

Triton Minerals Ltd

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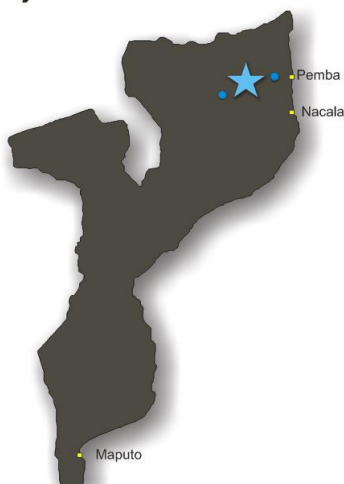
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Projects: Mozambique
Balama North Graphite-Vanadium
Ancuabe Graphite
Balama South Graphite

Project Locations



Holder of the world's largest known combined graphite-vanadium resource

TRITON SECURES A\$20M PROJECT FUNDING

HIGHLIGHTS

- Equity Placement Facility provides Triton access to \$20M
- Triton extends timeline to acquire remaining interest in Grafex to 2016
- Triton now fully funded to complete studies and advance the Nicanda Hill deposit

Triton Minerals Limited (ASX: TON, Triton, Company) is pleased to announce that it has entered into a binding agreement with Long State Investments Limited (LSI), to provide the Company a funding facility for up to A\$20 million, over the next two years (LSI Facility).

The LSI Facility provides Triton full discretion to access the facility and should the Company do so, the Company has the ability to set the share issue price, determine the amount of funds raised through placement tranches and when the placement of shares will occur.

Further, the LSI Facility can be utilised by Triton at any time during the 2 year term or terminated early without penalty. Further, there are no restrictions or penalties imposed upon the Company if it raises additional capital through other means.

Triton has obtained the LSI Facility to provide the Company certainty and security in being able to fund its current and future activities. The LSI Facility offers Triton a funding solution that is intended to be used in conjunction with the more traditional methods of raising capital in the open capital markets.

Importantly, irrespective of the current market conditions, the Company now has secured the funding to continue with the rapid development of the Nicanda Hill graphite and vanadium deposit; which allows Triton to focus on advancing discussions with potential offtake partners, completing the Environmental Study and completing the Definitive Feasibility Study by the end of 2015.

LSI is a Hong Kong based investment group with a strategic focus on energy, mining and other growth-oriented sectors. LSI's management has over 50 years of collective experience as a group and completed over 100 investments and financings worldwide.

Material terms of the LSI facility are summarised in Schedule 1 of this announcement.

Triton's Managing Director & CEO Brad Boyle said: *"Obtaining the LSI facility is a great outcome for the Company, as, despite current market condition, it provides Triton the security and ability to continue with the rapid development of the Nicanda Hill deposit."*

Triton is very pleased to be working closely with LSI, and with their strong support, we are able to move closer to becoming a market leading, high quality, low cost graphite and potentially vanadium producer.

I am confident in Triton's ability to deliver on both its short and longer term goals and the world class quality of the Nicanda Hill deposit, such that I have pledged a substantial portion of my own personal shareholding in the Company as surety for the LSI facility, under the requirements to provide security shares."

"Triton is an outstanding investment opportunity for us," said Philip Ho, Managing Director at LSI. "The Company's Nicanda Hill deposit in northern Mozambique contains the world's largest known graphite and vanadium resource, which hosts multiple high grade graphite zones and contains good quality medium and coarse flake graphite. The Nicanda Hill graphite deposit is a world class project in its own right, however, we feel the potential of the Balama South and Ancuabe projects will further Triton's position as a leading graphite producer in the future. We are eager to assist Triton in meeting its ongoing financing needs and we look forward to a long-term relationship with the Company."

GRAFEX ACQUISITION TERM EXTENDED

Triton is also pleased to announce that, after recent discussions with Triton's joint venture partner Grafex Ltd (**Grafex**), Triton and Grafex have agreed to new terms to extend, for a further 12 months, the timeline for the 2nd Tranche payment of US\$5M in cash and US\$5M in shares, to acquire the remaining 20% interest in Grafex and all of the Mozambique graphite projects known as Balama North, Balama South and Ancuabe (the **Projects**).

The implementation of the LSI facility has provided Triton with the ability to renegotiate the acquisition terms with Grafex. Under the new terms, Triton will pay an extension fee of US\$200,000 to Grafex and for this payment is granted a 12 month extension period. During this extension period Triton will aim to pay a series of instalments of cash and shares to Grafex which over the extension period in full satisfaction of the 2nd Tranche payment, resulting in Triton obtaining 100% control of Grafex.

