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# Developing world class projects for the graphite revolution

## Executing strategy and systematically moving towards production

Technology and Low Emission Minerals Conference
Perth 14 November 2018

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**Competent Person Statements**

The information in this announcement that relates to the Definitive Feasibility Study and resource estimates for the **Ancuabe Graphite Project** in relation to:
16 May 2017 “Testwork Confirms Ancuabe Graphite is a High Quality Product”
14 December 2017 “Additional Mineral Resource Upgrade at Ancuabe Graphite Project with Increase in Confidence Level and Shows Further Upside to Soon to Be Released DFS”
15 December 2017 “Triton Delivers Robust Ancuabe Definitive Feasibility Study and Declares Maiden Ore Reserve”
The Company confirms that it is not aware of any new information or data that materially affects the information as announced on 16 May 2017, 14 December 2017 and 15 December 2017. All material assumptions and technical parameters underpinning the results and estimates continue to apply and have not materially changed.

The information in this announcement that relates to the in situ mineral resources for the ***Nicanda West Graphite Project*** in relation to:
17 May 2016 “Maiden Inferred Mineral Resource – Nicanda West”
The Company confirms that it is not aware of any new information or data that materially affects the information as announced on 17 May 2016. All material assumptions and technical parameters underpinning the results and estimates continue to apply and have not materially changed.

The information in this announcement that relates to the scoping study and resource estimates for the **Nicanda Hill Graphite Project** in relation to:
16 September 2016 “Restated Mineral Resource Estimate for Nicanda Hill”, 26 November 2014 “Nicanda Hill Scoping Study” and 30 November 2015 ASX Announcement, "Nicanda Hill Resource Upgrade"
The Company confirms that it is not aware of any new information or data that materially affects the information as announced on “16 September 2016, 30 November 2015 and 26 November 2014. All material assumptions and technical parameters underpinning the results and estimates continue to apply and have not materially changed.

The information in this announcement relates to the resource estimates for Cobra Plains in relation to:
26 February 2014 “103Mt Graphite Resource at Cobra Plains”
The Company confirms that it is not aware of any new information or data that materially affects the information as announced on 26 February 2014. All material assumptions and technical parameters underpinning the results and estimates continue to apply and have not materially changed.

# Right commodity, right assets, right location

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## 1. Graphite is a critical commodity for the future

- ✓ Key component of the **Lithium Ion Battery (LiB)**
- ✓ A key ingredient of the flame retardant revolution

## 2. World class assets

- ✓ Near term production at the flagship Ancuabe project targeted **H1 2020**
- ✓ Nicanda Hill – the world's largest Graphite/Vanadium deposit – JV Farm In discussions commenced

## 3. Mozambique: the world's best address for graphite

- ✓ A stable jurisdiction, pro-resource development government, proven graphite producing region
- ✓ There are 2 operating graphite mines adjacent to Triton assets
- ✓ Established infrastructure, close to container port

# Graphite is an essential component

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## The future of graphite extends well beyond traditional industrial uses:

### Electric Vehicles (EV)

Growth in EV and LiB and the impact on Graphite is well documented

### Flame Retardant Building Materials (FRBM)

Graphite will play a significant role in the FRBM Revolution

## Triton's Product Portfolio is Suitable for ALL markets

# Expandable graphite as a flame retardant

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## Graphite is an exceptional flame retardant

- Relatively low cost, excellent flame suppression, thermal efficiency and corrosion resistant

## New legislation promotes graphite

- Recent legislation in China, EU, Japan and Korea has either mandated flame retardants in building codes and/or banned brominated and asbestos based fire retardants

## Ideally suited to for FRBM

- Less than 10% of the current GLOBAL supply of graphite is suitable for the FRBM market
- Triton's Ancuabe Graphite has been independently tested in multiple countries and was determined as ideally suited for FRBM

