

ENTITLEMENT ISSUE OF OPTIONS AND ACQUISITION UPDATE

ASX via e-lodgement:
23rd April 2013

NON-RENOUNCEABLE ENTITLEMENT ISSUE OF OPTIONS (“OPTION ENTITLEMENT ISSUE”) TO BE ISSUED TO ALL SHARE HOLDERS

- Plan comprises 1 option for every 3 shares held at an issue price of \$0.05 (0.5 cents)
- Timetable to be announced shortly

ACQUISITION TERMS RE-NEGOTIATED TO MINIMISE DILUTION

- Vendor agreement to reduce cash/scrip consideration to follow Plymouth board’s “funds in ground” shareholder growth strategy
- Recent site visit from Managing Director has enabled vendor groups comfort and a full understanding of Plymouth’s focus and ability to become a copper producer in Zambia
- Significant reduction in terms agreed in both cash and scrip to benefit all shareholders
- Extension of Due Diligence period

Proposed Non-Renounceable Entitlement Issue of Options

Plymouth Minerals Limited (ASX: PLH) (**Plymouth**, or the **Company**), is pleased pursuant to ASX approval, to provide all shareholders the opportunity to participate in a “Option Entitlement Issue” on the basis of 1 new option for every 3 shares held at an issue price of \$0.005 (0.5 cents) per option. The offer will be made available to all shareholders.

The option exercise price has been set at \$0.25, with an expiry date of 30 June 2015 (or 2 years) the options will be issued in accordance

Plymouth Minerals Limited

ASX: PLH

Capital Structure

32.15m ordinary shares
6.0 M options

Board of Directors

Charles Schaus
Non Exec Chairman

Adrian Byass
Managing Director

Nicholas McMahon
Non Exec Director

Steve Brockhurst
Company Secretary

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with the Listing Rules and an application for their quotation on ASX will be made by the Company.

Energy Capital Partners Pty Ltd (“ECP”) has been appointed Lead Manager to the Company for the Option Entitlement Issue and has agreed to fully place any entitlement shortfall that may arise from the offer.

Mr. Adrian Byass the Company’s Managing Director said “The Company would be amiss not to offer our longer term supporters the opportunity to gain leverage to a potential re-rating through asset acquisitions in Africa. We believe that this Option Entitlement Issue will provide just that opportunity in the short term. Our goal and focus is to provide shareholder returns whilst conserving our cash position. As a company we are extremely aware of global market movements and the de-risking of exploration plays and the difficulty in raising funds. Therefore we are pleased with the current outcome of revised vendor term and look forward to rewarding shareholders in the near future. This Option Entitlement Issue is an opportunity to recognize the loyalty shown by all shareholders”

Further information regarding the Option Entitlement Issue, including the proposed timetable, will be announced shortly.

Zambian Copper-belt Acquisition Update

The company is also pleased to provide an update on the option to acquire Zambian copper projects (see ASX announcement 2nd April 2013) via two agreements over exploration tenure and shareholdings of a Zambian company involved in open pit mining operations.

Under the first Agreement Plymouth has the right to acquire up to a 100% interest in Finesse Projects Limited (registered in the Isle of Man) (**Finesse**), which indirectly owns or proposes to acquire 80% of a large package of exploration ground in North Western Zambia, and under the second Agreement Plymouth may acquire a 10% interest in H and S Mining Limited incorporated in Zambia (**H and S Mining**), which operates the Kasempa Copper Mine, also in North Western Zambia. Tenements and projects are located in North Western Zambia (Figure 1).