Significantly, Triton notes that an additional earn-in milestone has been incorporated into the new terms to acquire a 90% equity interest in Grafex. Through the payment of US\$3M in cash and US\$3M in shares to Grafex, Triton will acquire a 90% equity interest in Grafex and the Projects. Once the remaining US\$2M in cash and US\$2M in shares of the 2nd Tranche is paid Triton will acquire 100% ownership of Grafex and in particular the Balama North project which hosts the world's largest known graphite and vanadium resource at Nicanda Hill.

As is currently the case under the joint venture agreement, should Triton fail to complete the payments to acquire the 90% interest then Triton will maintain its current 80% equity and Grafex will be free carried by Triton until production.

In the case that Triton has achieved a 90% equity interest in Grafex and fails to complete the payments to acquire the 100% interest then Triton will maintain its 90% equity interest and Grafex will be free carried by Triton until production.

Commenting on the transaction, Triton's Managing Director & CEO Brad Boyle noted *"Triton is fortunate to have such a supportive joint venture partner, which has been accommodating and flexible. This flexibility has provided the Company with the opportunity to continue towards the full acquisition of the Mozambique graphite projects, whilst allowing Triton the ability to continue with the exploration and development of the project areas."*

Triton is looking forward to 2015, as now, with funding in place and the Grafex acquisition terms amended, the Company is very well placed to advance towards the production timeline at Nicanda Hill, set for early 2017."

Regards



Brad Boyle
CEO & Managing Director
Triton Minerals Ltd

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Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not necessarily limited to, statements concerning Triton Minerals Limited's planned exploration program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Triton Minerals Limited believes that its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

SCHEDULE 1 - SUMMARY OF MATERIAL TERMS OF THE LSI FACILITY

Instrument:	Equity Placement Facility
Shares:	Freely tradable ordinary shares of the Company that are quoted on the Australian Stock Exchange (the ASX).
Commitment Amount:	LSI shall commit to purchase from Triton up to Twenty Million Australian Dollars (\$20,000,000) of Shares over the course of 24 months from the Closing Date (the Commitment Period). The amount and timing of each Placement shall be at the discretion of Triton, and there shall be no minimum or mandatory placement amount. In addition, there shall be no non-usage fee on any unused amount under the Equity Placement Facility.
Placement Amount:	Triton can nominate a Placement Amount up to \$450,000 at its full discretion, and up to \$1,000,000 (the Maximum Placement Amount) with the consent of LSI.
Minimum Acceptable Price:	In relation to each Placement, Triton can nominate the Minimum Acceptable Price of which it is willing to place Shares to LSI at.
Market Price:	The average of the 3 daily VWAP of the Share during the Pricing Period, as nominated by the Purchaser.
Pricing Period:	The 10 consecutive trading days begins on the Trading Day following the Placement Notice Date.
Purchase Price:	The Purchase Price shall be set at the <u>higher</u> of (i) 100% of the Market Price and (ii) the Minimum Acceptable Price.
Termination:	The Company can terminate the Facility at any time at no cost. If the daily VWAP of the Share on any given day is less than the Floor Price, either Party will be able to terminate the Agreement at no cost.
Dilution protections:	LSI will not hold more than 19.99% of the Company's shares at any one time (it is the LSI's responsibility to ensure that it remains below that threshold).
No Short Selling Undertaking:	LSI, its partners, affiliates, subsidiaries and employees undertake not to engage in short-selling of any of the Company's securities from the date hereof until the end of the Commitment Period.

- Share Lending:** To ensure that Triton can honour its obligations under the Facility, Triton or Mr Brad Boyle shall deliver 4,500,000 Shares (the **Security Shares**) to the Purchaser on the Closing Date. Upon the expiration or termination of the Facility, the Purchaser shall immediately return all the Security Shares to Triton or the Guarantor.
- Commission:** LSI shall receive a cash commission equal to 5.5% of the Placement Amount.
- Implementation Fee:** Triton shall, at its option, (i) pay the Purchaser in cash OR (ii) issue the Purchaser Shares, in the amount equals to \$100,000 as Implementation Fee.
- Activation Fee:** If and when Triton plans to activate the Facility, the Company shall pay LSI a one-time Activation Fee, in the amount equals to \$200,000. The Company can at its option, (i) pay LSI in cash OR (ii) issue the Purchaser Shares, to satisfy the payment of the Activation Fee.
- Options:** Triton shall issue LSI 3-year options to purchase \$1,250,000 worth of Shares at an exercise price equal to 150% of the daily VWAP as of the Closing Date.
- Outside Financing:** The entering of the Facility will not prevent Triton from obtaining financing from any third parties.
- Expiration:** The Facility shall expire on the second anniversary of the closing date.
- Law and jurisdiction:** Australian law and submission to jurisdiction of the Australian courts.