**"China needs 40mtpa of FRBMs which will contain 5% graphite"**

**Mr Jioang Yang,** Group Vice President China Building Materials Application Technology Research Institute

# Graphite demand for FRBM may outstrip batteries

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Recent tragedies have highlighted the impact of flammable cladding on buildings:

## November 2014: Lacrosse Building Fire, Melbourne

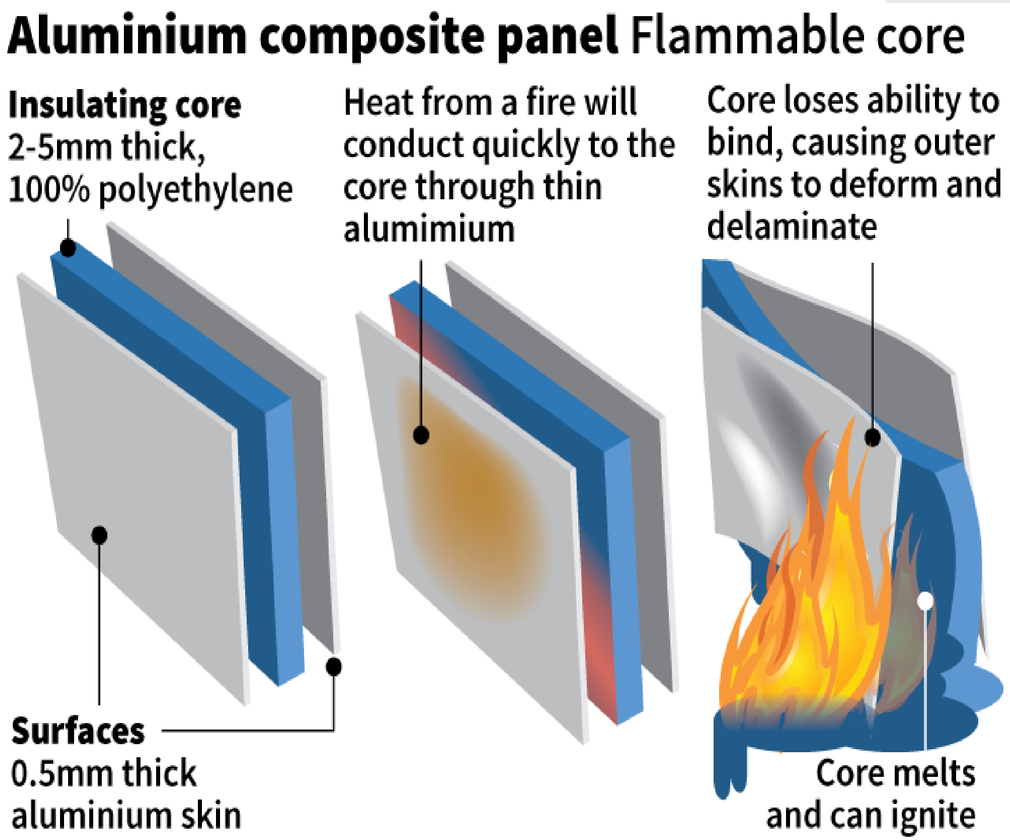
- Combustible cladding recently ordered to be replaced
- Estimated 5,000 buildings in Victoria require cladding replaced

## June 2017: UK Grenfell Tower Fire

- 80 deaths and 70 injuries, expert witnesses confirm that flammable exterior cladding was responsible for the fire spreading
- Following the tragedy, 95 buildings in 32 local authorities failed safety tests (100% failure rate)