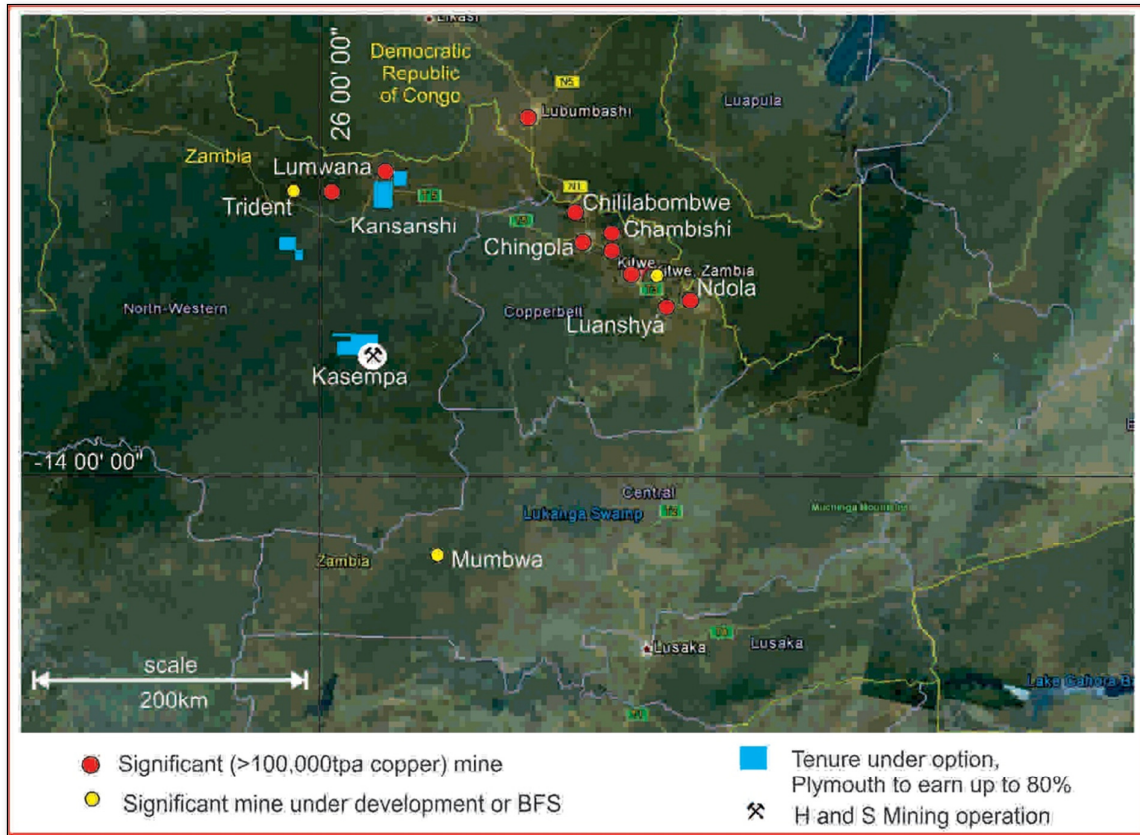


Figure 1: Project locations

As announced, Plymouth has begun a detailed due diligence process with senior management in Zambia during April and on an ongoing basis. Public holidays in Australia and Zambia during April has resulted in delays to acquisition of all required information being supplied by the Vendor and thus the company was unable to complete due diligence in the initially prescribed 30 day period. Plymouth is keenly aware that considerable focus must be applied in Zambia to ensure shareholders are protected in any transaction and variations to tenure and corporate status as warranted by the Vendors will be thoroughly examined if and when they arise. The vendors (Finesse projects Limited and Adam Clode) have offered an extension from 30 to 90 days to complete due diligence at no additional cost to Plymouth. The remaining option and earn-in time frames of the agreement(s) announced 2nd April remain unchanged. Plymouth will now enjoy an additional 60 days to secure the required information, with the due diligence period now extending to 25th June 2013.

Due to current market conditions and a depressed junior exploration sector across global stock markets, PLH has been able to reduce the vendor consideration for these assets if the

exclusive option is exercised. This provides current shareholders confidence that protecting their interests and the existing cash position of the company is first priority for the board.

