



2 December 2022

TRITON RE-COMMITS TO LARGE SCALE DEVELOPMENT OF ANCUABE PROJECT - AMENDED

Please find attached an amended announcement which includes the relevant statements required by ASX Listing Rule 5.23.2.

This ASX release was authorised by the Board of Directors.

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AMENDED - TRITON RECOMMITS TO DEVELOPMENT OF ANCUABE PROJECT

HIGHLIGHTS:

- Triton's Board of Directors, with the support of proposed cornerstone shareholder Shandong Yulong, have formally re committed to the large-scale development of the Ancuabe Project as per the 2017 Definitive Feasibly Study (DFS)¹, which established the project as a globally significant graphite development project, boasting strong returns (US\$298m, IRR 37%), targeting production of 60ktpa of high purity large flake graphite concentrate over a long mine life (27 years), with short payback period (3.7 years).
- Shandong Yulong confirms that its proposed cornerstone shareholding in Triton will be a strategic asset in its battery metals portfolio and follows the successful Mozambique due diligence site visit⁴, which is a condition precedent to its A\$5.0 million conditional investment in Triton^{2,3}.
- Triton's decision to move straight to large scale development is driven by increasing demand for graphite from both battery and industrial applications and the potentially exceptional returns that the Ancuabe Project is expected to generate, as well as the support from proposed cornerstone shareholder Shandong Yulong.
- Shandong Yulong have the ability to provide potential project development synergies by support with key project development inputs such as engineering, mining technology and construction, marketing and finance.
- Triton is currently completing a revised project plan, including an update of the 2017 DFS with results expected in coming months, focused on updated basket pricing, upfront capital expenditure, operating expenditure and sustaining capital expenditure.

Triton Minerals Limited (ASX: TON, **Triton** or **Company**) is pleased to announce that its Board of Directors along with the support of its proposed cornerstone shareholder Shandong Yulong, has formally re committed to the large-scale development of the Ancuabe project as per the 2017 DFS, which is based upon mining and processing of 1 Million tonnes of ore and the production of 60,000 tpa of high quality and high margin graphite concentrate.

This follows a A\$5.0 million conditional proposed cornerstone investment by Shandong Yulong and the recent successful country visit in Mozambique for due diligence and early engineering purposes, with the delegation comprising of representatives from proposed cornerstone shareholder Shandong Yulong, Triton and technical consultants. Shandong Yulong's proposed investment in Triton is conditional on various items outlined in the Annexure to the 5 September announcement on ASX, including shareholder approval, Australian and Chinese regulatory approvals and conducting a site visit to the Mozambique graphite projects (satisfied).

The 2017 DFS, established the Ancuabe project as a globally significant graphite development project, boasting strong returns (US\$298m, IRR 37%), targeting production of 60ktpa of high purity large flake graphite concentrate over a long mine life (27 years), with short payback period (3.8 years).

Table 1 - Summary of 2017 DFS Outcomes

Key Parameter	DFS Result
Mine Life	27 Years
Ore Processed	Approximately 1 M tpa
Concentrate	Approximately 60,000 tpa graphite concentrate
Initial Capital cost	US\$99.4M including contingency of US\$9.3M
Graphite price	US\$1,435/t graphite basket Price concentrate (FCA Pemba)
EBITDA	US\$1,178M
Operating cost ex royalty	US\$634/t graphite concentrate (FCA Pemba)
Unleveraged pre-tax NPV	US\$298M
Unleveraged pre-tax IRR	36.80%
Payback period ⁶	3.8 years from first production
Project free cash flow	US\$1,032M pre-tax and US\$753M post-tax

The Ancuabe Graphite Project is based on developing two graphite mineral deposits T12 and T16 and the DFS has been used as the basis from which to estimate Ore Reserves for the project. The Ore Reserve and Resources for the Ancuabe project is reported in accordance with the JORC Code 2012.

Table 2- Statement of Ore Reserve and Resources

Reserve Category	Tonnes (m)	Grade (TGC%)	Contained Graphite Tonnes (m)
Proven	-	-	-
Probable	24.9	6.20%	1.54
Indicated + Inferred Resource Category	Tonnes (m)	Grade (TGC%)	Contained Graphite Tonnes (m)
Indicated	31.1	6.90%	2.15
Inferred	15	6.00%	0.89
Total	46.1	6.60%	3.04

The Board of Triton have based its decision to move straight to the large-scale development on **strong and increasing demand for graphite from both battery and industrial applications and the potentially exceptional returns Triton’s Ancuabe Project is expected to generate**, as well as the strong support of its proposed cornerstone shareholder, Shandong Yulong.

Shandong Yulong as a proposed cornerstone investor is willing to provide Triton with additional expertise in a number of disciplines including engineering, mining technology and construction, marketing and finance. The Triton Board and Shandong Yulong are both excited by this and have reconfirmed their intention to develop Triton’s Ancuabe Project as soon as reasonably practicable, with Triton management being authorised by the Board to take actions to develop and construct the Ancuabe project on a large scale. The site visit also re-iterated to Shandong Yulong the ideal location of the project, located in a proven graphite region with existing transport infrastructure and supportive local and national governments.

The company is currently completing a revised project plan, which will commence with the update of the 2017 DFS. The update of the 2017 DFS will focus on updated basket pricing, upfront capital expenditure, operating expenditure, sustaining capital expenditure.

Triton's Executive Director, Mr Andrew Frazer said:

"We are excited to announce this significant development for the Company and our shareholders, including our incoming proposed cornerstone shareholder Shandong Yulong, whose support for the development of the large scale Ancuabe Project will be greatly important in getting our world class project into production as soon as possible".

Tritons Chairman, Mr. Rod Zhang said:

"The Ancuabe project is a world class graphite project due to its high purity and large flake concentrate, providing a sound basis to secure premium sales prices in a highly competitive market and combined with the proximity to port, road and power infrastructure and location within a proven graphite producing region. Yulong is very eager to assist the Company get into production as soon as possible".

About Shandong Yulong Gold Co., Ltd

Shandong Yulong Gold Co., Ltd., established in 1999 and registered in Jinan High-tech Zone, is a company listed on the main board of Shanghai Stock Exchange (stock abbreviation: Yulong Stock, stock code: 601028). Shandong Yulong, which has a market cap of ~\$4.2 billion RMB, is primarily engaged in the trading of minerals, nonferrous metals, coal, chemicals and other bulk commodities. In addition, it is an active explorer across a range of minerals and is committed to becoming a high-growth international mining company with a global vision.

Jinan Hi-tech Holding Group holds 29% of Shandong Yulong.

END NOTE

1. ASX Announcement - 15 December 2017 - 'Triton delivers robust Ancuabe Definitive Feasibility Study and declares maiden Ore Reserve'.
Triton confirms that all of the material assumptions underpinning the production target, or the forecast financial information derived from the production target in the initial public report continue apply and have not materially changed.
Triton also confirms that it is not aware of any new information or data that materially affects the information included in this announcement and in the case of the estimates of mineral resources or ore reserves, all material assumptions and technical parameters underpinning the estimates in this announcement continue to apply and have not materially changed.
2. ASX Announcement – 5 September - Investment of A\$5m from Shanghai Listed Shandong Yulong
3. ASX Announcement – 7 September 2022 - \$8.5m Capital Raising to Accelerate Development of Ancuabe
4. ASX Announcement – 22 November - Mozambique Site Visit by Cornerstone Investor Shandong Yulong

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