



Appointment of Front-End Engineering Design Contractor for the Ancuabe Graphite Project

HIGHLIGHTS:

- **Yantai Oriental Metallurgical Engineering Co., Ltd (YOME) awarded contract for Front End Engineering Design (FEED) works for the process plant and associated non-processing infrastructure for the Ancuabe Graphite Project**
- **YOME is an associate company of Yantai Jinpeng Mining Machinery Co., Ltd (Jinpeng) who are a major Mining and Processing Equipment Manufacturer and EPCM company**
- **Appointment followed an extensive process to procure a suitable contractor with the relevant experience and capabilities both in East Africa and in graphite processing equipment – Jinpeng is currently undertaking the supply and installation of the process plant equipment for the 1.5 Mtpa Nipepe Graphite Project in Mozambique**
- **YOME will undertake the FEED work in Q2 CY2023, with the aim of enhancing the design of the processing plant, thereby reducing risk and targeting a reduction in the processing plant and non-process infrastructure capital expenditure**
- **FEED works will be undertaken with the support of Verum Projects and Engineering which will continue in its role as process consultants.**

Triton Minerals Limited (ASX: TON, **Triton** or **Company**) is pleased to advise the appointment of Yantai Oriental Metallurgical Engineering Co., Ltd, who are an associate of Yantai Jinpeng Mining Machinery Co., Ltd, in relation to Front End Engineering Design (**FEED**) contract for the process plant and associated non-process infrastructure for the Ancuabe Graphite Project. Jinpeng are a major Mining and Processing Equipment Manufacturer and EPCM company.

This follows the recent announcement that the Company has re-committed to the large-scale development of the Ancuabe Project as per the 2017 DFS^{1,2,3}. The Board of Triton have based its decision to move straight to the large-scale development on **strong and increasing demand for graphite from both battery and industrial applications**, as well as the strong support of its proposed cornerstone shareholder, Shandong Yulong.

The appointment of YOME as FEED contractor followed an extensive process to procure a contractor with suitable experience and capabilities to complete the FEED process and included a site visit by associated company Jinpeng to the Ancuabe Graphite Project. As part of the site visit tour, Jinpeng invited members of the Triton operations team to the 1.5Mtpa Nipepe Graphite Project located in the Niassa Province of North West Mozambique, where Jinpeng is currently undertaking the supply and installation of the process plant equipment. This site visit provided Triton with an elevated level of confidence in Jinpeng's/YOME's ability to operate successfully both in East Africa and in the graphite sector.

YOME will undertake the FEED work this Quarter with the aim of enhancing and improving the design and efficiencies in the processing plant, thereby reducing risk and targeting an improved EPC tender price for the construction of the processing plant and non - process infrastructure. This scope of work represents a key step in the Ancuabe Graphite Project's development and construction pathway.

The FEED works will be undertaken with the support of Perth based Verum Projects and Engineering which will continue in its role as process consultants.

Commenting on the appointment, Triton's Executive Director, Mr Andrew Frazer said:

*"We are very happy to have **YOME and Jinpeng** join the development of the Ancuabe Graphite Project. We know Jinpeng to be a highly capable engineering and manufacturing company which has direct experience in building projects in various jurisdictions throughout the world, but importantly in the graphite sector and specifically in Mozambique.*

We are confident that the outcomes from the FEED works will provide benefits to the project by improving the deliverables and potentially reducing upfront capex and minimising the execution risk. This is a critical step as we work towards the funding package and the award of an EPC contract to build the Ancuabe Graphite Project."

About YOME and Jinpeng

Yantai Oriental Metallurgical Engineering Co. is an associate of Jinpeng, which is a global company that offers services and supply of equipment for the development and construction of mineral processing plants such as gold, base metals, mineral sands, lithium and graphite and is a company with considerable project development experience and expertise the following services:

- Complete Engineering, Procurement and Construction (EPC) solutions for mineral processing plants, such as project engineering design, procurement, construction and commissioning of mineral processing plants.
- Supply and Installation of both Major Mineral processing Equipment and Indirect Equipment supply packages such as Structural Steel, Platework, Piping and Electrical

Jinpeng is based in Yantai, Jinan and where its headquarters and production facilities are located, and employees more than 300 employees and has sales offices in Russia, Zimbabwe and Sudan.

Jinpeng's global reach extends to more than thirty countries throughout the world with projects in Asia, Middle East African, South America and North America. In Africa Jinpeng has completed projects Sudan, Zimbabwe, Tanzania, Zambia Morocco Nigeria and Mozambique. Jinpeng is currently under taking the supply and installation of the process plant equipment for the 1.5 Mtpa Nipepe Graphite project located in the Niassa Province of North West Mozambique.

END NOTE

1. ASX Announcement - 15 December 2017 - 'Triton delivers robust Ancuabe Definitive Feasibility Study and declares maiden Ore Reserve'
Triton 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.
Triton also confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of the estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.
2. ASX Announcement – 30 November - Triton Re-Commits to Large Scale Development of Ancuabe Project
3. ASX Announcement – 30 November - Triton Re-Commits to Large Scale Development of Ancuabe Project Amended

This ASX release was authorised by the Board of Directors.

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Appendix 1 – Ancuabe 2017 DFS

The 2017 Definitive Feasibility Study (DFS) established the project as a globally significant graphite development project, boasting 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 (3.8 years), which is based upon mining and processing of 1 million tonnes of ore and the production of 60,000 tpa of high quality and high margin graphite concentrate.

Summary of 2017 DFS Outcomes

Key Parameter	DFS Result
Mine Life	27 Years
Ore Processed	Approximately 1 M tpa
Concentrate	Approximately 60,000 tpa graphite concentrate
Initial Capital cost	US\$99.4M including contingency of US\$9.3M
Graphite price	US\$1,435/t graphite basket Price concentrate (FCA Pemba)
EBITDA	US\$1,178M
Operating cost ex royalty	US\$634/t graphite concentrate (FCA Pemba)
Unleveraged pre-tax NPV	US\$298M
Unleveraged pre-tax IRR	36.80%
Payback period ⁶	3.8 years from first production
Project free cash flow	US\$1,032M pre-tax and US\$753M post-tax

The Ancuabe Graphite Project is based on developing and mining two graphite mineral deposits T12 and T16 and the DFS has been used as the basis from which to estimate Ore Reserves for the project. The Ore Reserve and Resources for the Ancuabe project is reported in accordance with the JORC Code 2012.

Statement of Ore Reserve and Resources

Reserve Category	Tonnes (m)	Grade (TGC%)	Contained Graphite Tonnes (m)
Proven	-	-	-
Probable	24.9	6.20%	1.54
Indicated + Inferred Resource Category	Tonnes (m)	Grade (TGC%)	Contained Graphite Tonnes (m)
Indicated	31.1	6.90%	2.15
Inferred	15	6.00%	0.89
Total	46.1	6.60%	3.04