For personal use only

ASX Announcement **26 October 2020**

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 30 SEPTEMBER 2020

Triton Minerals Limited (ASX: TON) ("**Triton"** or "**the Company"**) provides its activity report for the three-month period ending 30th September 2020 ("**the Quarter"**).

During the quarter, the Company continued to progress its flagship Ancuabe Graphite Project ("**Ancuabe**" or "**the Project**") in North East Mozambique. The Company also completed a fully underwritten option placement that closed heavily oversubscribed, funds used will enable Triton to focus on debt financing, permitting and engineering activities at Ancuabe.

ANCUABE GRAPHITE PROJECT

Located within the established graphite region of Cabo Delgado in north eastern Mozambique, Ancuabe is closest to port of all East African graphite projects.

The Ancuabe Project is the only large scale, large flake graphite project in the region and its high-purity, large flake graphite (suited to the emerging EV and electric storage markets), commands a market price premium over smaller flake products.



Figure 1. Location of TON's Graphite Portfolio

Triton is aiming at becoming the next East African graphite producer, currently targeting production of 60,000 tonnes of high purity, large flake graphite concentrate per annum.

For personal use only

Late in 2019 a $19.5 million investment by state-owned enterprise Jinan Hi Tech ("JHT") was completed to provide financing support for the early construction activities at Ancuabe. This investment brought JHT to become TON's major shareholder with a 34.01% interest.

The Company has signed binding offtake agreements with Tianshengda Graphite and Chenyang Graphite each for up to 16,000 tonnes of annual Ancuabe graphite concentration production, equating to over 50% of anticipated annual production from Ancuabe.

A Definitive Feasibility Study ("**DFS"**) (ASX December 2017) completed by Triton confirms Ancuabe to be a high quality, long life, high margin graphite project and was underpinned by a Maiden JORC Compliant Ore Reserve of 24.9Mt at 6.2% TGC that supported the DFS evaluation period of 27 years.

MCC International Incorporation Limited has been awarded the Engineering, Procurement and Construction contract for the mineral processing facility and other infrastructure at Ancuabe.

FINANCING

During the quarter, the Company progressed financing for the bulk earthworks contract. The Triton board acknowledges that the financing timeframe is beyond that previously anticipated and assures shareholders that completing financing as soon as possible remains its core focus. The Company now anticipates mobilization to site to commence construction of the raw water dam will commence in 1H 2021. In parallel to financing, senior management have been working closely with MCC International and the team mobilised by the Chairman of its largest shareholder to identify further optimisation of costs within the Ancuabe Project capital expenditure which would further enhance the project economics.

OPTION PLACEMENT

In September, the Company advised it has completed a fully underwritten placement of TONOE Options (ASX Code: TONOE) (the Offer) at $0.002 per option. The placement closed heavily oversubscribed having received very strong support from eligible option holders. Each TONOE Option has an exercise price of $0.10 and expires on 25 September 2021.

The 170,168,765 TONOE Options to be issued under the Offer will raise a total of $340,337 before expenses (and not including any funds received on exercise of the TONOE Options).

Commenting on the Offer, Triton Managing Director Peter Canterbury stated:

"We are very pleased with the successful closing of the Offer and the applications received and the oversubscription demonstrates the continuing strong support from our securityholders. The funds raised under the Offer enable Triton to continue its focus on debt financing, permitting and engineering activities at our world class Ancuabe Graphite Project in Mozambique."

CORPORATE INFORMATION

At 30 September 2020, the Company had 3,722 shareholders and 1,134,468,067 shares on issue. The top 20 shareholders held 58.47% of the issued ordinary shares. The top 20 shareholders are attached to this report.

At 30th September, the Company had cash at bank of approximately $3.1 million. The cash at bank excludes the cash backed construction guarantee of approximately $2.6 million lodged with INAMI in November 2019.

EXPENDITURE

The pro-forma appendix 5B – statement of consolidated cash flows is attached to this report.

ANNUAL GENERAL MEETING

Triton held its Annual General Meeting on Friday 31st July 2020.

In accordance with ASX Listing rule 3.13.2 and section 251AA of the Corporation Act, details of the proxy votes in respect of each resolution are set out in the attached summary.

Resolution details		Instructions given to validly appointed proxies (as at proxy close)				Number of votes cast on the poll (where applicable)			Resolution Result
Resolution	Resolution Type	For	Against	Proxy's Discretion	Abstain	For	Against	Abstain*	Carried / Not Carried
1 Non-binding Resolution to adopt Remuneration Report	Ordinary	89,989,176 97.34%	1,267,634 1.37%	1,188,807 1.29%	1,750,189	95,116,033 98.68%	1,267,634 1.32%	1,750,189	Carried
2 Election of Chengdong Wang as a Director	Ordinary	94,457,791 95.95%	2,746,008 2.79%	1,239,807 1.26%	602,200	99,744,172 97.32%	2,746,008 2.68%	602,200	Carried
3 Re-election of Xingmin (Max) Ji as a Director	Ordinary	95,666,659 97.18%	1,538,140 1.56%	1,238,807 1.26%	602,200	100,952,040 98.50%	1,538,140 1.50%	602,200	Carried
4 Approval of 10% Placement Capacity	Special	89,582,004 90.91%	7,710,327 7.83%	1,238,807 1.26%	514,668	94,867,385 92.48%	7,710,327 7.52%	514,668	Carried
5 Amendment to Constitution to adopt Proportional Takeover Provisions	Special	95,150,947 96.92%	1,789,052 1.82%	1,238,807 1.26%	867,000	100,436,328 98.25%	1,789,052 1.75%	867,000	Carried

