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**Triton Minerals Ltd**  
Holder of the world's  
largest known combined  
graphite-vanadium resource

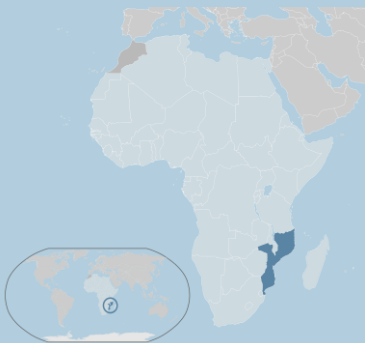
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Mozambique, Africa



**Projects:**  
Balama North Graphite-Vanadium  
Ancuabe Graphite  
Balama South Graphite

## Triton's Corporate Update

### Accelerated Focus on Production of Premium-Quality Flake Graphite Concentrates

### Exploration and Development Focus to Advance the Ancuabe Project

### Continued Assessment of Balama North Development Options

Triton Minerals Ltd (ASX: TON) (**Triton** or the **Company**) will look to accelerate its focus on becoming a graphite concentrate producer of global significance over the next 12 months, underpinned by its world-class graphite assets in Mozambique.

**During 2016 Triton will aim to progress the Ancuabe Project (Ancuabe) toward early stage mining as an economically robust operation. Based on exploration programs undertaken to date, Ancuabe is expected to offer a reliable and sustainable source of premium flake graphite and has the added benefit of attracting high basket price margins and low capital expenditure, complemented by the availability of nearby infrastructure.**

Initial flotation test work of Ancuabe material has returned some of the highest concentrations of jumbo and super jumbo flake graphite ever recorded from East Africa, with more than 72% of flake size >300 micron ( $\mu\text{m}$ ) and 43% in the category of >500 $\mu\text{m}$ , at grades of more than 98% Total Graphitic Carbon (**TGC**).

Triton CEO and Managing Director, Garth Higgs, stated *"Although only around 10% of the Ancuabe tenements have been explored so far, the initial drilling results and metallurgical test work results are extremely positive.*

*The significance of these results indicates that Ancuabe has the potential, subject to additional work, to clearly differentiate Triton from all other graphite development projects.*

*In comparison with other East African graphite projects with deposits in the jumbo and super jumbo graphite flake category, and given the premium prices that high purity super jumbo can attract, the investment and development opportunity for Ancuabe is compelling."*

Due to its close proximity to the natural deep water port at the city of Pemba, along with its operating container shipping facility, Triton believes Ancuabe is well placed for a rapid progression to a mining viable operation.

Mr Higgo, said: *“Triton is currently assessing potential options to support the necessary test work and drilling prior to committing to a Definitive Feasibility Study (DFS). The management team’s solid project development experience in Africa along with targeted exploration positions Triton well, and the team has already developed detailed budgets and deliverables for the 2016 exploration programs. After further resource definition work, Triton aims to publish an initial JORC resource as soon as possible. Triton intends that this will be followed with a Scoping Study to fast track the development of a scalable mining operation.”*

### **Status of the Balama North Project**

In addition to Ancuabe, Triton is in the fortunate position of holding the world class Balama North Project (**Balama North**), which is located approximately 150km west from Ancuabe. Balama North encompasses the Nicanda Hill and Nicanda West flake graphite deposits. The discovery of the Nicanda West jumbo flake deposit in 2015 has led to a revised and expanded DFS. The Company has commissioned an independent technical review of the asset and the assessment of the Balama North development options, taking into account the growing potential of Ancuabe, which will continue through 2016.

Mr Higgo, commented on the need for a fully independent review of Balama North, stating: *“The independent technical review of the Balama North assets provides Triton with an opportunity to assess the in-situ value of the assets and development potential and options available to the Company going forward.”*

### **Strategic Outlook**

Industry commentators on projected flake graphite value, forecast a rapid and growing increase in the sales price of jumbo and super jumbo flake sizes. Triton’s strategic vision for its core business is to initially target the high margin jumbo and super jumbo market. The results of Ancuabe graphite test work indicate that the majority of flake exceeds 300µ at flotation grades of >98%TGC and recoveries of more than 90%. As such Ancuabe is demonstrating the potential to become Triton’s prime entry-level graphite operation that can be underpinned by the strong economics afforded by the premium nature of the graphite concentrate.

Mr Higgo said Triton’s graphite assets at Balama North and Ancuabe are world-class and that in 2016 the focus would primarily be on Ancuabe.