## August 2017: Dubai Skyscraper Fire

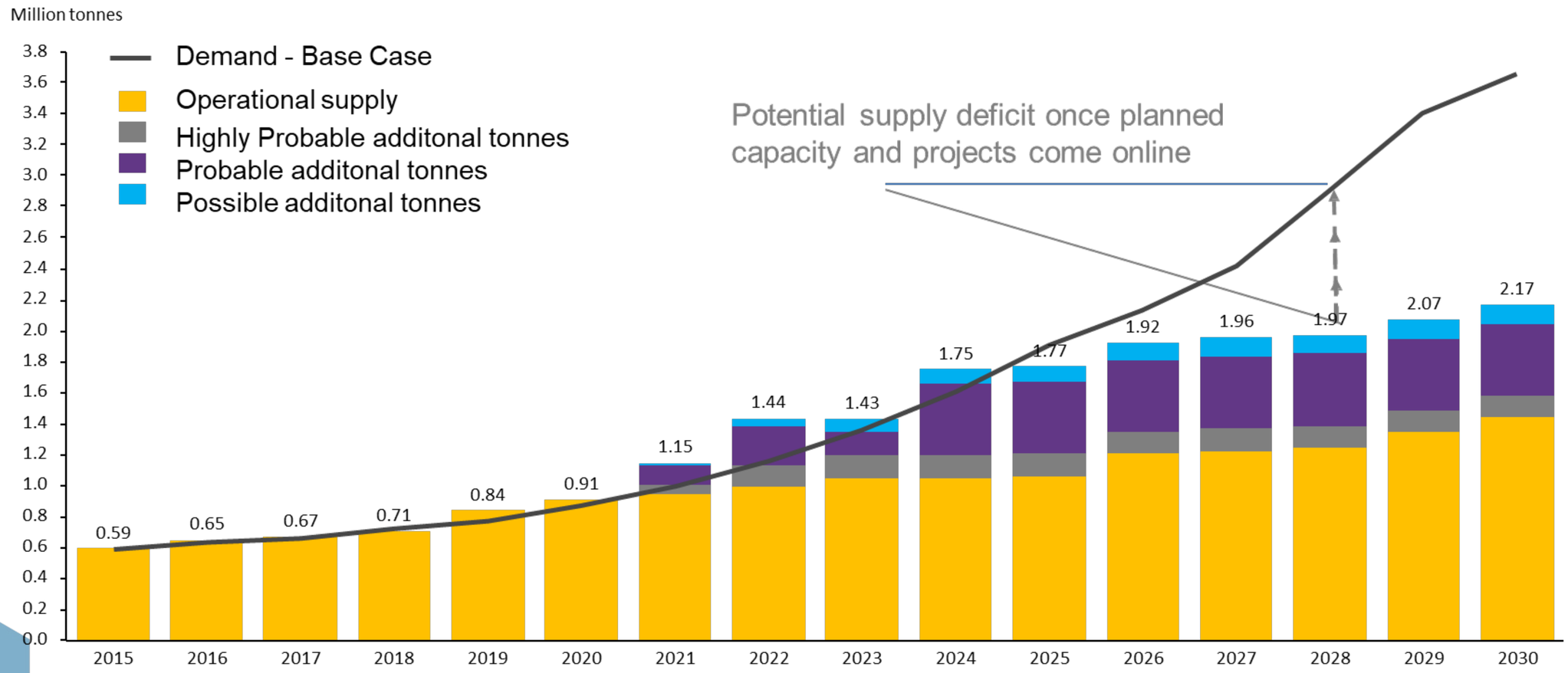
- Dubai fire safety rules amended to require fire resistant cladding
- Estimated 30,000 buildings in Dubai with highly flammable cladding



# Structural shortage looming

**New markets for EV and FRBM driving forecast demand above existing and new sources of supply**

**Planned capacity and projects in development will not be sufficient to meet forecast demand**




Source: Benchmark Minerals Intelligence

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# China supply dominance declining

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- China has been the major source of global graphite supply
- Chinese production now threatened by lower grades, higher costs, diminishing flake size and environmental concerns
- Environment management is a pillar of govt policy - focus on EV capability and cleaning up major polluting industries
- Chinese graphite industry impacted by forced mine closures due to poor management of acid treatment water

