



QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31st DECEMBER 2023

Triton Minerals Limited (ASX: TON) (“**Triton**” or “**the Company**”) is pleased to provide its activity report for the quarter ending 31st December 2023 (“**the Quarter**”).

HIGHLIGHTS:

- **Ancuabe Project Front End Engineering Design** - Continued works aimed at enhancing the design and reducing the capital requirement for the processing plant and associated non-processing infrastructure for the Ancuabe Graphite Project, which included a visit by the FEED contractor to the Company’s head office.
- **Cobra Plains** – Following the granting of the mining concession, commenced works for the environmental approvals such as the DUAT (land use agreement) and Resettlement Action Plan.
- **Graphite Market** – Triton notes that the Chinese government is proposing to restrict the export of graphite materials and products, which is expected to result in improved graphite market fundamentals.
- **Corporate Overheads Review and Restructure** - A review of both corporate overheads and in-country holding costs was completed, with a number of short and long term cash preservation initiatives put into place which are expected to materially reduce Triton’s quarterly expenditures. The expenditure review is not expected to affect the overall Ancuabe Project or Cobra Plains works.
- **Cash on hand – A\$2.65 million** as at 31st December 2023.

COBRA PLAINS

The Company announced on 28 August 2023 that Mozambique's Minister of Energy and Natural Resources had granted Triton a 25 year Mining Concession for the Cobra Plains Graphite Project ("**Cobra Plains**") in the Cabo Delgado province in Northern Mozambique¹. Following the grant, Triton commenced works on the environmental approvals such as the DUAT (Land use agreement) and Resettlement Action Plan.

The Cobra Plains Project is located in northern Mozambique, only ~10km from Syrah's Balama Graphite Mine and 230 km west by paved roads to the port of Pemba on the Indian Ocean. In 2014, Triton announced an Inferred Mineral Resource Estimate for Cobra Plains comprising of 103 Million Tonnes ("**Mt**") at an average grade of 5.52% graphitic carbon, containing 5.7 Mt of graphitic carbon². This resource is classified as Inferred in accordance with the guidelines of The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012). With further drill testing and other exploration work to be completed by Triton, the Cobra Plains deposit is considered to have the potential to be significantly expanded.

