For personal use only

ASX Announcement **12 September 2024**

Update on Mozambique Graphite Asset sale, Project and Business Development Activities.

HIGHLIGHTS:

- **Divestment of 70% of Mozambique Graphite Assets For A$17 million cash:** Since the announcement on 2 July 2024, the Company has made good progress:
  - **Receipt of First Tranche Payment –** on 3 July 2024, Triton announced the receipt of the first tranche of AUD$2.55 million from Shandong Yulong Gold Co., Ltd.
  - **Independent Expert Report (IER) –** consultant engaged and commenced works.
  - **Director's Visit to Mozambique –** to engage with various governmental departments, meetings were focused on initiating the application process for the transfer of assets and we anticipate a smooth transition as we work closely with the government authorities.
  - **Progress by Shandong Yulong Gold** - commenced the application process for Foreign Investment Review Board (FIRB) approval, actively engaging with relevant Chinese government bodies to secure the necessary approvals, completed a country visit for due diligence, progressed the Share Sale and Purchase Agreement and Joint Venture Agreement and other completion matters.
  - **Transaction on Schedule** - expected completion date of February 2025 unchanged, subject to achievement of certain customary conditions precedent.

- **Ancuabe Project Environmental License** - Land use agreement (DUAT) and Resettlement Action Plans (RAP) have been approved, now subject independent review which will allow the Environmental Licence to be issued by the central government in the coming months, the final major approval required to enable on ground works to be undertaken.

- **Business Development**
  - **Sale Proceeds will result in Triton being well funded for value accretive transactions** - to generate Triton shareholder value, through the Business development of new value accretive acquisitions in the battery minerals and resource sector.
  - **Commencement of Business Development Activities** - identifying and assessing a number of opportunities.

Triton Minerals Limited ("Triton" or "the Company") is pleased to provide a company update regarding the ongoing asset sale process of 70% of Mozambique Graphite Assets for A$17 million cash, project and business development activities.

70% OF MOZAMBIQUE GRAPHITE ASSETS FOR A$17 MILLION CASH

On 2 July 2024, the company executed a binding Memorandum of Understanding (MOU) with Shandong Yulong Gold Co. (Shandong Yulong), Ltd for the sale 70% of Mozambique Graphite Assets for A$17 million. The assets cover a 70% equity share in the Ancuabe and Cobra Plains projects, as well as the intellectual property associated with the Nicanda Hill and Nicanda West projects in Mozambique.

The transaction, which underscores a pivotal collaboration with Shandong Yulong, is structured in three payment milestones as follows:

1. **$2,550,000:** Received upon the execution of the MOU (received); and
2. **$5,950,000:** Payable upon obtaining FIRB approval and other completion conditions; and
3. **$8,500,000:** Payable by 28 February 2025.

The transaction is expected to be complete by February 2025 and is subject to certain customary conditions precedent; namely FIRB approval, establishment of a joint venture agreement, shareholder approval (both parties), government approvals (Mozambique and Chinese government) and other conditions precedent.

Note: Timetable is indicative only and subject to change. Triton reserves the right to alter the indicative dates at its discretion and without notice, subject to the Listing Rules, Corporations Act and other applicable laws.

Since the announcement on 2 July 2024, the company and Shandong Yulong have both made substantial progress to completion as follows:

- **Receipt of First Tranche Payment Completion –** on 3 July 2024, Triton announced it confirm the receipt of the first tranche of AUD$2.55 million.
- **Established working group -** consisting of Mr Andrew Frazer (Executive Director) and Mr Adrian Costello (Executive Director), being the two directors of Triton who are not nominees of Shandong Yulong, to oversee the completion of the transaction.
- **Independent Expert Report -** Triton are required to complete independent expert complete to provide an opinion on whether or not the Transaction is fair and reasonable to non-associated shareholders and seek approval from non-associated shareholders pursuant to ASX Listing Rule 10.1 and ASX Listing Rule 11.2. Full details will be provided in documentation to be released to shareholders and on ASX in coming months. The Company has completed tender process for the IER, who has been engaged and has commenced works. This report is a critical component of our asset sale strategy, providing an independent assessment of our assets' value and facilitating informed decision-making for our shareholders.
- **Director's Visit to Mozambique -** Triton Executive Director and COO Adrian Costello recently visited Mozambique to engage with various governmental departments. These meetings were focused on initiating the application process for the transfer of assets. The discussions were productive, and we anticipate a smooth transition as we work closely with the Mozambican authorities, which is an extremely important step for commencing the completion process of the asset transfer.
- **Progress by Shandong Yulong -** Commenced the application process for FIRB approval in Australia. In addition, Yulong is actively engaging with relevant Chinese government bodies to secure the necessary approvals for the transaction. The Company is working collaboratively with Shandong Yulong to ensure all regulatory requirements are met in a timely manner. Shandong Yulong also completed a country visit for due diligence purposes and also a working party is currently working with Triton its Perth office finalising the Share Sale and Purchase Agreement, Joint Venture Agreement and other completion matters.