## This presents a significant opportunity for East African graphite

Typical Chinese graphite plants and poor environmental management

# Triton highlights

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## Three world class assets

**Suited to growth markets**

## Long Life Assets

**Ancuabe** 30+ years

**Nicanda Hill**
100+ years

## Mozambique

**Stable and proven region**

Supportive government

## Near Term Production

**Ancuabe** H1 2020

**High Margin NPV**
US$298m
IRR 37%

## Development

**Binding offtakes > 50%**

EPC contract signed and financing LOI at concessional rates

# Graphite Reserves and Resources[1]

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## Ancuabe Ore Reserve Estimate[1]

| Reserve Category | Tonnes (m) | Grade (TGC%) | Contained Graphite (million tonnes) |
|---|---|---|---|
| Probable Ore Reserve | 24.9 | 6.2% | 1.544 |

## Ancuabe Indicated + Inferred Resource Estimate[1]

| Classification | Tonnes (m) | Grade (TGC%) | Contained Graphite (million tonnes) |
|---|---|---|---|
| Indicated | 31.1 | 6.9% | 2.150 |
| Inferred | 15.0 | 6.0% | 0.890 |
| Total | 46.1 | 6.6% | 3.040 |

## Nicanda Hill Measured + Indicated + Inferred Resource Estimate[1]

| Classification | Tonnes (m) | Grade (TGC%) | Contained Graphite (million tonnes) |
|---|---|---|---|
| Measured | 33 | 12.34% | 4.06 |
| Indicated | 375 | 11.08% | 41.51 |
| Inferred | 1,036 | 11.08% | 114.75 |
| Total | 1,443 | 11.11% | 160.32 |

## Nicanda West and Cobra Plains Inferred Resource Estimates[1]

| Classification | Tonnes (m) | Grade (TGC%) | Contained Graphite (million tonnes) |
|---|---|---|---|
| Nicanda West | 30 | 6.6% | 1.968 |
| Cobra Plains | 103 | 5.5% | 5.700 |

**1. See Competent Persons Statement Page 3**

# Triton highlights

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# Ancuabe Graphite Project

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## High quality product

✓ High purity large flake graphite ideally suited to the EV, electric storage AND expandable market

## Great location

✓ Located in a proven region, closest of all East African projects to port and infrastructure

## Long life project

✓ Definitive Feasibility Study completed December 2017, confirmed Ancuabe is a high quality, long life project with robust economics

