
QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2018

Triton moves into development execution phase, highlights include:

- ✓ Acquisition of the remaining interest (20%) in Grafex Limitada (Grafex) giving Triton a 100% economic interest in Grafex's three world class graphite projects
- ✓ Potential EPC contractors undertook site visits to Ancuabe and finalised EPC tender submissions. MCC and Sinosteel submitted competitive tenders at a significant discount to the capital expenditure outlined in the Ancuabe Definitive Feasibility Study (DFS), which if implemented, would enhance the already strong projected returns from the Ancuabe Project
- ✓ Term sheets signed with Qingdao Tianshengda Graphite and Haida Graphite both for up to 16,000 tonnes per annum for 5 years representing over 50% of the annual production of Ancuabe. Tianshengda have now signed the binding offtake agreement.
- ✓ Preliminary environmental approval received and final ESHIA submitted after completion of consultation period
- ✓ Pilot Plant completed with samples shipped to prospective customers. Results of pilot plant in line with predicted values and demonstrate the high quality Ancuabe graphite
- ✓ Appointment of Lycopodium ADP Pty Ltd, a company with a proven track record of design and implementation in Africa, as Project Management Consultant (PMC) for Ancuabe
- ✓ Commencement of a review of the vanadium potential of Nicanda Hill Graphite/Vanadium Project and interest received from a number of parties on the development of the world's largest Graphite/Vanadium deposit
- ✓ Appointment of Argonaut as financial advisor to assist in delivering the optimal funding package for the development of Ancuabe
- ✓ Completion of placement of 12.5 million ordinary shares at \$0.08 per share to raise gross proceeds of \$1.0 million. In addition, the Company announced a pro rata non-renounceable entitlement issue at the same pricing to raise approximately \$4.2 million. The entitlement issue is fully underwritten and closed on 27 April 2018.

Triton Minerals Limited (ASX: TON) (Triton or the **Company**) is pleased to announce its quarterly activities report for the period ended 31 March 2018 (the Quarter)

ANCUABE GRAPHITE PROJECT – MOZAMBIQUE

Metallurgy

The Company commissioned ALS Metallurgy in Perth to build and operate a pilot plant to process approximately 8.5 tonnes of core from the T12 and T16 deposits to produce graphite concentrate for customer acceptance testing and metallurgical testwork. The pilot plant was supervised by IMO Metallurgy, who conducted the DFS

metallurgical studies.

The results from this pilot plant were in line with those predicted and samples have been shipped to various potential customers.

Permitting

Approval was received from the Ministry of Lands, Environment and Rural Development (MITADAR) for the Ancuabe Environmental Prefeasibility Scoping Study (EPDA). Following this the draft Environmental, Social and Health Impact Assessment (ESHIA) was submitted and the public consultation process was completed. The Company has been informed by MITADAR that the draft ESHIA report is not been treated as final. The final review period by MITADAR has now commenced.

Resettlement Action Plan (RAP) public consultation were completed during the quarter.

During the quarter modifications to the Ancuabe tenements were made by the National Institute of Mines (INAMI) as part of the application for the Mining Concession. INAMI is still in the process of reviewing the Mining concession application and this is in line with the normal processing times for Mining Concessions in Mozambique.

The DUAT process is in progress and is pending the outcomes of the Mining Concession application.

The construction permitting process is underway.

Implementation

Project Management Consultant (PMC)

In February 2018 following a competitive tender process, Lycopodium ADP Pty Limited (LADP) was appointed as PMC for implementation of Ancuabe.

This is a cornerstone contract and is a key to the successful execution of the Project. LADP are an experienced engineering and project management consultancy firm, with a proven track record of design and implementation within Africa (including recent experience in Cabo Delgado, Mozambique), extensive experience with EPC contractors and recent implementation experience in the graphite sector.

Triton has an existing strong and successful working relationship with LADP following LADP (in conjunction with Lycopodium Minerals Pty Limited) being instrumental in delivering the Definitive Feasibility Study in December 2017.

The PMC contract comprises three elements: Front End Engineering and Design (FEED) for execution by the EPC contractor, EPC management in China and on-site construction management. Basic engineering is now in its final stages.