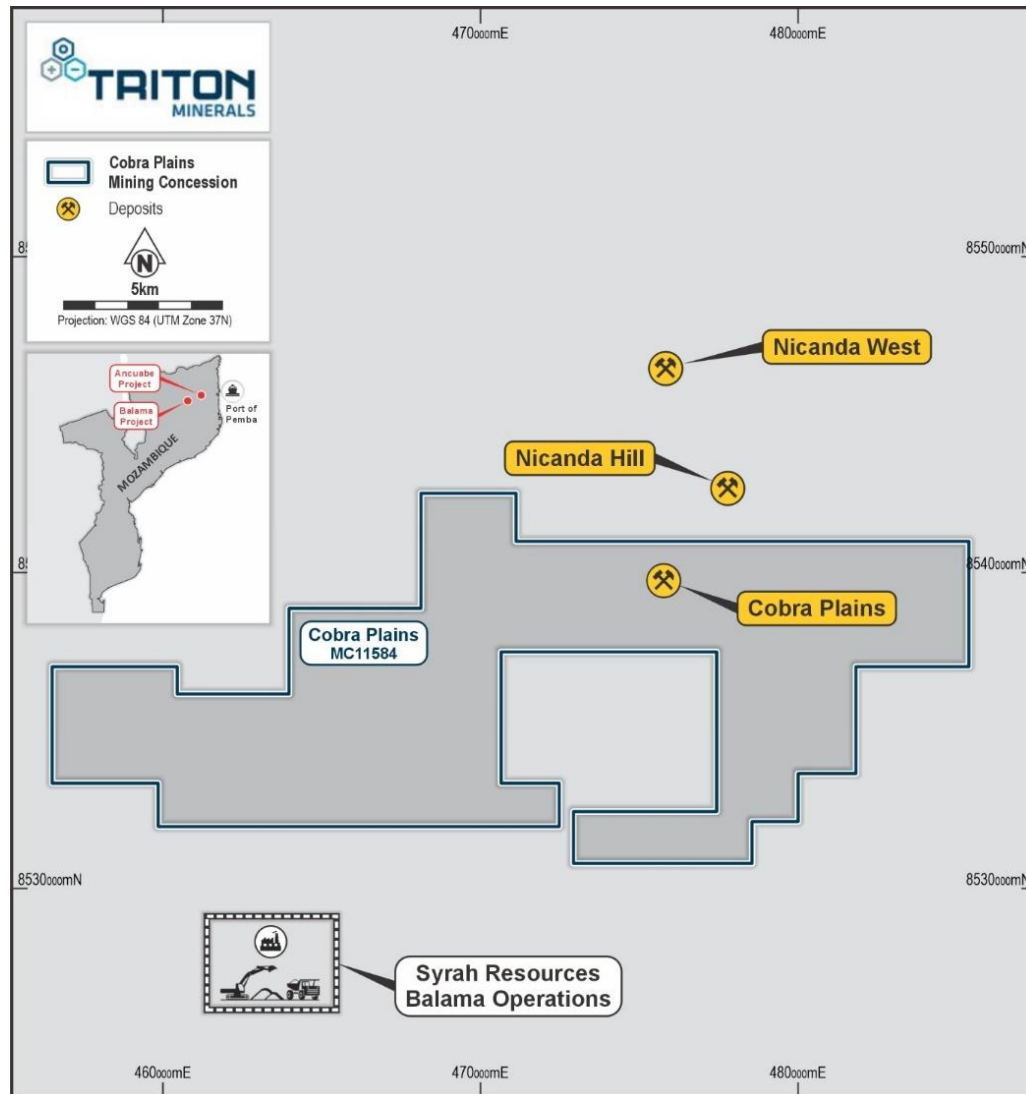


Figure 1 - Location of the Cobra Plains project

The grant of the Cobra Plains Mining Concession, with its large scale 5.7 Mt contained graphite Resource, means that Triton now owns two globally significant graphite resources with a diversified mix of flake sizes which can be applied towards a range of applications from batteries to expandable graphite for building materials. The granting of the Mining Concession adds further scale to Triton's portfolio of graphite projects in Mozambique and to the value proposition which will contribute to the funding for the Ancyube Graphite Project.

ANCUABE PROJECT DEVELOPMENT

Work continued on the Front End Engineering Design (“FEED”) for the process plant and associated non-process infrastructure for the Ancuabe Graphite Project. Works are aimed to enhance the design of the processing plant, thereby reducing risk and targeting a reduction in the associated capital expenditure.

Other works included requests for an expression of interest to tender for a variety of contracts such as a mining services contract for the initial mine development, bulk earthworks and operations.

The Ancuabe FEED Contractor, Yantai Oriental Metallurgical Engineering Co., Ltd (“YOME”), which is an associate company of Yantai Jinpeng Mining Machinery Co., Ltd (“Jinpeng”) who are a major Mining and Processing Equipment Manufacturer and EPCM company³. Jinpeng has the relevant experience and capabilities of completing projects both in East Africa and in graphite processing equipment and is currently undertaking the supply and installation of the process plant equipment for the 1.5 Mtpa Nipepe Graphite Project in Mozambique.

During the quarter, YOME and Jinpeng visited Perth to attend the Africa Down Under conference and while in Perth, a workshop was conducted which included representatives of Triton, Verum Projects and Engineering and YOME. Africa Down Under is the principal pillar of ‘Africa Week, a forum that assists in facilitating Africa-Australia business relations, and profiles the successes of companies operating within the continent.

Soluções De Desenvolvimento Sustentável (“SDS”) continued works under the Project Management Services Agreement to accelerate the development of both the Ancuabe and Cobra Plains Projects, which included stakeholder engagement, strategic advice and management, regulatory compliance, project development management services and commercial services.



Figure 2 - Triton and Jinpeng Staff at the recent Africa Down Under held in Perth Western Australia

Settlement of landholder matters was completed during the quarter, which will allow the issue of the DUAT, followed by the Ancuabe environmental license which will be submitted in the first quarter of 2024 (with approval expected in the first quarter of 2024).

During the quarter, Triton continued to progress discussions in relation to sourcing of funding for the development of the for the Ancuabe Project, with positive progress made with debt, equity and potential strategic partners, reinforcing the long-term strategic nature and value of the project. Discussions are ongoing with the aim of identifying a preferred partner in early 2024, however there can be no guarantee at this time of a transaction.

GRAPHITE MARKET

During the quarter, the Chinese government announced it is restricting the export of graphite materials and products, which is expected to result in improved graphite market fundamentals⁵.

As of December 1, Chinese exporters were required to apply for permits to export two types of graphite material, including “high-purity, high-hardness and high-intensity synthetic graphite material and natural flake graphite and its products.”