* Votes cast by a person who abstains on an item are not counted in calculating the required majority on a poll.

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 2019 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 30th September 2020, the Triton Group held an 100% economic interest in Grafex Limitada, the holder of the following interests in exploration tenements (all located in Mozambique):

Licence	Project	Prospect/ Deposit	Status	Change In Quarter	Note	Economic Interest
EL5966	Balama Nth	Nicanda Hill	Granted	No change		100%
EL5365	Balama Nth	Cobra Plains	Pending extension	No change	1	100%
EL5304	Balama Sth	-	Granted	No change		100%
EL5380	Ancuabe	T20	Granted	No change	2	100%
MC9132C	Ancuabe	T12, T16	Granted	Granted		
EL5305	Ancuabe	-	Granted	No change	3	100%
EL5934	Ancuabe	T10, T11	Pending grant	No change	4	100%

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

1. Application for extension submitted in September 2017.
2. Application for extension and to modify and reduce the area submitted in November 2017.
3. Application to modify area submitted in November 2017.
4. Application to modify area submitted in November 2017.

Authorised for release by Peter Canterbury, Managing Director

For personal use only

For further information please contact:

Investor Enquiries

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

Victoria Humphries
NWR Communications
victoria@nwrcommunications.com.au
+61 (0) 431 151 676

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.

For personal use only

Computershare

TRITON MINERALS LTD **ORDINARY FULLY PAID SHARES (Total)**

Top Holders (Grouped) As Of 9/30/2020 **Composition : ORD**

Rank	Name	Units	% Units
1	JIGAO INTERNATIONAL INVESTMENT DEVELOPMENT CO LTD	385,807,073	34.01
2	CITICORP NOMINEES PTY LTD	89,298,216	7.87
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	61,272,696	5.40
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	16,114,268	1.42
5	MR ANTOINE HALDEZOS	11,914,724	1.05
6	GOLDFIRE ENTERPRISES PTY LTD	9,336,461	0.82
7	MR TONY ALLAN BROWN	9,007,314	0.79
8	MR ADAM STEWART ROBERT TURNBULL	8,288,888	0.73
9	MR CHRISTOPHER JOHN FONE	8,010,454	0.71
10	AJAVA HOLDINGS PTY LTD	7,391,367	0.65
11	DOMAEVO PTY LTD <THE JCS A/C NO2>	6,266,955	0.55
12	MR SALEM SEOUD	6,176,462	0.54
13	MR ZORAN JUGOVIC	5,511,112	0.49
14	NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	5,368,490	0.47
15	MR RICHARD KONG + MS XIAOYAN ZHAO	5,012,000	0.44
16	MR DEAN ANDREW KENT <WATTLE A/C>	5,000,000	0.44
16	MR MALCOLM JOHN STUART	5,000,000	0.44
18	BINBIN SHI <YELLOW STONE FAMILY A/C>	4,982,979	0.44
19	MR KINGSLEY BRYAN BARTHOLOMEW	4,853,150	0.43
20	KAMASI PTY LTD	4,836,475	0.43
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**659,449,084**	**58.13**
Total Remaining Holders Balance		**475,018,983**	**41.87**

Selection Criteria: Address: Hidden Holder ID: Hidden Control Account: Included

For personal use only

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

For personal use only

Name of entity	
Triton Minerals Limited	
ABN	**Quarter ended ("current quarter")**
99 126 042 215	30 September 2020

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(106)	(545)
	(c) production	-	-
	(d) staff costs	(215)	(849)
	(e) administration and corporate costs	(188)	(608)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash used in operating activities**	**(505)**	**(1,991)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

For personal use only

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	327	327
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(75)	(75)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**252**	**252**

4.	**Net decrease in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,364	4,855
4.2	Net cash used in operating activities (item 1.9 above)	(505)	(1,991)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	
4.4	Net cash from financing activities (item 3.10 above)	252	252

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(2)	(7)
4.6	**Cash and cash equivalents at end of period**	**3,109**	**3,109**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	3,109	3,109
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**3,109**	**3,109**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	140
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

For personal use only

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash used in operating activities (item 1.9)	505
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	505
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,109
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,109
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	6

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

For personal use only

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer:	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: .....26 October 2020.....

Authorised by: .....Peter Canterbury Managing Director.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

For personal use only