



QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 30 SEPTEMBER 2018

Ancuabe Graphite Project early works and financing negotiations continue, highlights during the quarter:

- ✓ **MCC International Appointed Engineering, Procurement and Construction (EPC) Contractor and EPC Contract signed for Triton's flagship Ancuabe Graphite Project**
- ✓ **The EPC contract is a critical step in financing due diligence and debt funding negotiations**
- ✓ **Receipt of refundable R&D Tax Offset of \$673,387**
- ✓ **Shandong Tianye Mining commits to strategic placement and participation in fully underwritten entitlement issue, demonstrating continued strong support for Triton and its world class graphite portfolio**

Triton Minerals Limited (ASX: TON) (**Triton** or the **Company**) is pleased to announce its quarterly activities report for the quarter ended 30 September 2018 (the **Quarter**).

ANCUABE GRAPHITE PROJECT

Appointment of MCC

During the Quarter, Triton both awarded and signed an Engineering, Procurement and Construction (**EPC**) contract with MCC International Incorporation Limited (**MCC**) for the mineral processing facility and other infrastructure at Triton's flagship Ancuabe Graphite Project (**Project**) in Mozambique. The EPC contract was agreed on a fixed price basis and provides certainty in relation to capital costs and construction schedule.

The signed contract allows detailed design and the placement of orders for long lead capital items to commence in late 2018 and early 2019. Importantly, MCC are now prioritising supporting Triton with finalising an EPC linked loan facility with its preferred group of tier one Chinese banks. MCC are now acting in a project management role with the loan facility application and due diligence processes and will facilitate further meetings with its chosen banking consortium later this year. Concurrent with the debt financing process, Triton continues to work on equity financing options with several interested parties. Financing discussions remain on track to meet the current development timetable which sees construction commencing in May 2019.

The Ancuabe Definitive Feasibility Study (**DFS**) published in December 2017 demonstrates that the Project is technically robust with strong project economics. The DFS was based on an evaluation period of 27 years with pre-production Capital Expenditure (**Capex**) of US\$99 million, pre-tax unleveraged NPV of US\$298 million, a pre-tax internal rate of return of 36.8% and a payback period of 3.8 years.

The EPC contract and discussions with MCC indicate that the Capex estimate is anticipated to be lower than the DFS estimate. A reduction in Capex would enhance project economics and is likely to assist in the project financing discussions.

Permitting

During the Quarter, the mining concession application progressed with further technical and administrative clarifications. Triton is now awaiting the National Institute of Mines (**INAMI**) to confirm that it has successfully completed its assessment of the Ancuabe Mining Concession application and that the application has been passed to the Minister of Mineral Resources for final approval and signing on behalf of the Mozambique government. The Company has been informed by its permitting consultant that the timing of the application process remains in line with the normal processing times for mining concessions in Mozambique.

The DUAT process, which permits the use of government land, is in progress and pending the award of the Mining Concession.

Graphite Marketing and Testwork

During the Quarter, independent testwork was undertaken with samples from the ALS Metallurgy flowsheet verification pilot plant completed in Q1 2018, and included:

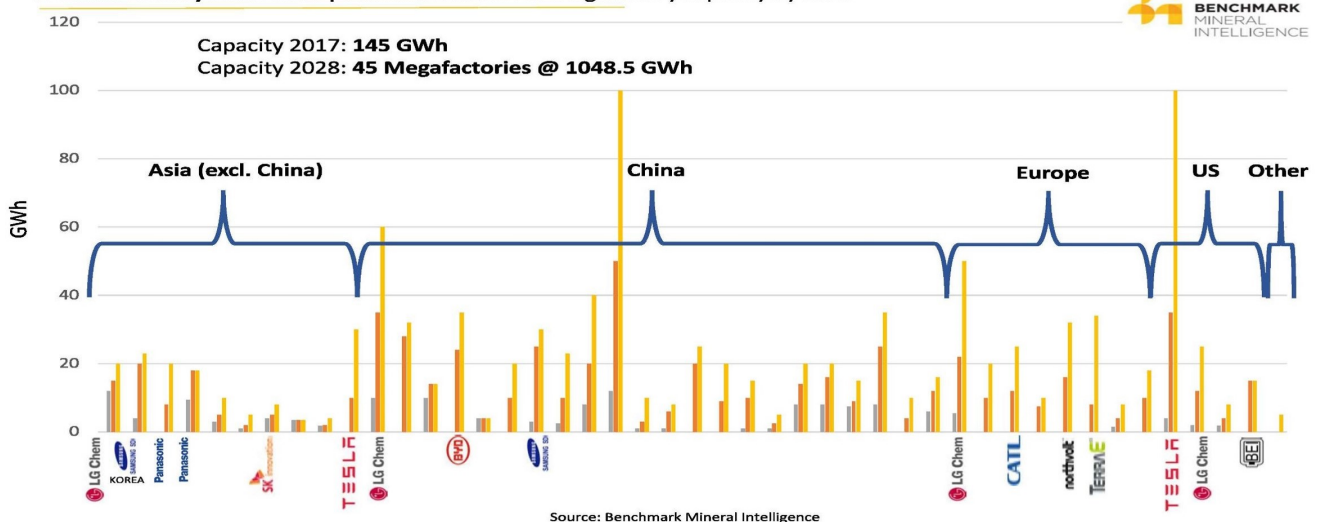
- Graphite concentrate samples extracted from the Ancuabe T16 Project prospect were assayed for benchmarking with industrial graphite product requirements; and
- Caustic soda purification achieved exceptional results published following the end of the quarter, with a TGC purity of up to 99.94%, demonstrating that Ancuabe graphite is highly amenable to low environmental impact and cost-effective purification methods.

