

Company Update & Capital Raising

Up to ~\$10m Capital Raising; New Advisors and Management Team appointed to generate Shareholder Value

Highlights

Up to ~\$10m Capital Raising, comprising up to ~\$9.79m Entitlement Offer and up to ~\$320,000 Options Placement.

- Major shareholder, Jigao and Triton confirm shared ambition of developing the Ancuabe Graphite Project to produce high purity large flake graphite for EV, storage and expandable graphite markets.
- EPC contractor, MCC International, conducting review to determine equipment financing they will provide – aim to reduce debt funding requirement.
- Board of Triton to commence tender process to secure debt funding.
- Metal Challenge Co., Ltd, leading independent traders and marketers of metals and minerals engaged to provide advisory services to advance the Ancuabe Graphite Project.
- DFS on Ancuabe Graphite Project confirmed project is a globally significant graphite project with strong returns (US\$298m, IRR 37%), targeting production of 60ktpa of high purity large flake graphite concentrate over a long mine life (27 years), with short payback period (3.7 years).¹
- New executive team led by Andrew Frazer focused on generating shareholder value - search underway for Managing Director.

Triton Minerals Limited (Triton or the Company) (ASX:TON) is pleased to provide an update on its world class Ancuabe Graphite Project, a capital raising, operations and management.

¹ Triton refers to the Announcement titled 'Triton delivers robust Ancuabe Definitive Feasibility Study and declares maiden Ore Reserve' dated 15 December 2017 and confirms that all of the material assumptions underpinning the production target, or the forecast financial information derived from the production target in the initial public report continue apply and have not materially changed.

Mr Andrew Frazer, who has been appointed as Executive Director, said:

We now have the renewed support and commitment of all major stakeholders, and with a successful capital raising, Triton will be in a position to finally expedite the development of the Ancuabe Graphite Project in a very strong commodities market where there is an expectation of strong graphite demand and pricing for years to come.

*Following a period of renewed engagement with the EPC contractor, MCC is nearing completion of a review to determine the portion of the capital amount to fund Ancuabe that will be financed via MCC which will ultimately reduce the balance of debt required to be sourced by Triton, which we expect to consist of offtake linked debt financing and debt sourced from or introduced by our major shareholder, Jigao International Investment Development Co., Limited (**Jigao**).*

We have also brought in Metal Challenge, leading independent traders and marketers of metals and minerals to provide advisory services in relation to advancing the Ancuabe Graphite Project. To date, we have been impressed with their insights and look forward to working with them moving forward.

We know that the Ancuabe Graphite Project is ideally suited to supply large flake, high concentrate expandable graphite. Over the course of 2021, the outlook and demand for both high purity expandable graphite to supply the global building materials sector and also flake graphite for the booming electric vehicle revolution, has strengthened and accelerated.

No one is more disappointed than me with the delays in advancing the debt funding and development of the outstanding Ancuabe Graphite Project. The Company has previously stated that work on the raw water dam and construction of the Ancuabe Graphite Project would be well underway by now, and whilst we have commenced some early construction works on the project, it has not advanced at the pace we have hoped.

Following this fundraising, Triton will be in a stronger position and looks forward to moving the Ancuabe Graphite Project rapidly towards production."

Entitlement Offer and Placement

Triton is offering all eligible shareholders the ability to participate in a non-renounceable Entitlement Offer of up to approximately 238,835,383 New Shares on the basis of four (4) New Shares for every nineteen (19) Shares held on the record date at \$0.041 per Share to raise up to approximately \$9.79 million (**Entitlement Offer**).

Participants in the Entitlement Offer will be issued with free attaching options over Shares (**TONO Options**) on the basis of one (1) new TONO Option for every one (1) Share issued, for a total of up to approximately 238,835,383 TONO Options, with each TONO Option having an exercise price of \$0.09 and expiring on 31 December 2023.

In addition, Triton will be conducting a placement of up to:

- (a) approximately 160,170,210 TONO Options to eligible TONOE Optionholders as at 5:00pm (WST) on 24 September 2021, having an exercise price of \$0.09 and expiring on 31 December 2023, at an issue price of \$0.002 per TONO Option to raise up to approximately \$320,340, to the holders of the existing TONOE Options at the Placement record date; and
- (b) 10,000,000 TONO Options to Metal Challenge (or its nominee) for nil cash consideration, (**Placement**).