China is the world's top graphite producer and exporter. It also refines more than 90% of the world's graphite into the material that is used in virtually all EV battery anodes, which is the negatively charged portion of a battery. While China is the current top graphite producer, it is not the only option for obtaining supply. According to the United States Geological Survey, Turkey (27.3 percent) and Brazil (22.4 percent) account for half of the world's natural graphite resources. China is third, with 16 percent, followed by Madagascar (7.9 percent), Mozambique (7.6 percent), Tanzania (5.5 percent), and Russia (4 percent). The inevitability of having to secure non-Chinese graphite supplies also highlights the utility of traditional trade policy, which can anchor existing and new international partnerships.

The graphite market is currently experiencing significant growth primarily due to an increase in the demand for graphite in lithium-ion battery anodes, with Benchmark Mineral Intelligence predicting an increase in battery-related demand of 300% by 2028. Figure 3 below outlines the projected growth of global gross energy storage capacity additions by key market, which will drive the demand for anode graphite.

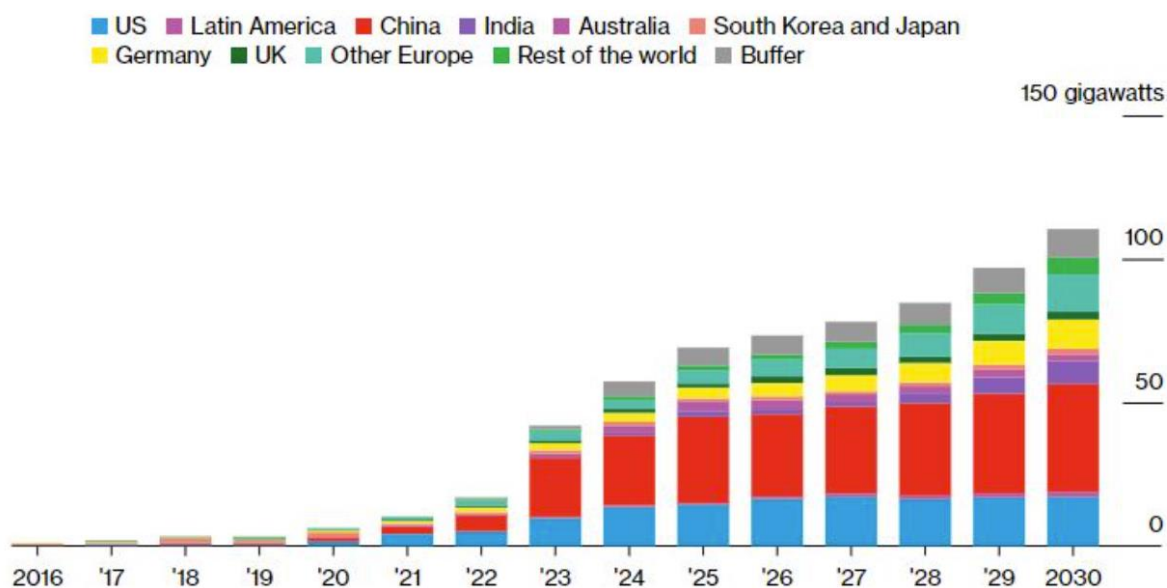


Figure 3 – Projected Global Gross Energy Storage Capacity Additions by Key Market: Source Bloomberg NEF October 2023

However, without substantial new supply, the graphite market risks going into undersupply from as early as 2025. See Figure 4 below:

