

11th October 2017

ASX via Electronic Lodgment

50% interest earned in San Jose Lithium-Tin Project

- **Commitments of Expenditure and lodgement of Mining Licence Application satisfied**
- **Scoping Study to be released imminently**
- **Plymouth can now increase to 75% interest following minimal additional spend**

Plymouth Minerals Limited (ASX: PLH) (Plymouth or the Company) is pleased to announce its partner; Valoriza Minería has confirmed that PLH has satisfied the requirements of Stage 1 of the earn-in agreement on San Jose. Valoriza Minería will now transfer a 50% interest in the San Jose lithium-tin project in Spain to PLH.

Plymouth has expended the minimum €1.5 million by completing the required technical work which supports the Mining Licence Application (MLA) for San Jose. The lodgement of this was the second milestone prior to achieving a 50% interest. The MLA process was commenced yesterday and Plymouth representatives are in Spain managing the process with our partner Valoriza Minería.



FIGURE 1: PLYMOUTH AND VALORIZA STUDY TEAM FOR SUBMISSION OF MLA.

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The San Jose lithium-tin project is a historical mining area which has undergone an extensive feasibility study to mine and produce lithium carbonate on site between 1987-1991. The rights to the project were awarded in a public tender (held mid-2015 to early 2016) by the regional government of Extremadura to Valoriza Minería. Valoriza Minería and Plymouth partnered to fulfill the requirements of the public tender and are seeking to develop the project. The key terms of the partnership between Plymouth and Valoriza Minería are listed below;

Key Terms: PLH to earn 75% of San Jose at Plymouths election by:

- Stage 1 (COMPLETED) : PLH will earn 50% through funding €1.5 million to complete technical work within 12 months.
- Stage 2: PLH can elect to earn a further 25% (total 75%) through completing a Feasibility Study and expending a minimum of €2.5 million within 3 years of completing Stage 1.
- VM is then a pro-rata contributing partner in the capital investment and operation.
- There is a mechanism for an ongoing 75/25 JV or for PLH to acquire 100% through payments and NSR to VM should VM elect not to contribute to project development.
- VM is recognised as a Preferred Contractor for the provision of relevant operational services whilst they maintain a 25% contributing interest.

Full details of the agreement are included in ASX announcement 16th June 2016.

Mining License Application

Under Spanish mining law, a Mining License Application is required to trigger the approvals process to go from Investigation Permit to Exploitation Permit. As part of this a series of documents which comprise the Mining License Application that cover Geology, Mining, Metallurgy, Processing, Environmental, Tenure and Project Economic Model. Plymouth has met the requirements through a focused process of exploration beginning in late December 2016 which delivered a maiden JORC resource in May 2017 (ASX announcement 25th May 2017). This then supported geotechnical and optimization studies. Process flow sheet work (ASX Announcement 17th August 2017) and culminating in an alliance with Chinese lithium carbonate producer Shandong Ruifu in (ASX announcement 5th October 2017). Plymouth is integrating this information into a Scoping Study which will be released to the ASX shortly.

Managing Director, Adrian Byass noted *“The submission of the Mining License Application is the culmination of a substantial amount of work which all comes together at this point. We believe that we have an excellent project and have the ideal partners to proceed through permitting and construction. We look forward to delivering additional information and an accelerating project momentum as the feasibility study proceeds.”*

About Valoriza Minería

Valoriza Minería is the wholly owned subsidiary and mining arm of the Spanish, publicly listed, international construction and engineering company, Sacyr SA (Sacyr). Sacyr has a market capitalisation in excess of A\$1.0 billion and has business interests and ongoing projects throughout Spain. Valoriza Minería was created to provide a pathway back into the mining industry for Sacyr.

In early 2015, Valoriza Minería announced a collaboration agreement with Macquarie Capital, the investment arm of Australia’s Macquarie Group, to evaluate mineral deposits and finance mining

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projects within Spain. Valoriza Minería has a \$200 million facility with Macquarie for mineral project developments.