The caustic soda purification process is a cost effective and more environmentally acceptable technology as it avoids use of highly toxic acid and energy intensive thermal purification processing typically required to achieve the required TGC purities for Lithium-Ion Batteries. Further, successful results of pilot plant samples demonstrate the consistency, quality and scalability of the Ancuabe graphite resource.

The testwork was based on standard industrial process and no process optimisation was undertaken to potentially realise improved quality and cost effectiveness.

This is extremely important in the current graphite market which has seen price increases for larger flake and higher purity graphite due to increased consumption from advanced materials markets. According to Benchmark Mineral Intelligence (BMI) the battery demand continues to strengthen with number of megafactories in the pipeline rising to 50 with a total capacity of 1.1 TWh now planned. Anode facilities at these megafactories will rapidly boost graphite demand moving into 2019 as some of these new facilities begin production.

A Global Battery Arms Race | Planned Lithium ion megafactory capacity by 2028



Early Works

Following contractor site mobilisation in June 2018, early works activities continued during the quarter and included clearing in the raw water dam wall area, fabrication of the abstraction tower, initial road works through to the processing plant area, construction of phase 1 of the construction camp and a borrow pit was opened in the T16 mine area.



CORPORATE AND FINANCE OVERVIEW

R& D Refund

During the quarter, the Company received a refund of \$673,387 in relation to its qualifying expenditure for the year ended 31 December 2017 under the federal government R&D Tax Incentive program.

Capital Raising

During the Quarter, Triton announced that its largest shareholder, Shandong Tianye Mining Co. Ltd (**STM**), reaffirmed its commitment to the Company and its world class graphite portfolio through a strategic placement, and participation in an entitlement issue. STM also confirmed its strong interest in providing financing support for the development of Ancuabe.

The strategic placement of 14 million fully paid ordinary shares in the Company at an issue price of \$0.047 per share was completed on 12 October 2018 and raised approximately \$0.66m. The placement was priced at an 8 percent discount to Triton's 5-day volume weighted average price. In addition, STM participated in the fully underwritten entitlement offer which will, on completion of the capital raising, take its shareholding in Triton to 19.4%.

Triton also completed a placement of 10.6 million shares at \$0.047 per share to a sophisticated investor on the same terms as those to STM and raised a further \$0.5m. Both placements were undertaken pursuant to Triton's issuance capacity under ASX Listing Rule 7.1.

On 31 August 2018, Triton announced a non-renounceable Entitlement Issue of one share for every fourteen shares at \$0.047 per share to raise approximately \$2.8 million (**Entitlement Issue**). The Entitlement Issue closed on 19 October 2018. Participants in the Entitlement Issue will be issued with free attaching options over Shares exercisable at \$0.10 and expiring 30 September 2020 based on one new option for every one share issued. Triton will apply for the options to be listed on ASX.

These activities raised a total of A\$4m that the Company intends to apply to finalising the Project funding package and other project development activities. Some early works at the Project including the completion of the raw water dam have been deferred to 2019 when financing has been secured to fully fund construction. This prudent approach will defer production to the first half of 2020, however, the Company's assessment is this strategy will ultimately be value accretive to shareholders.

Corporate Information

At 30 September 2018, the Company had 4,246 shareholders and 845,245,581 shares on issue. The top 20 shareholders held 48.9% of the issued ordinary shares.

At 30 September 2018, the Company had cash at bank of approximately \$528,505 before the receipt of \$0.66 million from the strategic placement and \$2.87 million from the fully underwritten entitlements offer. Cash on hand at 30 October 2018 is approximately \$3.47 million.

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 and half year ended 30 June 2018 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 30 September 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	ECONOMIC INTEREST
EL5966	Balama Nth	Nicanda Hill	Grafex Lda	Mozambique	Granted	No change	100%
EL5365	Balama Nth	Cobra Plains	Grafex Lda	Mozambique	Granted	Note 1	100%
EL5304	Balama Sth	-	Grafex Lda	Mozambique	Granted	No change	100%
EL5380	Ancuabe	T20	Grafex Lda	Mozambique	Granted	Note 2	100%
EL5336	Ancuabe	T12, T16	Grafex Lda	Mozambique	Granted	Note 3	100%
EL5305	Ancuabe	-	Grafex Lda	Mozambique	Granted	Note 4	100%
EL6537	Ancuabe	T18, T19	Grafex Lda	Mozambique	Relinquished	Note 5	100%
EL5934	Ancuabe	T10, T11	Grafex Lda	Mozambique	Approved - Pending grant	Note 6	100%

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.

For further information please contact:

Investor Enquiries

Peter Canterbury
Managing Director
info@tritonminerals.com
+61 8 6381 9050

David Edwards
Company Secretary/CFO
info@tritonminerals.com
+61 8 6381 9050

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.