



QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 DECEMBER 2018

Ancuabe Graphite Project preparing to move into construction in 2019:

- ✓ **Ancuabe Mining Concession application approved by Mozambique Ministry of Mines and passed to the Minister of Mineral Resources for final approval**
- ✓ **MoU signed with Suzhou, a subsidiary of China National Building Materials Group, involving participation in financing the construction of Ancuabe and the provision of material testing and technical consulting services**
- ✓ **Successful completion of a strategic placement to cornerstone investor and a fully underwritten entitlement offer, raising a total of \$4.0 million**
- ✓ **Independent test-work confirms high purity natural flake graphite up to 99.94% Total Graphitic Carbon can be produced from Ancuabe using low environmental impact and cost effective caustic roasting process**

Triton Minerals Limited (ASX: TON) (**Triton** or the **Company**) is pleased to present its activities report for the quarter ended 31 December 2018, a period during which the Company made significant progress towards commencing construction at its flagship Ancuabe Graphite Project in Mozambique.

ANCUABE GRAPHITE PROJECT

Permitting

During the quarter, Triton received confirmation from the Mozambique Ministry of Mines (**INAMI**) that the Ancuabe Mining Concession application had been approved and passed to the Minister of Mineral Resources for final approval and signing on behalf of the Mozambique government. Ministerial approval is the final step in the mining concession application process and is a critical milestone in enabling Triton to secure funding for the Ancuabe Graphite Project (**Project**) in Mozambique.

Memorandum of Understanding

In November, the Company signed a Non-Binding Memorandum of Understanding (**MoU**) with Suzhou Sinoma Design and Research Institute of Non-metallic Minerals Industry Co. Ltd. (**Suzhou**), a subsidiary of China National Building Material Group, China's largest construction group. Suzhou is one of China's leading graphite testing laboratories and provides graphite technical consulting services to China's leading graphite producers.

Under the MoU, Suzhou expressed interest in participating in debt financing the development of the Project in Mozambique and providing technical consulting services in relation to graphite process technology, production line equipment, construction and commissioning and graphite product quality control.

The parties are progressing discussions around project financing, testing of mineral processing equipment and engineering design optimization with a view to finalising a binding agreement.

Graphite Marketing

During the quarter, advanced test-work undertaken by an independent expert in Germany demonstrated that Ancuabe graphite is ideal for high value applications such as expandable graphite, lithium-ion batteries and specialist sealing applications in the chemical industry.

Testwork was undertaken with samples from the ALS Metallurgy flowsheet verification pilot plant completed in Q1 2018.

The testwork undertaken included:

- Graphite concentrate samples extracted from the Ancuabe T16 Project prospect were assayed for benchmarking with industrial graphite product requirements; and
- Caustic roasting purification tests achieved exceptional results with a total graphitic carbon (**TGC**) purity of up to 99.94%, demonstrating that Ancuabe graphite is highly amenable to low environmental impact and cost-effective purification methods.

The testwork was based on standard industrial process and no process optimisation has been undertaken to potentially realise improved product quality and cost effectiveness, potentially improving Project economics.

CORPORATE AND FINANCE OVERVIEW

Capital Raising

During the quarter, Triton completed the previously announced \$4m capital raising via:

- A strategic placement to Shandong Tianye Mining (**STM**) of 14 million fully paid ordinary shares in the Company at an issue price of \$0.047 per share, raising \$0.66 million;
- A private placement of 10.6 million shares at \$0.047 per share to a sophisticated investor on the same terms as those to STM, raising \$0.50 million; and
- Non-renounceable entitlement issue of one share for every fourteen shares at \$0.047 per share to raise approximately \$2.8 million with a free attaching 10 cent option expiring 30 September 2020.

Proceeds from the capital raising are being applied to finalising the Ancuabe funding package and other project development activities. Early works activity at the Project, including the completion of the raw water dam, has 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. It is envisaged that the camp will be re-established in full working mode in the first half of 2019 in advance of commencement of construction (subject to finalisation of debt financing).

In addition, the company announced in the reporting period that it would undertake a fully underwritten placement to eligible optionholders of up to approximately 133,673,165 TONOD options at an issue price of \$0.0054 per TONOD option to raise between approximately \$533,165 and \$721,835 before expenses.

The placement was made in response to a significant amount of correspondence received from optionholders in relation to the expiry of the TONOB options and TONOC options and recognises the strong support that Triton has received from its shareholders and optionholders over the past 2 years.

Corporate Information

At 31 December 2018, the Company had 4,205 shareholders and 927,137,924 shares on issue. The top 20 shareholders held 49.4% of the issued ordinary shares.

At 31 December 2018, the Company had cash at bank of approximately \$1.43 million. In addition, the company will receive \$721,835 (before costs) shortly from the recently closed fully underwritten option placement.

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 31 December 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:

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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.

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