for managing each of these risks. The Company is exposed to a variety of financial risks by virtue of its activities including, but not limited to, those summarized below.

The following discussion also includes a sensitivity analysis that is intended to illustrate the sensitivity to changes in market variables on the Company's financial instruments and show the impact on income or loss and shareholders' equity, where applicable. The sensitivity analysis has been prepared for the six months ended September 30, 2023, using the amounts of other financial assets and liabilities held as at the consolidated statement of financial position date.

Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets.The Company minimizes its credit risk by dealing with reputable customers with strong credit ratings. Further, the Company has been prepaid for a substantial portion of its silver sales in advance as part of its silver streaming arrangement, further reducing the Company's credit risk exposure. With respect to credit risk arising from financial assets of the Company, which comprise cash and minimal receivables, the Company's exposure to credit risk arises from default of counterparties, with a maximum exposure equal to the carrying amount of these instruments. As cash balances are held with high credit quality financial institutions, the credit risk to the Company is considered minimal. The Company monitors and is subject to normal industry credit risks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances.

The Company manages its liquidity risk by forecasting cash flows required for operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

The Company's contractual liabilities and obligations are as follows:

	< 1 year	1 to 3 years	4 to 5 years	>5 years	Total
Accounts payable and accrued liabilities	$ 2,502,195	$ -	$ -	$ -	$ 2,502,195
Lease liabilities	48,048	144,145	-	-	192,193
Acquisition fees payable	438,963	924,556	-	-	1,363,519
Balance September 30, 2023	$ 2,989,206	$ 1,068,701	$ -	$ -	$ 4,057,907
Accounts payable and accrued liabilities	$ 235,087	$ -	$ -	$ -	$ 235,087
Lease liabilities	63,525	172,432	-	-	235,957
Acquisition fees payable	575,839	923,668	-	-	1,499,507
Balance March 31, 2023	$ 874,451	$ 1,096,100	$ -	$ -	$ 1,970,551

11. CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS (Continued)

Liquidity risk (continued)

The Company's approach to managing liquidity risk is to endeavour to have sufficient liquidity to meet liabilities when due. As at September 30, 2023, the Company had a cash balance of $8,750,861 (March 31, 2023: $20,732,663). As at September 30, 2023, the Company's financial liabilities consisted of accounts payable and accrued liabilities of $2,502,195 (March 31, 2023: $235,087) all due in less than one year, other current liabilities of $4,736,913 (March 31, 2023 - $1,536,650), plus long term liabilities of $42,966,799 (March 31, 2023: $40,807,046).

During the year ended March 31, 2023, Trigon raised $3,923,742 (CAD$5,310,000) through a convertible security and $37,500,000 through a streaming agreement (Note 16). The convertible security was fully repaid in October 2022.

During the six months ended September 30, 2023, the Company raised $3,783,015 through a private placement (Note 12).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodities and equity prices will affect the Company's income or the value of its holdings of financial instruments. The ability of the Company to explore, evaluate and develop its exploration and mining properties and the future profitability of the Company are directly related to the price of base and precious metals. The Company monitors metal prices to determine the appropriate course of action to be taken.

Foreign currency risk

Foreign currency risk is created by fluctuations in the fair value or cash flows of financial instruments due to changes in foreign exchange rates and exposure as a result of investment in its subsidiaries. The Company is exposed to currency risk by incurring certain expenditures in Canadian dollars, US dollars, Namibian dollars and South African Rand for its operations in Namibia and Moroccan Dirham and US dollars in Morocco. The Company has sought to minimize this risk by keeping its cash reserves in US dollars and only purchasing Canadian dollars, Namibian dollars, South African Rand and Moroccan Dirham as needed.

Sensitivity analysis

The carrying amount of cash, amounts receivable, and accounts payable and accruals equals fair market value. The effect of changes in foreign exchange rates on net loss is deemed insignificant as the number and amount of foreign-currency transactions are relatively small. Had the foreign exchange rates been higher (lower) by 10%, the foreign exchange in the consolidated statement of loss would have been lower (higher) by approximately $679,000 (six months ended September 30, 2022: $420,000).