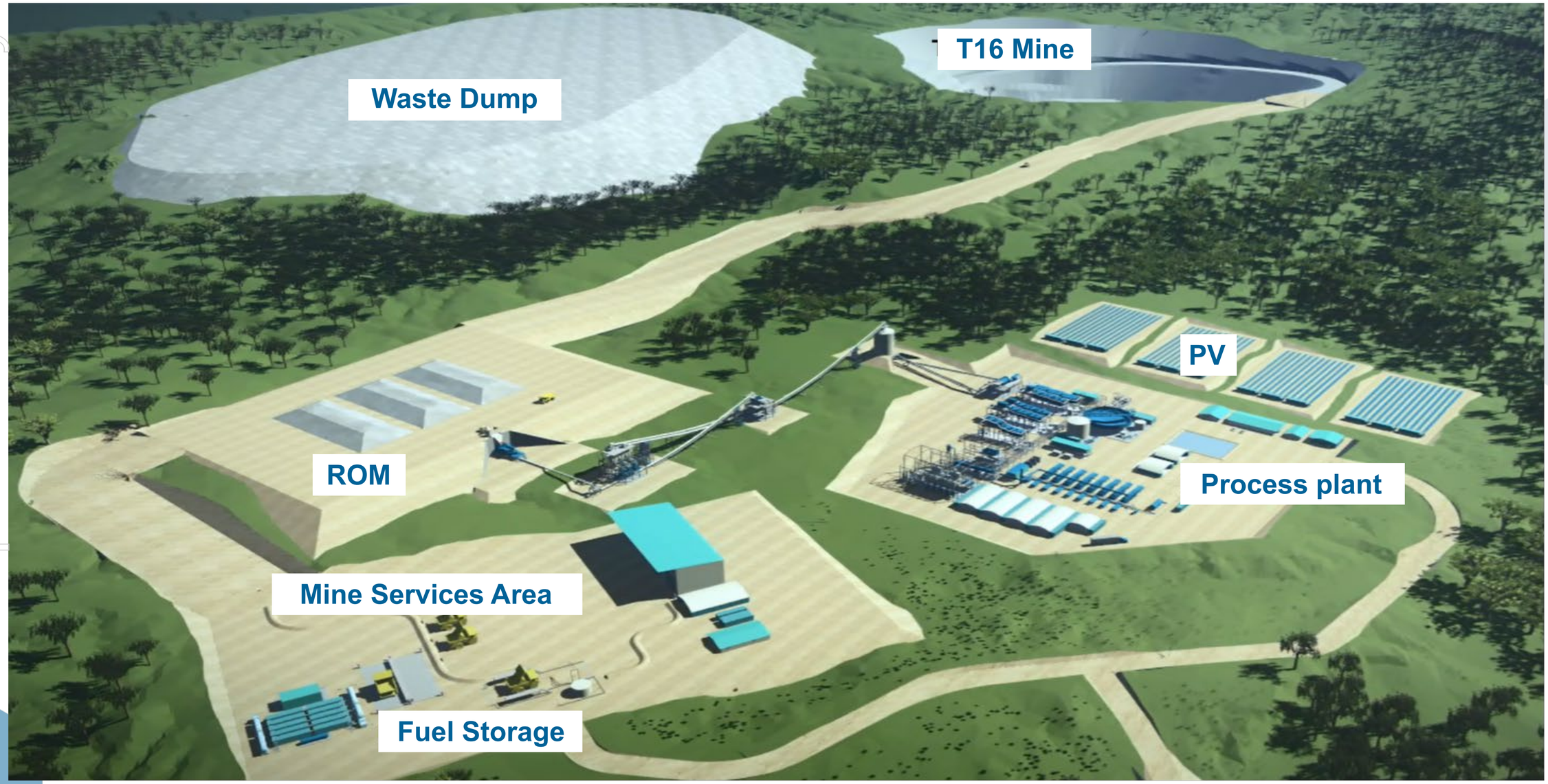
## Binding offtake

✓ Binding offtake agreements for > 50% production

## EPC contract

✓ EPC contract signed with MCC International - MCC supporting EPC linked financing at concessional interest rates

# **A simple modular design**: de-risking commissioning

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# Nicanda Hill Project

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## World's largest Graphite-Vanadium deposit

- ✓ World's Largest Graphite-Vanadium Deposit (1.4Bt at 11.1% TGC) for The EV Market and a Globally Significant Vanadium Deposit (4.2Mt contained $V_2O_5$)

## World class Vanadium deposit

- ✓ The Vanadium deposit is of world class size, complementary to the graphite and may provide significant value upside to the project

## Ideal for EVs and battery storage

- ✓ Nicanda Hill graphite is ideally suited to the Electric Vehicle and Battery Storage Markets

## An essential product

- ✓ Graphite is a non-substitutable component for the anode. More graphite than lithium in an Li-Ion Battery!

