

Plymouth completes acquisition of Morille tungsten-tin Project

ASX via e-lodgement:
22 October 2013

SUMMARY

- **Plymouth Minerals has exercised its option to proceed with the acquisition of the Morille tungsten-tin Project in Spain**
- **Plymouth will acquire an 80% interest in the project for €300,000 (~A\$420,000) in cash and shares;**
 - **€250,000 up-front payment and €50,000 payment in 12 months**
- **Morille is a high-grade, brownfields project, in a prolific tin and tungsten producing region.**
- **Plymouth aims to commence exploration at the project in the near term and is well funded to complete the acquisition and conduct exploration.**

Plymouth Minerals Limited (ASX: PLH) ("Plymouth", "the Company") is pleased to announce it has exercised its option to acquire an 80% beneficial interest in the Morille tungsten-tin Project (Morille) in Spain (Figure 1).

Under the agreement announced 7th October 2013, Plymouth has negotiated to acquire up to a 100% interest in the Morille Project, located in the Salamanca Province in northwest Spain. The project is a brownfields exploration and development opportunity comprising five Investigation Permits (exploration licences) covering multiple historic underground and open pit tungsten and tin mines.

Initially Plymouth will acquire an 80% interest and become the project manager. The vendor, Aurum Mining PLC, will retain a 20% free carry interest until a 'Decision to Mine' stage.

Plymouth views the project as an excellent opportunity, and is delighted to be in a position to complete the acquisition. Previous production results indicate the project produced a sought-after, high quality tungsten concentrate until its closure in 1985 due a rapid decline in the tungsten price.

Plymouth Minerals Limited

ASX: PLH

Capital Structure

(as at 1 September 2013)

32,150,000 shares
6,000,000 options 30c
10,716,667 options 25c

Cash \$2.6m

Board of Directors

Charles Schaus
Non Exec Chairman

Adrian Byass
Managing Director

Steve Brockhurst
Nicholas McMahon
Non Exec Directors

Rob Orr
Company Secretary

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The Company aims to commence exploration activities in the near future, and plans to explore for extensions of known mineralisation, repeats and new discoveries.

Plymouth Managing Director Adrian Byass commented:

“This is an exciting development for Plymouth which we feel will reward our shareholders. We are pleased to be proceeding with our partners, Aurum Mining PLC, on the exploration and advancing the Morille Project as soon as possible”

Full details on the terms of the acquisition are included in ASX announcement 7th October 2013.



Figure 1: Location of Morille Project in the Salamanca Province in north west Spain.

PROJECT

The Morille Project covers a contiguous area of over 57km² (Figure 2). More than 50 mineral occurrences/workings have been documented within the tenements, which historically were worked by up to 20 separate operators contemporaneously in the 1970's and 1980's. The majority were small artisanal workings operated during this period of fragmented tenure ownership. Ore mined was treated at multiple processing facilities, two of which were located on the current tenure area. Simple low cost - low impact gravity separation is used to produce a concentrate product which is transported to refineries within Europe and overseas.

A small 12 hole drilling program conducted by the Spanish Geological Survey in 1979 is the only drilling to date at the project. The project's tungsten and tin mineralisation was not mined out at its time of closure in 1985. China dominates the world market for tungsten, producing over 80% of global supply. The tungsten price has risen consistently and solidly for several years as China has become a net importer, and moving forward it is predicted that tungsten will continue to be a sought after commodity.