12. SHARE CAPITAL

(a) Authorized:
Unlimited number of voting common shares
Unlimited number of non-voting preferred shares, issuable in series

(Expressed in US dollars)

12. SHARE CAPITAL

(b) Issued:

Reconciliation of the number and value of common shares as at September 30, 2023 and March 31, 2023 were as follows. All issued shares are fully paid.

	Number of shares		Issued capital
Balance, March 31, 2022	169,656,202	$	47,747,825
Convertible security conversion	5,271,605		535,746
Cost of issue	-		(12,467)
Foreign currency translation adjustment due to change in presentation currency	-		(3,720,295)
Balance, March 31, 2023	**174,927,807**	**$**	**44,550,809**
Shares issued on licence acquisition	**84,129**		**12,983**
Private placement	**25,000,000**		**3,783,015**
Warrant valuation	**-**		**(762,862)**
Cost of issue	**-**		**(319,560)**
Balance, September 30, 2023	**200,011,936**	**$**	**47,264,385**

Private placement

On July 12, 2023, the Company closed a private placement offering of units, consisting of 25,000,000 units at a price of CAD$0.20 per unit for aggregate gross proceeds of $3,694,672 (CAD$5,000,000). Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one common share of the Company at a price of CAD$0.30 for a period of 36 months. The Company paid cash finder's fees of $151,075 (CAD$204,450) and issued 1,022,250 non-transferrable compensation options. Each compensation option entitles the holder to purchase one common share at an exercise price equal to the offering price for a period of 36 months. In addition, the Company also paid a corporate finance fee of $61,332 (CAD$83,000) and 417,000 compensation options to the agents of the offering. The agent's compensation options entitle the holder to purchase an equal number of common shares, subject to certain circumstances, at an exercise price equal to the offering price, for a period of 36 months.

13. EQUITY RESERVES

	No. of Options	Weighted Average Exercise Price (CAD)	Grant Date Fair Value of Options	No. of Warrants, Broker Warrants	Weighted Average Exercise Price (CAD)	Grant Date Fair Value of Warrants, Broker Warrants	TOTAL
March 31, 2022	7,960,000	$0.23	$ 1,439,104	35,488,649	$0.37	$ 3,135,914	$ 4,575,018
Granted	1,350,000	$0.15	94,247	15,925,373	$0.34	2,325,926	2,420,173
Expired	(200,000)	$0.39	(50,052)	(164,950)	$0.00	(11,854)	(61,906)
Warrant issue costs (net)	-	$0.00	-	-	$0.00	(6,732)	(6,732)
Foreign currency translation adjustment	-	-	(114,041)	-	-	(422,914)	(536,955)
March 31, 2023	**9,110,000**	**$0.15**	**$ 1,369,258**	**51,249,072**	**$0.36**	**$ 5,020,340**	**6,389,598**
Vested	**-**	**-**	**23,571**	**-**	**-**	**-**	**23,571**
Expired	**(300,000)**	**$0.20**	**(35,469)**	**(5,928,791)**	**$0.48**	**(734,508)**	**(769,977)**
Warrant issue costs (net)	**-**	**-**	**-**	**-**	**-**	**(192,223)**	**(192,223)**
September 30, 2023	**8,810,000**	**$ 0.26**	**$ 1,357,360**	**45,320,281**	**$0.34**	**$ 4,093,609**	**$ 5,450,969**

(Expressed in US dollars)

13. EQUITY RESERVES (Continued)

Options

Under the Company's stock option plan, the Company may grant options to its directors, officers, employees and consultants for up 10% of the outstanding common stock. Under the plan, the exercise price of each option must not be less than the market price of the Company's stock on the date of grant, less any allowable discount. The maximum term of a stock option is five years.

There were no options granted during the three and six months ended September 30, 2023 (no options and 1,350,000 options granted during the three and six months ended September 30, 2022). The weighted average life of total outstanding options is 2.41 years at September 30, 2023 (March 31, 2023 – 2.42 years).