Next Steps

The Mining License Application is a public document and contains detailed information on resources, optimisations, processing, treatment, production and project economics. Plymouth is incorporating this information into the Scoping Study it expects to release imminently.

Going forward, Plymouth can earn a further 25% interest (total 75%) by completing a feasibility study and expending €2.5 million. Plymouth recently announced an alliance with Chinese lithium producer Shandong Ruifu (ASX announcement 5th October 2017). Shandong Ruifu is a lithium producer with extensive experience in the treatment of lithium mica to produce battery grade lithium carbonate. Under the terms of this alliance, amongst other items, Shandong Ruifu and Plymouth will work together to optimize a process flow sheet and capital costs during the feasibility study period at San Jose.

For more information, visit www.plymouthminerals.com

Adrian Byass
Managing Director
T: +61 (0) 410 305 685
E: abyass@plymouthminerals.com

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About Plymouth Minerals' Lithium Project

Plymouth has partnered with the large Spanish company Sacyr and its wholly owned subsidiary Valoriza Minería in an earn-in JV over a large, lithium-tin project (San Jose) in central Spain. Plymouth can earn up to 75% of San Jose by completing a Feasibility Study within 4 years (approximately A\$6 million in spend in staged increments of 50% and 75%). Plymouth also retains an 80% interest in the Morille tungsten project in Spain which was extensively explored by Plymouth in 2013-2015.

San Jose is a highly advanced lithium project which is hosted in lithium-mica that hosts of JORC of lithium carbonate equivalent (LCE). A feasibility study completed in 1991 defined an open pit mining operation and a process flow sheet which produced lithium carbonate through acid-leach or sulphate calcine processing. This drilling, mining and processing study work highlights the advanced status and inherent advantages enjoyed by San Jose in relation to many other hardrock deposits. The resource estimate for San Jose is shown below in Table 1;

TABLE 1 SAN JOSE MINERAL RESOURCE, REPORTED ABOVE 0.1% LI CUT-OFF

Classification	Tonnes (Mt)	Li (%)	Li ₂ O (%)	Sn (%)
Indicated	23.9	0.31	0.67	0.02
Inferred	68.3	0.26	0.56	0.02
TOTAL	92.3	0.27	0.60	0.02

Estimated using Ordinary Kriging methodology. Note: Small discrepancies may occur due to rounding

Snowden Mining estimated the total Mineral Resource for the San Jose lithium deposit using Ordinary Kriging interpolation methods and reported above a 0.1% Li cut-off grade. Full details of block modelling and estimation are contained in the ASX announcement dated 25 May 2017.

Lithium (Li) mineralisation is commonly expressed as either lithium oxide (Li₂O) or lithium carbonate (Li₂CO₃) or Lithium Carbonate Equivalent (LCE)

Lithium Conversion: 1.0% Li = 2.153% Li₂O, 1.0%Li = 5.32% Li₂CO₃

Plymouth is not aware of any new information or data that materially affects the information included in this ASX release, and Plymouth confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

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Competent Persons Statement

The information in this report that relates to Exploration Results, Exploration Targets, Mineral Resources or Ore Reserves is based on the information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Plymouth Minerals Limited. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Mineral Resources for the San Jose project is based on the information compiled by Mr Jeremy Peters, FAusIMM CP (Mining, Geology). Mr Peters has sufficient relevant professional experience with open pit and underground mining, exploration and development of mineral deposits similar to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of JORC Code. He has visited the project area and observed drilling, logging and sampling techniques used by Plymouth in collection of data used in the preparation of this report. Mr Peters is an employee of Snowden Mining Industry Consultants and consents to be named in this release and the report as it is presented.

Disclaimer:

This announcement contains certain statements that may constitute "forward looking statement". Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events. The Company projects are considered to be at an early development stage and will require further regulatory approvals and securing of finance and there is no certainty that these will occur.

The Company believes that it has a reasonable basis for making the forward looking Statements in the announcement, based on the information contained in this and previous ASX announcements.