For personal use only

PROJECT ACTIVITIES

The applications for the Ancuabe DUAT (Land use agreement) and Resettlement Action Plans ("RAP") recently submitted to the central government lands department in Maputo have been approved, these are now undertaking final independent review which will allow the Environmental Linces to be issued by the central government in the coming months.

The Ancuabe environmental license is final major approval required to enable on ground works to be undertaken such as clearing, civil earth works, pre strip/early mining and installation of plant, buildings and facilities.

BUSINESS DEVELOPMENT ACTIVITIES

The sale of the 70% interest in the company's Graphite assets, will leave the company well-funded for value accretive transactions, to generate Triton shareholder value. Triton expects to use the sale proceeds from the transaction for the following purposes:

- Fund contribution towards the proposed joint venture over the Mozambique Graphite Assets as an initial 30% joint venture holder; and
- Working capital purposes, including the assessment of new value accretive acquisitions in the battery minerals and other minerals in resource sector in Mozambique and Australia and other selected jurisdictions.

Since announcing the transaction, the company has refreshed its Corporate Objective as follows:

Triton is an Australian based ASX listed minerals exploration and development company, its primary corporate objective is to deliver long-term shareholder value through successful exploration, acquisition and project development and operations of mineral deposits.

The Business Strategy to deliver the corporate objective is: In the short term short to medium term (2 to 3 years) Triton will achieve the corporate objective by becoming a small to mid-tier resource company, striving to achieve this through the discovery, acquisition, and development of small to medium economic mineral deposits, which it will build an operating base, generating free cash flow from which it can fund corporate overheads, exploration activity, development and acquisition of further projects.

The company has already commenced business development activities, identifying and assessing a number of opportunities, in Australia and Africa and range of commodities.

Triton's Executive Director and COO, Adrian Costello said:

"The sale completion process and joint venture discussions are well progressed and on schedule to meet the timetable required for completion in early 2025. The initial payment from Yulong represents a significant milestone in our strategic partnership. It provides Triton with enhanced financial flexibility to focus on developing our remaining interests in Mozambique while also exploring new ventures. This agreement not only strengthens our balance sheet but also ensures that Shandong Yulong's expertise and resources will accelerate the development of these vital projects."

"We are excited about the future prospects this collaboration brings, as it positions us to leverage Shandong Yulong's commitment to fast-track the advancement of the Mozambican assets. The support from the Mozambican government has been instrumental in reaching this stage, and we are optimistic about the positive impact this will have on local communities and stakeholders. This transaction highlights Triton's strategic focus on optimizing its portfolio and generating value for its shareholders. The additional liquidity will enable Triton to explore new opportunities and strengthen its market position."

"Triton looks forward to completing the remaining milestones and working closely with Shandong Yulong and the Mozambican government to advance these transformative projects. Triton will continue to keep the market informed of any further developments as they arise. The company remains committed to maximizing shareholder value and ensuring a successful outcome for all parties involved".

For personal use only

FOOTNOTES:

1 **ASX Announcement – 03 July 2024,** Divestment update

2 **ASX Announcement – 02 July 2024,** Triton Agrees to Divest 70% of Mozambique Graphite Assets for A$17 million Cash.

This announcement was authorised for release by the Board of Directors.

For further information please contact:

Investor Enquiries

info@tritonminerals.com
+61 8 6381 9050

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.

For personal use only