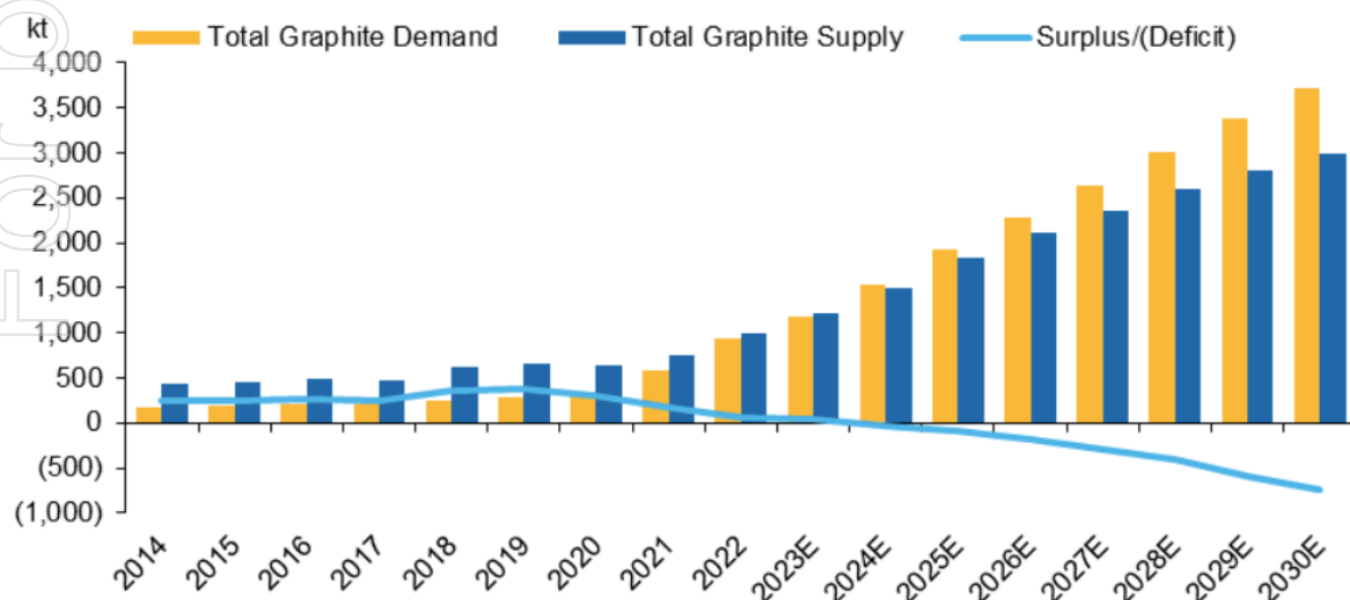


Figure 4 – Projected Graphite Supply and Demand, Source: Macquarie Research March 2023

Due to the above supply and demand forecasts, the Company does not consider the current graphite pricing to be sustainable. The current decrease in synthetic graphite pricing has occurred during a period of low power and coke feedstock costs, as well as low utilisation rates of Chinese graphitization capacity following significant capital investment in the Chinese synthetic graphite sector. This has led to aggressive pricing competition amongst Chinese synthetic producers. Company peers expect that, as utilisation rates increase and Chinese battery demand continues to grow, synthetic graphite pricing will increase, supporting higher prices for natural Graphite Concentrates.

Triton also expects that support for new sources of graphite will improve as the demand for lithium-ion battery anodes and graphite continues to increase, with recent policy initiatives potentially accelerating the development of secure ex-China graphite supply. Recent legislation, such as the US Inflation Reduction Act (“IRA”), is incentivizing the growth of new ex-China supply, with the IRA requiring that from 2025 all graphite and other critical minerals used in the manufacture of electric vehicles must be from sources outside of China to qualify for the full electric vehicle tax credit in the United States.

NEW DIRECTOR APPOINTMENT

During the quarter, Adrian Costello was appointed to the Board of Directors of the Company as an executive director⁶. Mr Costello is a qualified CPA accountant and has been the Chief Operating Officer (“COO”) of the Company since October 2021, he will continue in this role. He has over 25 years’ experience in mining and related sectors, working in operations and project development as well as corporate and regional management. He is experienced in all stages of the resource project life cycle (feasibility, development, operations and closure) across a wide range of mining operations and commodities. Mr Costello has held executive roles at Ridges Iron, GWR Group, Minjar Gold, Grange Resources, Newmont and Normandy Mining.

In addition, Mr Pat Burke resigned as a Non-Executive Director of the Company to pursue interests outside the corporate space.

The Triton Board of Directors now consists of:

- Mr Peng (Rod) Zhang - Executive Chairman
- Mr Adrian Costello - Executive Director
- Mr Andrew Frazer - Executive Director
- Mr Xingmin (Max) Ji - Non-Executive Director

CORPORATE INFORMATION

As of 31st December, the Company held **A\$2.65** million in cash.

Payments to related parties (as set out in section 6 of the Appendix 5B) totalled \$90,000; this relates to payments of directors’ fees and consulting fees for the Quarter.

During the quarter a comprehensive review of corporate overheads and in-country holding costs was completed. As a result there has been a reduction in executive salaries/director fees (reduced by 30%) and other corporate costs (i.e. insurance, advisors, office sub leasing) have been materially reduced and several management roles have been rationalised. As a consequence, the company’s fixed expenditure is forecast to average ~\$150k per month from Q1 2024 onwards (previously ~\$350k per month).