Summary of Revised Terms of the Agreements

1) FINESSE AND H&S REVISED TERMS*

Payment to Vendors Of Finesse	New Terms Finesse	Old Terms Finesse	Reduction in FPO/Option /Other
1) Option Fee for DD	7 months, \$10,000 cash payment	4 months (1 and then 3) for \$30,000	3 months extension, \$20,000 Cash
2) Stage 1: 65% Finesse acquisition post DD	\$120,000 Cash 2m FPO and 3m unlisted options	180k Cash 6m FPO and 3m unlisted options	\$60,000 Cash 4m FPO
3) Stage 2:100% Finesse acquisition	\$130,000 cash 1m FPO	\$380,000 cash 7m FPO	\$250,000 Cash 6m FPO
Payments to Vendors of H&S (10%)	New Terms H&S	Old Terms H&S	Reduction in FPO/Option/Other
1) Option Fee for DD	7 months, \$10,000 cash payment	4 months (1 and then 3) for \$20,000	3 months extension, \$10,000 Cash
2) Fee to acquire 10% in H&S	Cash \$50,000 FPO 500t	Cash \$10,000 FPO 1m	Increase cash \$40,000 Decrease FPO 500t

Full Terms are available for review in Appendices 1 and 2

All currency amounts in this release are in Australian Dollars (AUD).

Additional copper/gold opportunities have been identified and are being examined in Zambia, Tanzania and Mozambique during ongoing field work. Plymouth will continue to review further copper and gold project opportunities within the region and pursue if appropriate.

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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 mineralization 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.

Appendix 1 (New Terms)

Key Commercial terms – Finesse Agreement (Exploration)

Conditional upon various matters some of which are summarised below, Plymouth has the right to acquire options to buy in two stages up to 100% of the shares of Finesse registered in the Isle of Man, which holds or will acquire through its 100% shareholding in another Isle of Man incorporated entity, Infinity Investments Limited, the following:

- 80% of Nautica Minerals Limited (Zambia) which holds 100% of tenement 16199-HQ-LPL (a prospecting license) and additionally beneficial ownership of 16200-HQ-LPL which is held on trust for it by Lion Resources Limited (Zambia).
- 80% of Maybach Mining Services Limited (Zambia) which holds 100% of applications 17819-HQ-LPL, 17820-HQ-LPL and 17974-HQ-LPL. Maybach also has a 100% beneficial interest in 18151-HQ-LPL which is held on trust for it by Mr Sydney Musonda Kalema.

The Finesse Agreement contains various conditions precedent to be satisfied or waived at the Company's sole discretion prior to exercise of the options described below, including but not limited to:

- Shareholder approvals and compliance with all regulatory requirements, including the ASX Listing Rules and Corporations Act.
- Receipt of all consents and approvals necessary for the Finesse Agreement.
- ASX confirming that Listing Rule 11.1.3 does not apply and Plymouth obtaining any waivers from the Listing Rules necessary for the Finesse Agreement.
- the grant and ultimate acquisition of certain tenements and tenement applications.

The Finesse Agreement contains two options by which Plymouth can acquire 100% of the shares in Finesse as follows:

1. Plymouth will pay \$10,000 for a 7 month exclusive due diligence period. This amount has already been paid.
 2. Upon completion of due diligence, and election to proceed,
 3. After this period, (up to 7 months subsequent to due diligence) Plymouth may earn 65% of Finesse by paying \$120,000 and issuing 2,000,000 shares to the vendors of Finesse shares (**Vendors**), who are not related parties of the Company, and 3,000,000 unlisted options (described more fully at paragraph 7 below). At this point, Plymouth will have up to an additional 18 months to decide if it wishes to exercise a further option to acquire the remaining 35% of Finesse shares (total 100%).
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4. Upon exercising the option to acquire 65% of Finesse shares, Plymouth will maintain the tenements before electing whether to exercise this secondary option to acquire the remaining 35% of Finesse.
5. Upon exercising the option to acquire 100% of Finesse, Plymouth will pay \$130,000 and issue 1,000,000 ordinary shares to the Vendors.