As at September 30, 2023, the Company had stock options outstanding and exercisable as follows:

Grant date	Expiry date	Number outstanding	Number exercisable	Exercise price (CAD)	Grant date fair value	Dividend yield (%)	Expected volatility (%)	Expected life (years)	Risk free rate (%)
21-Oct-19	21-Oct-24	2,850,000	2,850,000	$0.18	330,895	0	115	5	1.57
1-Dec-21	1-Dec-24	200,000	200,000	$0.46	53,439	0	126	3	1.03
21-Feb-22	21-Feb-27	4,410,000	4,410,000	$0.34	956,819	0	117	5	1.74
26-Aug-22	26-Aug-24	750,000	750,000	$0.15	81,352	0	115	5	3.25
26-Aug-22	26-Aug-27	600,000	400,000	$0.15	41,988	0	94	2	3.54
		8,810,000	**8,610,000**		**$ 1,464,493**				

The expected volatility is based on historical share prices of the Company.

Warrants, warrant liability and compensation options

As at September 30, 2023, the Company had the following share purchase warrants outstanding that are equity settled:

	Grant date	Expiry date	Number outstanding	Exercise price (CAD)	Grant date fair value	Dividend yield (%)	Expected volatility (%)	Expected life (years)	Risk free rate (%)
Warrants on units	8-Jan-20	8-Jan-24	11,649,996	$0.20	310,871	0	97	3	1.65
Warrants on units	24-Sep-20	31-Mar-24	6,869,499	$0.45	801,101	0	112	3	0.26
Warrants on units	13-Oct-20	31-Mar-24	735,999	$0.45	85,786	0	112	3	0.23
Warrants on units	20-Sep-21	31-Mar-24	3,781,250	$0.50	454,973	0	119	2	0.44
Warrants on units	7-Feb-22	7-Feb-24	1,656,321	$0.35	164,347	0	116	2	1.34
Broker warrants	7-Feb-22	7-Feb-24	149,560	$0.50	21,695	0	116	2	1.34
Warrants on units	14-Feb-22	16-Feb-24	1,924,333	$0.35	190,280	0	116	2	1.53
Broker warrants	14-Feb-22	16-Feb-24	56,700	$0.50	8,534	0	116	2	1.53
Warrants on units	14-Mar-22	14-Mar-24	2,431,250	$0.40	281,722	0	113	2	1.77
Broker warrants	14-Mar-22	14-Mar-24	140,000	$0.50	27,453	0	113	2	1.77
Warrants on convertible debenture	27-Apr-22	27-Apr-24	15,925,373	$0.35	2,145,445	0	107	2	2.62
Warrant issue costs					(202,254)				
			45,320,281		**$ 4,289,953**				

The expected volatility is based on historical share prices of the Company.

(Expressed in US dollars)

13. EQUITY RESERVES (Continued)

The weighted average life of total outstanding warrants is 0.46 years as at September 30, 2023 (March 31, 2023 – 0.87 years).

As at September 30, 2023, the Company had the following common share purchase warrants and compensation options outstanding that are classified as a liabilities:

	Grant date	Expiry date	Number outstanding	Exercise price (CAD)	Grant date fair value	Dividend yield (%)	Expected volatility (%)	Expected life (years)	Risk free rate (%)
Warrants on stream agreement	24-Oct-22	24-Oct-25	2,500,000	$0.19	$ 1,109,868	0	94	3	4.21
Warrants on units	12-Jul-23	12-Jul-26	12,500,000	$0.30	$ 1,008,272	0	99	3	4.33
Broker compensation options	12-Jul-23	12-Jul-26	1,022,250	$0.20	$ 76,332	0	99	3	4.33
Broker compensation options	12-Jul-23	12-Jul-26	417,000	$0.20	$ 21,137	0	99	3	4.33
			16,439,250		**$ 2,215,609**				

The expected volatility is based on historical share prices of the Company.

In connection with the Sprott Mining Inc. credit agreement (Note 16), the Company issued 2,500,000 common share purchase warrants, each exercisable for one common share of the Company at a price of CAD$0.47 per common share for a period of one year from the date of their issuance. On October 24, 2022, when the Company, Sprott Streaming and Sprott Mining entered an agreement for a stream of silver deliveries, these common share purchase warrants were cancelled and reissued with a strike price of CAD$0.23 with a term of three years. As a result of this modification, an additional $186,671 (CAD$252,622) was included in the warrant liability with a corresponding charge to the statement of loss. These warrants were classified as a liability as they were issued after the change in functional currency of the Company.