Triton will apply for the TONO Options to be listed on ASX.

The Entitlement Offer and Placement will be pursuant to Prospectuses that will be lodged with ASIC and announced on ASX today. Lazarus Corporate Finance Pty Ltd will act as the Lead Manager to both the Entitlement Offer and Placement.

Funds raised from the Entitlement Offer and Placement will be applied as follows:

Item	Minimum Subscription Amount (\$500,000) excluding the Placement proceeds		Maximum amount raised, including Placement proceeds	
Mining licence fees, construction permits and environmental licence fees	240,000	48%	330,000	3%
Payment of Mozambique capital gains taxes re the 20% economic interest in Grafex Limitada	-	0%	670,000	7%
Development activities including the commencement of engineering and detailed design works, technical studies, construction of access roads, construction of a raw water dam and other ancillary construction activities.	-	0%	7,000,000	69%
Working capital	76,753	15%	1,253,721	13%
Costs of the Offer and Options Offer	183,247	37%	858,870	8%
TOTAL	500,000	100%	10,112,591	100%

The above table is a statement of current intentions as of the date of this announcement. The above proposed use of funds is subject to ongoing review and evaluation by the Company. As with any budget, the actual use of funds raised may change depending on the outcome of the activities as they proceed. To the extent the full amount is not raised under the Entitlement Offer and Placement, the funds raised will be applied to the fees and capital gains tax liabilities as a priority, with the remaining funds apportioned pro rata. The Board reserves the rights to alter the way in which funds are applied on this basis.

Offtake

Triton has engaged leading Chinese independent traders and marketers of metals and minerals, Metal Challenge, to assist with advancing the Ancuabe Graphite Project, including sourcing new offtake agreements and potentially other initiatives such as debt funding. Triton is pleased to be working with Metal Challenge who have strong relationships with key participants in the global metals and minerals markets which Triton is keen to pursue for additional offtake arrangements for the Ancuabe Graphite Project. Metal Challenge have already assisted greatly in getting the delayed development of Ancuabe back on track. Metal Challenge have been engaged on a US\$3,000 per month retainer until end 2022 together with the intended grant of 10m TONO options by way of incentive.

Triton currently has binding offtake agreements which cover approximately 53% of the Company's anticipated average annual graphite production from the Ancuabe Graphite Project. The Company

notes that these binding offtake agreements may be terminable by the counterparties as the initial target supply dates under those agreements have not been met. However, the Company is not aware of any intention to, nor has it received any notice of, termination of those agreements.

Nicanda Hill

Whilst its primary and near term focus has been the Ancuabe Graphite Project, the Company has for some time sought the support of the Mozambique authorities for it to maintain its interest in the Nicanda Hill project in the hope of also developing the Nicanda Hill project over the longer term. The Company has been advised that the Cadastre states the area is marked as reserved for public tender. Notwithstanding the best efforts of the Company to have the Nicanda Hill licence renewed, it has not been renewed. Triton is very disappointed by this outcome. The failure to renew the Nicanda Hill Tenement adversely affects assets, operations and prospects. Triton has instructed its advisers in Mozambique to appeal to the Minister. Triton will make every effort to obtain a renewal of the licence via the Minister and keep the market updated in this regard.

Management Changes

Triton is pleased to announce that Andrew Frazer has been appointed Executive Director to drive the development of the Ancuabe project. It is the Company's intention to make further specialist appointments to the management team over the coming period so as to further accelerate progress at Ancuabe. Mr Frazer shall be paid \$25,000 per month as Executive Director with his position terminable on three months' notice without cause.

David Edwards has provided his resignation as Acting CEO, CFO and Company Secretary with effect from 30 September 2021. This follows the resignation of Peter Canterbury earlier in 2021.

Mr Lloyd Flint has been appointed Company Secretary with effect from 1 October 2021.

This ASX release was authorised by the Board of Directors.

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