EPC Contract Tender

During the quarter both engineering, procurement and construction (EPC) contract tenderers MCC International (MCC) and Sinosteel Equipment & Engineering (Sinosteel) undertook site visits in Mozambique as part of their tender process. Following these site visits Triton's senior management completed a successful visit to China progressing EPC contracts and debt financing discussions.

Technical discussions with both parties confirmed the site location and project design is straightforward and discussions also focussed on opportunities to lower capital cost through leveraging procurement relationships.

The potential EPC contractors also coordinated discussions between Triton and leading Chinese financial institutions who reaffirmed the potential for debt financing of up to 85% of the EPC contract sum on competitive terms representing a significant discount to more traditional sources of debt financing. Further, both Sinosteel and MCC have proposed options to defer part of the EPC contract amount for a period of up to 3 years that would reduce the level of upfront financing required.

Following the completion of the reporting period both MCC and Sinosteel have submitted tenders. These tenders include an indicative buyer credit term loan facility from a major Chinese bank at concessional interest rates and both tenders were priced at significant discounts to the headline Definitive Feasibility Study pre-production capex estimate. Evaluation process has commenced and tender clarification meetings with both EPC Contractors scheduled in May 2018.

Other Key Contracts

Knight Piésold was appointed as the supervising engineer for water tailings and road construction. During the quarter they completed detailed design works for the water dam and roads packages.

Tenders were undertaken for the camp, medical services, bulk earthworks and bus services contracts and subsequent to the reporting period the camp and medical services were awarded.

Offtake Agreements

On 8 February 2018, Triton announced it had entered into a non-binding graphite offtake term sheet with Qingdao Tianshengda Graphite (Tianshengda) for up to 16,000 tonnes per annum. Tianshengda is an integrated graphite processor and distributor of graphite products including expandable graphite, flake graphite and graphite powder. Subsequent to the end of the reporting quarter this non-binding agreement was converted into a binding offtake agreement

On 12 February 2018, Triton announced it had entered into a non-binding graphite offtake term sheet with Haida Graphite (Haida) for up to 16,000 tonnes per annum. Haida is one of China's largest graphite companies, with extensive mining, processing and sales experience. Haida produces a range of graphite products, including graphite sheets, spherical graphite, high purity and expandable graphite.

CORPORATE AND FINANCE OVERVIEW

Acquisition of 20% Interest in Grafex

On 21 February 2018, the Company announced that it entered into an agreement with Gregory James Sheffield (Sheffield) and Grafex Limitada (Grafex) under which the Company agreed to purchase Sheffield's 20% interest in Grafex. On completion of the purchase, Triton's interest in Grafex increased from 80% to 100%, and accordingly Triton now has a 100% interest in its graphite projects in Mozambique. The Company completed the acquisition in March 2018.

Appointment of Financial Advisor

In February 2018 the Company appointed Argonaut Limited (Argonaut) as financial adviser to the Company to lead the funding requirements for the development of the flagship Ancuabe Graphite Project in Mozambique.

Argonaut, headquartered in Perth, has significant experience in international equity, debt and hybrid financing having completed transactions totalling more than \$10 billion over 10 years. They are focussed on mid-tier producers and developers with experience in the graphite sector. With an office in Hong Kong, they have a strong Asian presence and are an active adviser to Chinese related transactions.

Argonaut's role will encompass corporate financial advisory services together with acting as lead manager for the funding of the development of the Ancuabe Graphite Project and assisting the structuring of the debt and equity components of the funding package. Further, Argonaut's presence and network in Asia ideally places them to support the EPC related debt funding discussions underway. Argonaut will also support and advise Triton with regard to the commercialisation strategy for the Nicanda Hill Graphite-Vanadium Project.

As announced during the quarter, Triton is undertaking further studies at the Nicanda Hill Graphite-Vanadium Project in response to rising vanadium prices and interest from industry partners for a potential joint venture or partial sale of Nicanda Hill.