On November 29, 2022, the Company announced the extension of 11,649,996 common share purchase warrants, all of which are exercisable at CAD$0.20 per common share, by 12 months to January 8, 2024. All other terms and conditions of these warrants remain unchanged. A total of 6,666,666 warrants that were extended are held by a party that is considered to be a related party and as such, the transaction constitutes a related party transaction.

On September 20, 2023, the Company announced the extension of (i) 3,781,250 common share purchase warrants, all of which are exercisable at CAD$0.50 per common share and were set to expire on September 20, 2023, (ii) 6,869,499 common share purchase warrants, all of which are exercisable at CAD$0.45 and were set to expire on September 24, 2023, and (iii) 735,999 common share purchase warrants, all of which are exercisable at CAD$0.45, and were set to expire on October 8, 2023, to March 31, 2024. A total of 892,500 common share purchase warrants that were extended are held by parties that are considered to be related parties and as such, the transaction constitutes a related party transaction.

(Expressed in US dollars)

14. RELATED PARTY TRANSACTIONS

Compensation of key management

Key management includes the Company's directors and officers. Compensation awarded to key management included:

	Six months ended September 30, 2023	2022
Consulting fees	**$ 234,332**	$ 93,153

See also Notes 12 and 13.

Included in accounts payable and accrued liabilities as at September 30, 2023 was approximately $986 for consulting fees and expenses charged by current and former officers and directors of the Company (March 31, 2023: $nil). Such amounts are unsecured, non-interest bearing and with no fixed terms of payment.

15. COMMITMENTS AND CONTINGENCIES

Management contracts

The Company is party to certain management contracts and severance obligations. These contracts contain clauses requiring additional payments of up to $1,322,000 to be made to the officers of the Company upon the occurrence of certain events such as a change of control. As the triggering effect has not taken place, the contingent payments have not been reflected in these condensed consolidated interim financial statements. Additional minimum management contractual commitments remaining under the agreements are approximately $487,000, all due within one year.

Legal claims

From time to time, the Company is named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to net loss in that period.

Environmental

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Silver Hill Project

The Company completed its acquisition of 100% equity interest in Technomine, a Moroccan company from Technomine's shareholders on September 24, 2020. The Company is required to meet the terms of the transaction outlined in the definitive agreement as consideration of the acquisition. See Note 9.

15. COMMITMENTS AND CONTINGENCIES (continued)

Sprott Private Resource Streaming and Royalty (B) Corporation ("Sprott Streaming") Streaming Agreement

If production from the Asis West underground mine does not reach a thirty consecutive day average daily production of 900 tonnes of ore per day by October 31, 2025, Trigon shall repay Sprott $37,500,000 multiplied by the pro rata production achieved relative to the 900 tonne of ore per day threshold underground production. The repayment obligation will convert to a one-year promissory note bearing interest at 12% per annum.

16. PROJECT FINANCE FACILITY AND OFFTAKE

Financing Facility

On October 27, 2021, the Company entered into a credit agreement with IXM SA ("IXM") for a $5,000,000 project finance facility (the "Facility") to finance operating expenditures.

The Facility was structured in two tranches of $2,500,000 each. The first $2,500,000 tranche was drawn down in November 2021 and a further $250,000 was drawn in January 2022. The remaining $2,250,000 tranche was available for draw down after confirmation of further funding support. The Facility was repayable over 36 months, commencing six months after the initial drawdown. The Company could prepay in whole or in part without notice, bonus or penalty, any portion of the Facility at any time with a minimum increment of $250,000.

The Company paid IXM a commitment fee of 3.2% of the Facility amount and an arrangement fee of 1.0% of the Facility amount, each fee payable pro rata based on the amount of each tranche.

The Company provided an unsecured guarantee of the obligations under the Facility, pledged its shares of its Namibian subsidiary and provided a general notarial bond over assets located in Namibia.

The IXM financing facility was repaid in full in May 2022 and the security over the Namibian shares and assets was released.