*“The quality of these assets and their prime location in Mozambique is what attracted me to join Triton. Mozambique is host to some of the world’s best quality graphite mineralisation and is fast becoming an investment destination-of-choice for miners looking for early stage projects, as the Government and regulations are mining friendly and supportive.*

*A lot has been achieved on Balama North and the Company is seeking to complete the DFS during 2016. I’m also very encouraged by the initial results coming from the drilling program at Ancuabe and considering the Company only started drilling on Ancuabe in mid-2015, I believe we have a winner here. As with all new mining ventures, the existing infrastructure support and logistics chain is vital to the viability of a mining operation. We are very*

*fortunate in that Ancuabe is only 50km west of the Pemba deep-water port meaning that, based on location and available infrastructure, this project has obvious economic advantages to become a very low cost producer.*

*Further planning and project selection is required regarding Ancuabe and in this regard the management team is already determining the next steps to advance to early mining as soon as possible.*

*With the new senior management appointments, Triton now has access to very experienced mining executives who have designed, built and operated many mining operations in Africa from start-ups to major global mining multi-commodity operations. We are currently assessing all the risks and reviewing all options to move the Company forward in the most cost effective and time efficient manner.”*

### **Grafex Limitada Joint Venture (Grafex)**

Triton currently owns 80% of Grafex in Mozambique, which holds the title to Triton’s exploration tenements and has expended some US\$5.2 million toward earning up to 90% of Grafex. Triton is currently in discussions with the remaining minority shareholder of Grafex concerning the timing and structure of the final US\$1 million payment to move to full 90% ownership. Furthermore, terms are currently being discussed to move to 100% ownership of Grafex in the near future.

### **Yichang Xincheng Graphite Co Ltd (YXGC) Joint Venture**

Subject to terms and conditions, Triton has two separate arrangements with YXGC, the first is a 100,000 tonne per annum concentrate offtake and the other for the co-funding and establishment of graphite processing facilities in China and Mozambique.

In contrast to many other graphite concentrate offtake agreements which supply to traders, who then have to locate a suitable buyer and seek discounted terms, Triton’s agreement contemplates delivery directly to YXGC, who are an end-user and a major manufacturer of high value expandable graphite products in China. The concentrate offtake agreement would be serviced from Triton mining developments and this, along with other offtake arrangements, would underpin the initial development phases. These offtakes will assist the market in understanding the quality of Triton graphite and are anticipated to form a base for Triton to establish its own well regarded brand of products.

Mr Higgo, said: *“Given the Company’s decision to focus on moving Ancuabe toward mining as soon as possible, Triton has opened discussions with YXGC with a view to replacing the arrangements to establish a graphite manufacturing facility in China and Mozambique and is now seeking early technical and commissioning support from YXGC as well as potential Engineering Procurement Construction (EPC) support of Triton’s future scalable concentrate processing plant in Mozambique.”*

## **AMG Graphit Kropfmühl (AMG GK) Strategic Alliance**

The strategic alliance with AMG GK, a global leader in graphite manufacturing, has been very successful to-date and the two companies are working well together at both the project level and on corporate matters. There has been good cooperation in quantifying and qualifying the graphite occurrences within the Ancuabe area by joint geological work and the alliance is generating good results. AMG GK have intimate knowledge of the end markets and the quality of graphite sought by the various graphite manufacturers. The next phase of the strategic alliance is focused on seeking to negotiate a joint venture focused on mining development at Ancuabe, cooperation in processing, offtake and marketing.

Mr Higgo, added: *“The strategic alliance with AMG GK remains very important to Triton. In addition to being neighbours in the Ancuabe region, the importance of cooperating on regional infrastructure, labour markets, and the skills required to produce the correct grades of graphite concentrate for the end markets, should result in this being a company-making alliance for Triton.”*

*“I’m very encouraged by the level of cooperation between both company’s project management teams and this good relationship extends to both company’s CEO’s. With Triton looking at accelerating its activities at Ancuabe, the close working relationship with AMG GK will be essential and we believe moving to the next phase of the strategic alliance and developing our JV arrangements will be an important next step.”*

## **Growth Focus**

With a new and clearly defined growth and development strategy and key management appointments, Triton is well poised to advance the Company’s projects towards production as soon as possible. The overriding focus is to attract long-term stakeholders that share Triton’s vision of supplying raw materials into current and future markets and technologies that are reliant on premium quality flake graphite.

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Triton plans to establish its Mozambique graphite projects as the global graphite-industry benchmark by aiming to offer the world’s lowest cost and most diversified graphite product range, together with the longevity of a reliable supply of high quality flake graphite. Triton is also actively pursuing vertical integration opportunities to be involved in all aspects of the graphite supply chain, which Triton believes will add significant value to the Company and its shareholders in the long term.

## **Forward-Looking Statements**

This document may include forward-looking statements. Forward-looking statements include, but are not necessarily limited to, statements concerning Triton’s planned exploration program and other statements that are not historic facts. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Although Triton believes that its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.



Triton Mozambique Graphite Projects