Additional performance payments may be made on the following bases:

6. A performance payment to the Vendors of \$2,000,000 or the issue of 2,000,000 shares in Plymouth will be selected by Plymouth if a JORC mineral resource of more than 500,000 tonnes of contained copper metal at a grade greater than 0.5% copper (or equivalent value in any other mineral) is delineated on properties which form part of this Agreement within 3 years of the completion of due diligence. The decision of whether cash or shares in Plymouth will be paid is at the sole discretion of the Company. This performance hurdle is a contractual milestone being a term of the Finesse Agreement and is not based on exploration results or geological interpretation. It is not an exploration target, mineral resource or ore reserve for the purposes of the JORC Code and it is not a production target. The performance hurdle is not representative of mineralisation defined at tenure in which Finesse holds or may hold an interest and there can be no guarantee or certainty that such mineralisation will ever be defined or found to exist there. The performance payments are also subject to any legal and regulatory requirements.
7. The Vendors will receive in the event of exercise of the option to acquire an initial 65% of Finesse, 3,000,000 unquoted options (being the options described at paragraph 3 above), over ordinary shares in Plymouth which are exercisable over a 5 year term and vest upon the earlier of fulfilment of the above hurdle or upon Plymouth achieving 100% ownership of Finesse. The options carry a strike price at 60c per share.

All consideration is paid pro-rata to the Vendors. Voluntary escrow agreements are also to be entered into for various securities proposed to be issued by the Company.

Key Commercial terms – H and S Mining Agreement (Production)

Conditional upon the satisfaction or waiver at Plymouth's sole discretion of various similar conditions precedent to the Finesse Agreement, including those described above, Plymouth has the right to acquire an option to buy 100% of Adam Clode's (**Vendor**) equity (500,000 shares) in H and S Mining equivalent to a 10% interest in H and S Mining. The Company operates a small open-pit mining and treatment operation for copper within a 4km² tenement exclusion 14923-HQ-SML.

The H and S Mining Agreement is summarised on the following terms:

- Upon execution of the agreement, Plymouth will pay \$10,000 for 7 month due diligence period. This has already been paid.
- Upon exercising the option, Plymouth will pay the vendor \$50,000 and issue 500,000 shares in Plymouth to acquire from the Vendor 500,000 ordinary shares in H and S Mining.

Voluntary escrow agreements are also to be entered into for various securities proposed to be issued by the Company.

Appendix 2 (Previous Terms)

Conditional upon various matters some of which are summarized below, Plymouth has the right to acquire options to buy in two stages up to 100% of the shares of Finesse registered in the Isle of Man, which holds or will acquire through its 100% shareholding in another Isle of Man incorporated entity, Infinity Investments Limited, the following:

- 80% of Nautica Minerals Limited (Zambia) which holds 100% of tenement 16199-HQ-LPL (a prospecting license) and additionally beneficial ownership of 16200-HQ-LPL which is held on trust for it by Lion Resources Limited (Zambia).
- 80% of Maybach Mining Services Limited (Zambia) which holds 100% of applications 17819-HQ-LPL, 17820-HQ-LPL and 17974-HQ-LPL. Maybach also has a 100% beneficial interest in 18151-HQ-LPL which is held on trust for it by Mr Sydney Musonda Kalema. The Finesse Agreement contains various conditions precedent to be satisfied or waived at the Company's sole discretion prior to exercise of the options described below, including but not limited to:

Shareholder approvals and compliance with all regulatory requirements, including the ASX Listing Rules and Corporations Act.

Receipt of all consents and approvals necessary for the Finesse Agreement.

ASX confirming that Listing Rule 11.1.3 does not apply and Plymouth obtaining any waivers from the Listing Rules necessary for the Finesse Agreement.

The grant and ultimate acquisition of certain tenements and tenement applications. The Finesse Agreement contains two options by which Plymouth can acquire 100% of the shares in Finesse as follows:

1. Plymouth will pay \$10,000 for a 30 day exclusive due diligence period.
 2. Upon completion of due diligence, and election to proceed, Plymouth will have up to 3 months to decide if it wishes to exercise the option to acquire an initial 65% of Finesse's issued shares. Plymouth earns this 3-month option by payment of \$20,000 and the option may be extended for no additional cost at Plymouth's discretion for a further 3 months in certain circumstances relating to assignment and transfer of tenure.
 3. After this period, (up to 6 months subsequent to due diligence) Plymouth may earn 65% of Finesse by paying \$180,000 and issuing 6,000,000 shares to the vendors of Finesse shares (Vendors), who are not related parties of the Company, and 3,000,000 unlisted options (described more fully at paragraph 7 below). At this point, Plymouth will have up to an additional 18 months to decide if it wishes to exercise a further option to acquire the remaining 35% of Finesse
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shares (total 100%).