Copper Concentrate Offtake

On November 16, 2021, IXM and the Company entered into an exclusive offtake agreement whereby IXM will acquire 100% of the production from the Kombat open pit mine. The "Initial Term" shall commence from the date of commercial production and shall continue for a minimum period of six full calendar (6) years. The Company shall deliver a minimum quantity of 80,000 dry metric tonnes ("DMT") of material during the Initial Term ("Minimum Quantity"). In the event the Minimum Quantity is not delivered during the Initial Term then, at the sole option of IXM, the Initial Term may be extended until the Minimum Quantity has been delivered by the Company to IXM.

Sprott Mining Inc. ("Sprott Mining") Credit Agreement

In May 2022, the Company entered into a credit agreement with Sprott Mining (the "Sprott Loan") and the Company's Moroccan subsidiary, Trigon (Morocco) Holding Corp. ("Trigon Morocco") pursuant to which Sprott Mining lent the Company $2,500,000. The Sprott Loan had a term of 180 days and accrued interest at the rate of 12.0% per annum, payable in arrears. The Sprott Loan was secured by a security interest over all present and acquired property of the Company and Trigon Morocco, with a first ranking charge against Trigon Morocco's assets, including a guarantee from Trigon Morocco and a share pledge of its Trigon Morocco shares.

In connection with the Sprott Loan, the Company issued 2,500,000 common share purchase warrants, each exercisable for one common share of the Company at a price of CAD$0.47 per common share for a period of one year from the date of their issuance. On October 24, 2022, when the Company, Sprott Mining and Sprott Streaming entered an agreement for a stream of silver deliveries, these common share purchase warrants were cancelled and reissued with a strike price of CAD$0.23 with a term of three years.

Sprott Mining is a related party of the Company, as it owns approximately 18% of the Company's outstanding shares and holds a seat on the Company's Board of Directors.

This loan was repaid in full in October 2022 as part of the Sprott streaming closing.

16. PROJECT FINANCE FACILITY AND OFFTAKE (continued)

Sprott Streaming Agreement

On October 24, 2022, the Company entered into a streaming agreement with Sprott Streaming and Sprott Mining (together "Sprott") for a silver and copper stream transaction. Under the terms of this agreement, the Company will sell 100% of its silver concentrate and 6.5% of its copper concentrate from its underground operations to Sprott. Once the Company hits the underground production target of 2,250 tonnes per day mined, the percentage of copper concentrate sold to Sprott will be reduced to 1.625%.

Pursuant to this agreement, the Company received advanced consideration of $37,500,000 from Sprott Streaming and Sprott Mining against future deliveries of copper and silver production from the Company's Kombat mine. The advanced consideration is accounted for as deferred revenue, with revenue recognized when the metals are delivered to the counterparty. The Company estimates the current portion of deferred revenue based on deliveries anticipated over the next twelve months based on the mine plan.

Deferred revenue consists of: 1) initial cash deposit received by the Company for future delivery of payable copper and silver, and 2) a significant financing component of the agreement resulting from the difference in the timing of the upfront consideration received and the promised goods delivered. As such, the Company recognizes interest expense at each reporting period and will accrete the deferred revenue balance to recognize the significant financing element that is part of the agreement. The interest rate of 23.68% is determined based on the rate implicit in the agreement at the date of inception.

As the Company delivers concentrate to Sprott, 90% of the sale value will be applied to reduce the advanced consideration outstanding and 10% will be payable in cash, until the entire advanced consideration has been repaid. No deliveries have been made in relation to the streaming agreement to date.

In the event that the Company does not hit a 30-day consecutive average of 900 tonnes per day by October 31, 2025, Trigon shall repay Sprott $37,500,000 multiplied by the pro rata production achieved relative to the 900 tonne of ore per day threshold underground production. The repayment obligation converts to a one-year promissory note from Sprott to the Company, bearing interest at 12% per annum (Note 15).