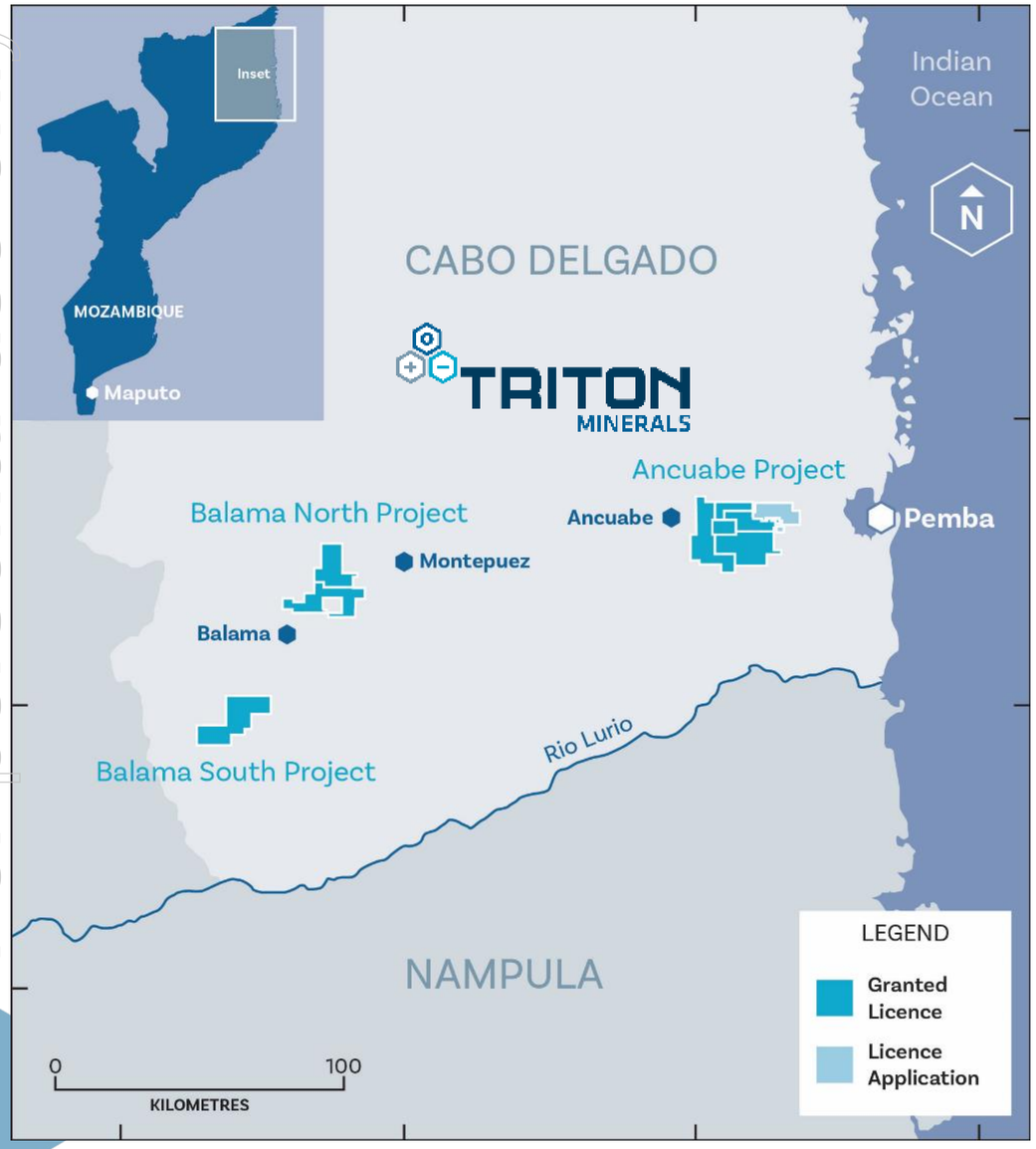
## JV partnership and finance potential

- ✓ Management are actively seeking a JV Partner and Finance to complete Feasibility Studies and advance development

**"The demand for Lithium Ion batteries is unstoppable"**

**Roskill,** a globally recognised voice in graphite

# **Mozambique**: a great place to be developing




## Proven graphite producing region

- Population 29 million, main language Portuguese
- Cabo Delgado is a proven graphite producing region
- Mozambique has a mature mining industry, with operations in Graphite, Coal, Aluminum and Gold
- Well-defined fiscal regime. Corporate tax at 32%, capital allowances over 5 years for mining production assets and royalties at 3%