Capital Raising

During the quarter and following the announcement of the acquisition of the Grafex interest Triton announced:

1. that it had received firm commitments for a single tranche placement to institutional and professional investors of 12.5 million new fully paid ordinary shares in the Company to raise \$1.0 million all to be placed under Listing Rule 7.1 placement capacity. The placement settled on 22 March 2018.
2. a pro rata non-renounceable entitlement issue of one share for every fifteen shares held by eligible shareholders on the record date to raise approximately \$4.2 million. The entitlement issue is fully underwritten and closed on 27 April 2018. In addition, participants in the placement and entitlement offer will be issued a free attaching option over shares exercisable at \$0.12 and expiring 31 December 2018 on the basis of one new Option for every two shares issued.

Option Agreement

On 22 December 2017, the Company announced that it had entered into an Option Agreement with Westgold Resources to acquire a package of lithium assets (including potential royalty streams and rights to explore and potentially mine Lithium) located in established lithium mining regions in Western Australia. After concluding due diligence, the Company announced on 13 February 2018 that it would not proceed with this option.

Corporate Information

At 31 March 2018, the Company had 4,382 shareholders and 782,873,987 shares on issue. The top 20 shareholders held 48% of the issued ordinary shares.

At 31 March 2018, the Company had cash at bank of approximately \$541,000. In addition, the Company announced a pro rata non-renounceable entitlement issue at the same pricing to raise approximately \$4.2 million. The entitlement issue is fully underwritten and closed on 27 April 2018.

Expenditure

The pro-forma appendix 5B – statement of consolidated cash flows is provided in a separate report.

ASX Announcements

The Quarterly Report should be read in conjunction with all announcements made by the Company to the ASX, including the financial statements for the year ending 31 December 2017 which contain further details about material business risks. These announcements can be found on the following link:

<http://www.tritonminerals.com/investors/asx-announcements/>

Schedule of Tenements (ASX Listing Rule 5.3.3)

As at 31 March 2018, the Triton Group held an 100% economic interest in Grafex Limitada, the holder of the following interests in exploration tenements:

LICENCE	PROJECT	PROSPECT/ DEPOSIT	JV PARTNER	LOCATION	STATUS	CHANGE IN QTR	INTEREST
EL5966	Balama Nth	Nicanda Hill	Grafex Lda	Mozambique	Granted	No change	80%
EL5365	Balama Nth	Cobra Plains	Grafex Lda	Mozambique	Granted	Note 1	80%
EL5304	Balama Sth	-	Grafex Lda	Mozambique	Granted	No change	80%
EL5380	Ancuabe	T20	Grafex Lda	Mozambique	Granted	Note 2	80%
EL5336	Ancuabe	T12, T16	Grafex Lda	Mozambique	Granted	Note 3	80%
EL5305	Ancuabe	-	Grafex Lda	Mozambique	Granted	Note 4	80%
EL6537	Ancuabe	T18, T19	Grafex Lda	Mozambique	Relinquished	Note 5	80%
EL5934	Ancuabe	T10, T11	Grafex Lda	Mozambique	Approved - Pending grant	Note 6	80%

Notes - All applications are pending a response from the Mozambique mining authority, INAMI

1. Application to renew licence for a further two years submitted in September 2017.
2. Application to renew licence for a further two years submitted in August 2017. Application to modify and reduce the area submitted in November 2017.
3. Application to modify area submitted in September and further modifications submitted in November 2017. Application for a mining licence submitted in November 2017. New number assigned by INAMI: 9132C.
4. Application to modify area submitted in November 2017.
5. Addressed as a change to area in 5336 submitted in November 2017 in which part of area of EL6537 was added to EL5336. Application for remaining area of EL6537 was relinquished in November 2017.
6. Application to modify area of EL5934 submitted in November 2017.

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Forward-Looking Statements

This release may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Triton Minerals Limited's current expectations, estimates and assumptions about the industry in which Triton Minerals Limited operates, and beliefs and assumptions regarding Triton Minerals Limited's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Triton Minerals Limited. Actual values, results or events may be materially different to those expressed or implied in this release. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this release speak only at the date of issue of this release. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Triton Minerals Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this release or any changes in events, conditions or circumstances on which any such forward looking statement is based.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and ASX Listing Rules, Triton Minerals Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statements is based.