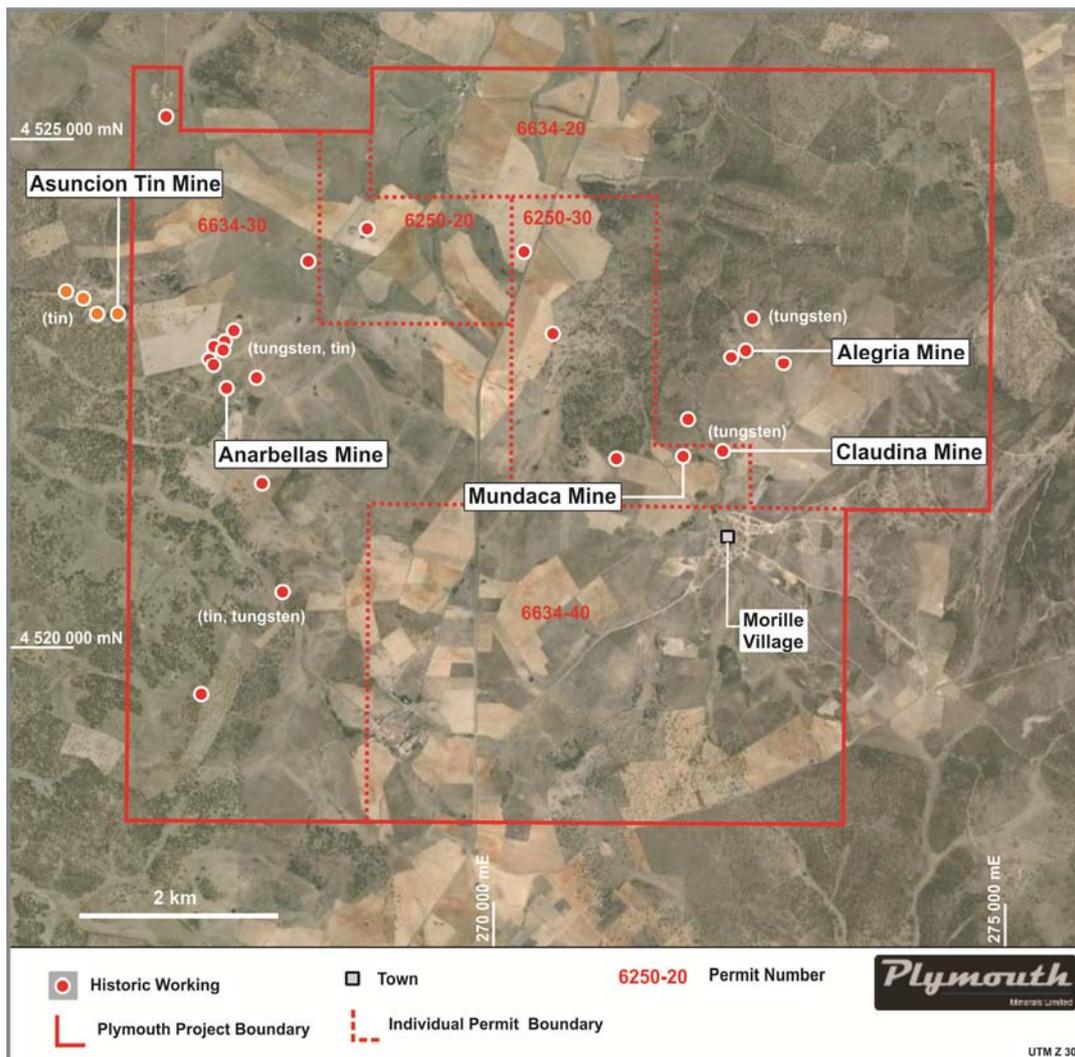


Figure 2: Outline of all Morille project tenure and its significant historical mines overlain on aerial photograph.

EXPLORATION PLANS

Plymouth plans to continue with the work program lodged by Aurum and approved by the Mines department in Salamanca. It will be modified to increase the area which will undergo trenching, sampling and drilling activity. This work will primarily target mineralisation that was proposed to be

mined at the Alegria Mine prior to the project's closure (as per submissions to Mines department in 1985) as well as possible extensions of tin mineralisation mined immediately up to the project boundary of the Asuncion Mine on a west north west trend from Anarbellas Mine. This area is now accessible as a result of tenure consolidation and represents an excellent exploration target.

Initial work will include a program of sampling, mapping and extensive trench sampling to define a suite of drill targets to compliment to walk-up targets at the Alegria Mine (Figure 3)



Figure 3: Aerial view of the Alegria tungsten mine, last operated 1985

Plymouth is well funded to acquire the project and conduct exploration on this Project.

PORTUGAL

Plymouth has elected not to exercise its option over the Numao and Sarzedas gold projects in Portugal. Under the terms of the agreement, Plymouth was required to elect to exercise or relinquish its option by 23rd October 2013. Plymouth will focus on the Morille tungsten and tin project, while also continuing to assess other acquisition opportunities in the Iberian Peninsula region.

For further information contact;

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Competent Person Statement: The information in this report related to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr A Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, 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 appear.

APPENDICES

Tenure

- 1 Estano de Salamanca Fraccion Segunda – 6250-20
- 2 Estano de Salamanca Fraccion Segunda 2 – 6250-30
- 3 Morille – 6634-20
4. Rozados – 6634-30
- 5 Areasrozados – 6634-40

Morille Mining S.L. is the registered, holder of the 5 investigation permits (listed above) which comprise the Morille Project. Morille Mining S.L. holds a 100% interest in the tenements.