4. Upon exercising the option to acquire 65% of Finesse shares, Plymouth will maintain the tenements before electing whether to exercise this secondary option to acquire the remaining 35% of Finesse.
5. Upon exercising the option to acquire 100% of Finesse, Plymouth will pay \$380,000 and issue 7,000,000 ordinary shares to the Vendors.

Additional performance payments may be made on the following bases:

6. A performance payment to the Vendors of \$2,000,000 or the issue of 2,000,000 shares in Plymouth will be selected by Plymouth if a JORC mineral resource of more than 500,000 tonnes of contained copper metal at a grade greater than 0.5% copper (or equivalent value in any other mineral) is delineated on properties which form part of this Agreement within 3 years of the completion of due diligence. The decision of whether cash or shares in Plymouth will be paid is at the sole discretion of the Company. This performance hurdle is a contractual milestone being a term of the Finesse Agreement and is not based on exploration results or geological interpretation. It is not an exploration target, mineral resource or ore reserve for the purposes of the JORC Code and it is not a production target. The performance hurdle is not representative of mineralization defined at tenure in which Finesse holds or may hold an interest and there can be no guarantee or certainty that such mineralization will ever be defined or found to exist there. The performance payments are also subject to any legal and regulatory requirements.
7. The Vendors will receive in the event of exercise of the option to acquire an initial 65% of Finesse, 3,000,000 unquoted options (being the options described at paragraph 3 above), over ordinary shares in Plymouth which are exercisable over a 5 year term and vest upon the earlier of fulfillment of the above hurdle or upon Plymouth achieving 100% ownership of Finesse. The options carry a strike price at 60c per share.

All consideration is paid pro-rata to the Vendors. Voluntary escrow agreements are also to be entered into for various securities proposed to be issued by the Company.

Key Commercial terms – H and S Mining Agreement (Production)

Conditional upon the satisfaction or waiver at Plymouth's sole discretion of various similar conditions precedent to the Finesse Agreement, including those described above, Plymouth has the right to acquire an option to buy 100% of Adam Clode's (Vendor) equity (500,000 shares) in H and S Mining equivalent to a 10% interest in H and S Mining. The Company operates a small open-pit mining and treatment operation for copper within a 4km² tenement exclusion 14923-HQ-SML.

The H and S Mining Agreement is summarized on the following terms:

- Upon execution of the agreement, Plymouth will pay \$10,000 for 30 a day due diligence period.
- Upon completion of due diligence, Plymouth may gain an option by payment of \$10,000 to acquire Adam Clode's 500,000 shares in H and S Mining, exercisable for up to 180 days commencing from the end of the due diligence period.
- Upon exercising the option, Plymouth will issue 1,000,000 shares in Plymouth to acquire from the Vendor 500,000 ordinary shares in H and S Mining.
- A performance payment to the Vendor of \$100,000 will be made upon expanded production at 3,000 tones of copper metal per annum being maintained for 6 months. This performance

Hurdle has to be met within 3 years of completion of due diligence, otherwise it lapses

None of this payment will be paid by Plymouth.

- A performance payment of \$100,000 and the issue of 2,000,000 shares in Plymouth will be made to the Vendor upon expanded production at 6,000 tones of copper metal per annum being maintained for 6 months from the settlement date of the option exercise. This performance hurdle has to be met within 3 years of completion of due diligence, otherwise it lapses and none of this payment will be paid by Plymouth.
- The performance payments are also subject to any legal and regulatory requirements.
- These performance hurdles are contractual milestones being terms of the H and S Mining Agreement and are not based on exploration results or geological interpretation. They are not an exploration targets, mineral resource or ore reserve for the purposes of the JORC Code and they are not a production targets. The performance hurdles are not representative of mineralization defined at H and S Mining's tenure and there can be no guarantee or certainty that such mineralization will ever be defined or found to exist there. Voluntary escrow agreements are also to be entered into for various securities proposed to be issued by the Company.

Ends.