### An Investment Location for Majors

SYRAH RESOURCES · EXXON · Anadarko Petroleum Corporation · SOUTH32 · AMG · GK · CNPC · VALE · YARA

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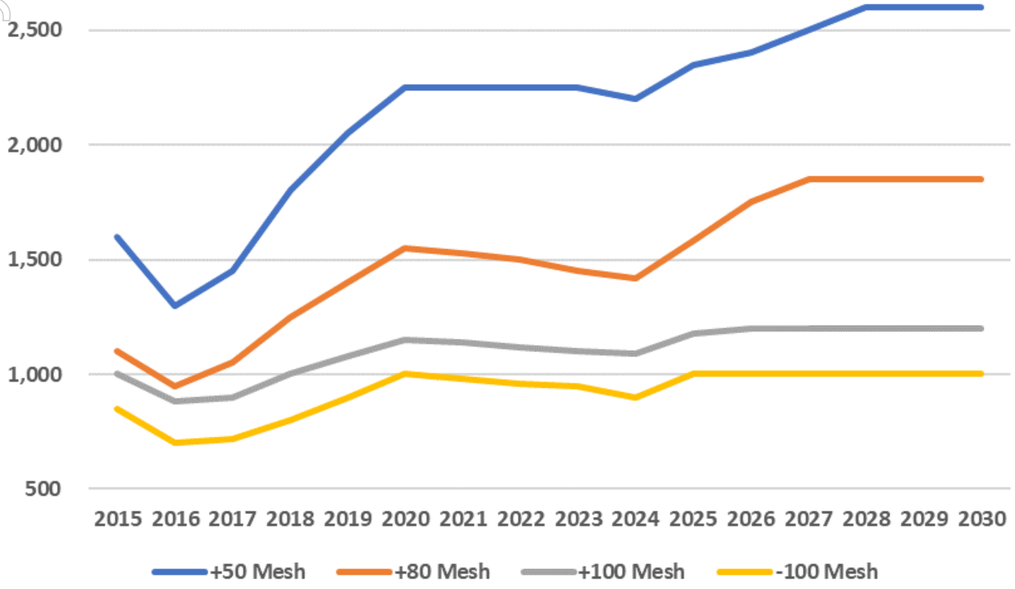
# Graphite Price

## Premium market expected to strengthen

Source: Benchmark Minerals Intelligence




- Larger flake graphite sold at a premium, 54% of Ancuabe large flake in highest pricing categories
- Further price pressure expected for large flake, Chinese production not keeping pace with demand

# Share Price

## Lagging despite strong fundamentals

## TON share price down 61% CY2018 despite:

- ✓ Increasing Graphite prices
- ✓ Robust Ancuabe DFS - NPV US$298 million
- ✓ Binding offtakes >50% production
- ✓ EPC Contract signed with LOI for concessionary financing
- ✓ Worlds largest graphite/vanadium deposit

## Graphite fundamentals have never been stronger

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# Value Proposition

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## World class assets

- ✓ High quality graphite from a proven graphite region with excellent infrastructure and stable mining jurisdiction

## Near term production and robust economics

- ✓ Ancuabe DFS delivers highly attractive project. Nicanda Hill provides JV opportunity for the battery market and exposure to vanadium market.
- ✓ Nicanda West a future expandable graphite project

## Offtake secured for > 50% of Ancuabe production

- ✓ Offtake secured for more than 50% of anticipated Ancuabe production with two major graphite producers

## Graphite market transformation underway

- ✓ Demand driven by EV and FRBM revolutions with traditional sources of supply diminishing

## Delivering on strategy

- ✓ Experienced board and management team who are delivering on development milestones

**“Triton is wonderfully positioned to be a player in the fastest developing markets globally”**