The Company has the option to reduce the payable copper and silver by up to 50% by making a single cash payment to Sprott equivalent to 1.5 times the remaining advanced consideration outstanding. The payment must be made prior to June 27, 2027, after which the buyback option expires. The Company determined that the buyback option constituted a separate financial asset to the Company. The buyback option was recorded at a fair value of $1,233,797 on the statement of financial position as at September 30, 2023. The fair value of the buyback option was estimated using a Geometric Brownian motion model using the following assumptions: expected copper volatility of 10.05% based on historical volatility of commodity copper, expected silver volatility of 18.28% based on historical volatility of commodity silver, risk-free rate of 3.12%, copper price of $9,004 per tonne, silver price of $23.89 per ounce, estimated step down date of June 30, 2026.

On the issuance date, the fair value of the derivative asset of the buyback option had an estimated fair value of $1,926,653, which was accounted for as a derivative asset at FVPL, with a corresponding increase in a contra derivative asset account. The fair value of the buyback option was estimated using a Geometric Brownian motion model using the following assumptions: expected copper volatility of 11.23% based on historical volatility of commodity copper, expected silver volatility of 17.98% based on historical volatility of commodity silver, risk-free rate of 3.82%, copper price of $7,689 per tonne, silver price of $19.22 per ounce, estimated step down date of April 30, 2024.

(Expressed in US dollars)

16. PROJECT FINANCE FACILITY AND OFFTAKE (continued)

Deferred revenue on streaming arrangement as at March 31, 2022	$	-
Additions		37,500,000
Accretion		3,122,799
Deferred revenue on streaming arrangement as at March 31, 2023	**$**	**40,622,799**
Accretion		**4,454,927**
Deferred revenue on streaming arrangement as at September 30, 2023	**$**	**45,077,726**

Current	$	3,137,019
Non-current		41,940,707
	$	45,077,726

17. LEASE LIABILITIES

In December 2021, the Company entered into a lease agreement with a local Namibian company, Kombat Village Properties (Pty) Ltd (“KVP”) for the lease of land in and around the Kombat Mine area, allowing the Company to continue development of its open pit mining operations, including the establishment of the mine’s tailings facility.

The total to be paid by the Company was $1,449,498 (CAD$1,961,606), payable in three cash tranches as follows:

- $184,733 (CAD$250,000) paid on commencement of the lease;
- $619,909 (CAD$830,803) payable on January 17, 2022 ($449,602 (CAD$608,446) paid during the year ended March 31, 2022, $164,307 (CAD$222,357) paid in October 2022); and
- $619,909 (CAD$830,803) payable on July 18, 2022 (paid October 2022).

The lease period is for the duration of the mining licences held by the Company and will continue as long as the mining licenses of the Company are active, including all future renewals of the mining licenses.

The Company issued 200,000 stock options at an exercise price of CAD$0.46 in relation to the KVP lease during the year ended March 31, 2022. The options vested immediately and are exercisable for a period of three years. See Note 13.

In January 2022, the Company transferred a 10% equity interest in the Company’s wholly owned subsidiary, Gazania, valued at $36,947 (CAD$50,000), based on 10% of the acquisition cost of Gazania, to Texel Mining and Exploration (Proprietary) Limited as part of the lease agreement.

The KVP lease liability was paid in full in October 2022.

In October 2022, the Company entered into various equipment leases which have been included in lease liability. The leases commenced in October 2022 with lease terms of 60 months. The Company used a discount rate of 10.75% in determining the present value of the lease payments.

Lease liability as at March 31, 2022	$	843,202
Additions		333,268
Interest expense		11,429
Lease payments		(906,019)
Effect of exchange differences		(87,697)
Lease liability as at March 31, 2023	**$**	**194,183**
Interest expense		**5,658**
Lease payments		**(34,813)**
Effect of exchange differences		**(1,903)**
Lease liability as at September 30, 2023	**$**	**163,125**

(Expressed in US dollars)

17. LEASE LIABILITIES (CONTINUED)

		September 30, 2023		March 31, 2023
Current lease liability	**$**	**51,063**	$	63,525
Non-current lease liability		**112,062**		130,658
	$	**163,125**	$	194,183

Future undiscounted minimum lease payments for the lease agreements are as follows:

		September 30, 2023		March 31, 2023
Within one year	**$**	**48,048**	$	63,525
After one year but not more than five years		**144,145**		172,432
More than five years		**-**		-
More than five years		**-**		-
	$	**192,193**	$	235,957