Triton’s ended the quarter with \$2.65M cash on hand and no debt.

TENEMENTS

- **Ancuabe (MC913 2C)** - The Company holds a 100% legal and beneficial interest in the Ancuabe Mining Concession.
- **Cobra Plains (MC11584)** - The Company holds a 100% beneficial interest in the Cobra Plains Mining Concession.
- **Nicanda Hill (EL5966)** – during the quarter the Company was advised that the area of the Nicanda Hill licence had been provisionally issued to Mozambique Yulong Mining Development Company, Limitada (a company not related to Triton, it’s subsidiaries or its major shareholders), this has been notwithstanding the best efforts of the company to have the Nicanda Hill licence renewed. Triton will continue to make every effort to have the licence return and is now considering an appeal to the Minister and other relevant government authorities. Triton will keep the market updated in this regard.

- **EL5305, EL5380 and EL5304** - In relation to these concession Triton's wholly owned subsidiary, Grafex Limitada, remains listed as the holder of these tenements on the Cadastre. However, given the time involved in the consideration of the various extension/modification applications lodged by Grafex in relation to these tenements, the Company has commenced with its advisors the process of making fresh applications over the areas the subject of these tenements, regarding this as the best way forward. The Company will continue to review these tenements going forward, in the context of its focus being firmly on the development of Ancuabe and Cobra Plains and also securing the return of Nicanda Hill.

FOOTNOTES

1. **ASX Announcement – 28 August 2023:** Cobra Plains Mining Concession Granted
2. **ASX Announcement – 26 February 2014:** 103Mt Graphite Resource at Cobra Plains

Note: Triton confirms that it is not aware of any new information or data that materially affects the information included in this announcement and in the case of the estimates of mineral resources or ore reserves, all material assumptions and technical parameters underpinning the estimates in this announcement continue to apply and have not materially changed.”

3. **ASX Announcement – 3 April 2023:** Ancuabe Front-End Engineering Design Contractor Appointed
4. **ASX Announcement – 26 September 2023:** SDS Engaged to Progress Ancuabe and Cobra Plains Projects
5. **Reuters News - October 21, 2023:** China, world's top graphite producer, tightens exports of key battery material
6. **ASX Announcement – 30 November, 2023:** Director Appointment/Resignation

The quarterly report was authorised for release by the Board of Directors.

For further information please contact:

Investor Enquiries

info@tritonminerals.com

+61 8 6381 9050

Appendix 5B

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

Name of entity

Triton Minerals Limited

ABN

99 126 042 215

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows

Current quarter
\$A'000

Year to date (12
months)
\$A'000

1. Cash flows from operating activities

1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(1,087)	(3,113)
	(c) production	-	-
	(d) staff costs	(287)	(938)
	(e) administration and corporate costs	(258)	(1,381)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	175	207
1.5	Interest and other costs of finance paid	(6)	(73)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	Net cash used in operating activities	(1,463)	(5,298)

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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(5)	(29)
	(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	(5)	(29)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	5,000
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9a	Reclassification of lease deposit as bank balance	39	-
3.9b	Proceeds from issues of equity securities to be allotted	3	3
3.9c	Principal element of lease payments	(37)	(37)
3.10	Net cash used in financing activities	5	4,966
4.	Net decrease in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,127	3,028
4.2	Net cash used in operating activities (item 1.9 above)	(1,463)	(5,298)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5)	(29)
4.4	Net cash (used in)/from financing activities (item 3.10 above)	5	4,966
4.5	Effect of movement in exchange rates on cash held	(10)	(13)
4.6	Cash and cash equivalents at end of period	2,654	2,654

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

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	2,615	4,127
5.2 Call deposits	39	-
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)	2,654	4,127

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	90
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>	

7. Financing facilities <i>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.</i>	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)	1,463
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)	1,463
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,654
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,654
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.8
<i>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.</i>	
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: Yes. The Company has control over its levels of operating costs. Triton has implemented cost reduction programs as outlined in the December 2023 quarterly report.	
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: Yes. The Company is currently appraising debt and equity proposals which it believes it will be able to implement successfully in due course if required.	
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: Yes. With the cost reduction programs, the existing cash resources and capital raising initiatives (if applicable), the Company will be able to meet its business objectives.	
<i>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.</i>	

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:29 January .2024.....

Authorised by:Board of Directors.....
(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.