

## **STRONG PROGRESS AT ANCUABE AND NICANDA HILL**

**Triton achieves development and commercial objectives and remains on track to complete key project milestones in the first half of 2018**

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### **ANCUABE GRAPHITE PROJECT**

- ✓ **First binding offtake agreement signed with Tianshengda Graphite, an integrated graphite producer and distributor**
- ✓ **Discussions continue with Haida Graphite in relation to a binding offtake agreement**
- ✓ **First Engineering, Procurement and Construction (EPC) tender received from Sinosteel**
- ✓ **Mining concession and environmental approvals being processed and on track to be granted in 1H 2018**
- ✓ **Early development works underway, with contracts awarded for camp and medical services**
- ✓ **Recent meetings with project financiers in China confirmed strong interest in the Ancuabe graphite project, given robust definitive feasibility study, anticipated near term production and supportive operating environment in Mozambique**

### **NICANDA HILL GRAPHITE-VANADIUM PROJECT**

- ✓ **Company remains focussed on delivering shareholder value for the Nicanda Hill Graphite-Vanadium Project**
  - ✓ **CSA Global review of the vanadium resource underway, providing potential upside to the value of Nicanda Hill given the strong equity market valuations of vanadium projects and sustained increase in vanadium prices**
  - ✓ **Interest received from industry partners in relation to a potential joint venture of Nicanda Hill that may provide a non-dilutive source of funding for the near-term development of Ancuabe**
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**Triton Minerals Limited** (ASX: TON) (**Triton** or the **Company**) is pleased to report continued progress on development activities for the Ancuabe Graphite Project and the commercialisation of the Nicanda Hill Graphite-Vanadium Project.

### **Ideally Positioned in the Graphite and Vanadium Markets**

Triton's projects are located in Mozambique which has a long history of mining and a supportive government that provides a stable jurisdiction to finance and develop high quality projects. This, combined with the major increase in demand for battery minerals and the burgeoning flame-retardant market, has placed Triton, with its advanced world class Ancuabe Graphite Project and Nicanda Hill Graphite/Vanadium Project, in a unique position amongst graphite and vanadium developers.

## ANCUABE GRAPHITE PROJECT

### Offtake Agreements

Triton's senior management recently completed a successful visit to China to progress offtake, EPC and financing discussions for the Ancuabe Graphite Project.

Triton received strong interest for graphite concentrate off-take from Ancuabe, as industry participants in China are seeking to secure graphite supply for the expandable graphite market which is experiencing very strong growth, and in response to regulations which are limiting domestic supply of large flake graphite.

On 19 April 2018, Triton announced it had entered into a binding offtake agreement with Qingdao Tianshengda Graphite (**Tianshengda**) for up to approximately 25% of the annual production at Ancuabe for at least five years, at market-linked prices. Tianshengda is an integrated graphite processor and distributor of graphite products including expandable graphite, flake graphite and graphite powder.

Signing the binding offtake agreement with Tianshengda is significant for the development of the Ancuabe Project, providing a favourable pricing outcome to assist in project finance negotiations.

Triton is continuing discussions with Qingdao Haida Graphite (**Haida**) to finalise contractual arrangements to convert the existing non-binding offtake term sheet to a binding offtake agreement. It is anticipated, that Haida will seek up to approximately 16,000 tonnes per annum of Ancuabe graphite (approximately 25% of projected annual production.).

### EPC And Financing

Triton has received a tender from Sinosteel Equipment & Engineering Co. Ltd (Sinosteel) for the EPC contract for the development of the Ancuabe Graphite Project. Triton is currently evaluating the Sinosteel tender and will provide further updates as the evaluation progresses.

Triton is also expecting to receive a tender from MCC International Incorporation Limited (MCC).

Triton has held meetings and negotiations with potential financiers for the development capital for Ancuabe. Two of the financiers are connected with the EPC proponents.

As previously announced, Triton has appointed Argonaut to assist in managing and negotiating the funding proposals.

### Approvals

The Environmental, Social and Health Impact Assessment (ESHIA) was submitted to Ministry of Lands, Environment and Rural Development (MITADAR) following the granting of Preliminary Environmental Approval (EPDA) covering the mine area, process plant, raw water dam, tailings facility, camp and other on-site infrastructure. The Mining Concession Application (MCA) for Ancuabe was submitted to Instituto Nacional de Minas (INAMI) last November. The Company remains confident that the EHSIA and mining concession will be granted in H1 2018.

### Early Works

In preparation for planned development activities, Triton is finalising contracts for early works, including a bulk earthworks contract for the raw water dam and has awarded contracts for the construction camp and site medical services.

## NICANDA HILL GRAPHITE-VANADIUM PROJECT

Triton is focussed on delivering shareholder value for the Nicanda Hill Graphite-Vanadium Project.

Nicanda Hill is one of the world's largest graphite and vanadium deposits, with a 2015 JORC Inferred and Indicated Mineral Resource of 1.44Bt at 11.1% TGC and 0.29% V<sub>2</sub>O<sub>5</sub> for 160.3 million tonnes of contained graphite and 4.2 million tonnes of contained vanadium<sup>1</sup>.

The Nicanda Hill Project holds strategic significance due to its world-class scale and potential to deliver battery-grade graphite and vanadium for the lithium-ion battery and battery storage markets.

Vanadium has become a commodity of interest due to its usage in vanadium flow redox batteries (VFRB). It is anticipated that forecast increase in battery usage for large scale energy storage will lead to a significant increase in the demand for vanadium. VFRBs have the advantage of being long life, being able to hold charge for a significant period (up to a year), greater chemical stability meaning the charge held can be discharged completely and scalability enabling large scale "battery farms" are able to be constructed. VFRB facilities currently operational or in development are located in China and Japan with development of further facilities constrained by an absence of supply of "battery grade" Vanadium.

Given the strong appreciation in vanadium prices and valuation of vanadium assets, Triton commissioned CSA Global to undertake an evaluation of the vanadium resource and recommended strategies for commercialisation.

Triton is considering proposals that are intended to commercialise and demonstrate value for the Nicanda Hill Graphite-Vanadium Project. On the recent management visit to China, Triton received expressions of interest in relation to joint venture proposals, which will be considered in this evaluation and following completion of the CSA Global vanadium review.

Triton intends to advance these proposals in parallel with the near-term development of the Ancuabe Graphite Project. Any joint venture or partial sale of Nicanda Hill could provide non-dilutive funding for Ancuabe.

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### Forward-Looking Statements

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<sup>1</sup> ASX Announcement, "Nicanda Hill Resource Upgrade", 30 October 2015. Triton is not aware of any new information or data that materially affects the information included in the relevant market announcement, and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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