

ZAMBIAN COPPERBELT OPTION

ASX via e-lodgement:
2nd April 2013

Copper exploration direction and exposure to production company set to re-rate Plymouth.

- LARGE SCALE COPPER-GOLD LICENCES ACQUISITION VIA TWO OPTIONS TO ACQUIRE SHARES.
- KANSANSHI: BORDERING ZAMBIA'S LARGEST COPPER MINE (**TSX-FM**)
- KASEMPA: EXPLORATION MODEL ANALAGOUS TO BLACKTHORN TENEMENTS (**ASX-BTR**)
- LOW COST ENTRY/SOLID IN-COUNTRY PARTNERSHIPS.
- GREAT EXPOSURE TO POTENTIAL RE-RATING THROUGH LOW E.V

Plymouth Minerals Limited (ASX:PLH) (**Plymouth**, or the **Company**), is pleased to announce that it has entered into two exclusive option agreements (**Agreements**). The first involves the Company proposing to acquire shares in an entity with indirect interests or rights to indirectly acquire a portfolio of prospective copper-gold exploration tenements in the Zambian Copperbelt and other prospective regions within Zambia. The second Agreement is a share sale transaction by which the Company proposes to acquire an equity interest in an entity which owns a tenement with small scale existing copper production.

Under the first Agreement Plymouth may 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.

The Agreements provide Plymouth with a low-cost entry point into a portfolio of prospective copper exploration tenements and applications located in close proximity to a number of world class mining operations, including First

Plymouth Minerals Limited

ASX: PLH

Capital Structure

25.75M 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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Quantum Minerals Limited (FQML) Kansanshi Copper Mine and Barrick Gold Corporation's (**Barrick**) Lumwana Copper Mine.

The Agreements separately cover the proposed Finesse and H and S Mining transactions and summaries of the material terms of the Agreements are provided in this announcement.

The Agreements are conditional. Plymouth will now undertake a detailed due diligence process over the assets and will provide further information to the market in due course as its due diligence progresses.

Exploration Bordering Kansanshi Mine - Refer First Quantum Minerals (TSX-FM LSE-FQM)

The Finesse Agreement covers over 2,700km² of exploration tenure (some of which is not yet granted and acquired indirectly by Finesse) in the Central and North western regions of Zambia, with over 650km² of prospective ground immediately adjacent to and along strike of the giant Kansanshi Copper Mine and approximately 70km to the east, along the Zambian Copper belt, of Barrick's Lumwana Copper Mine (See Figure 1, Location Map).

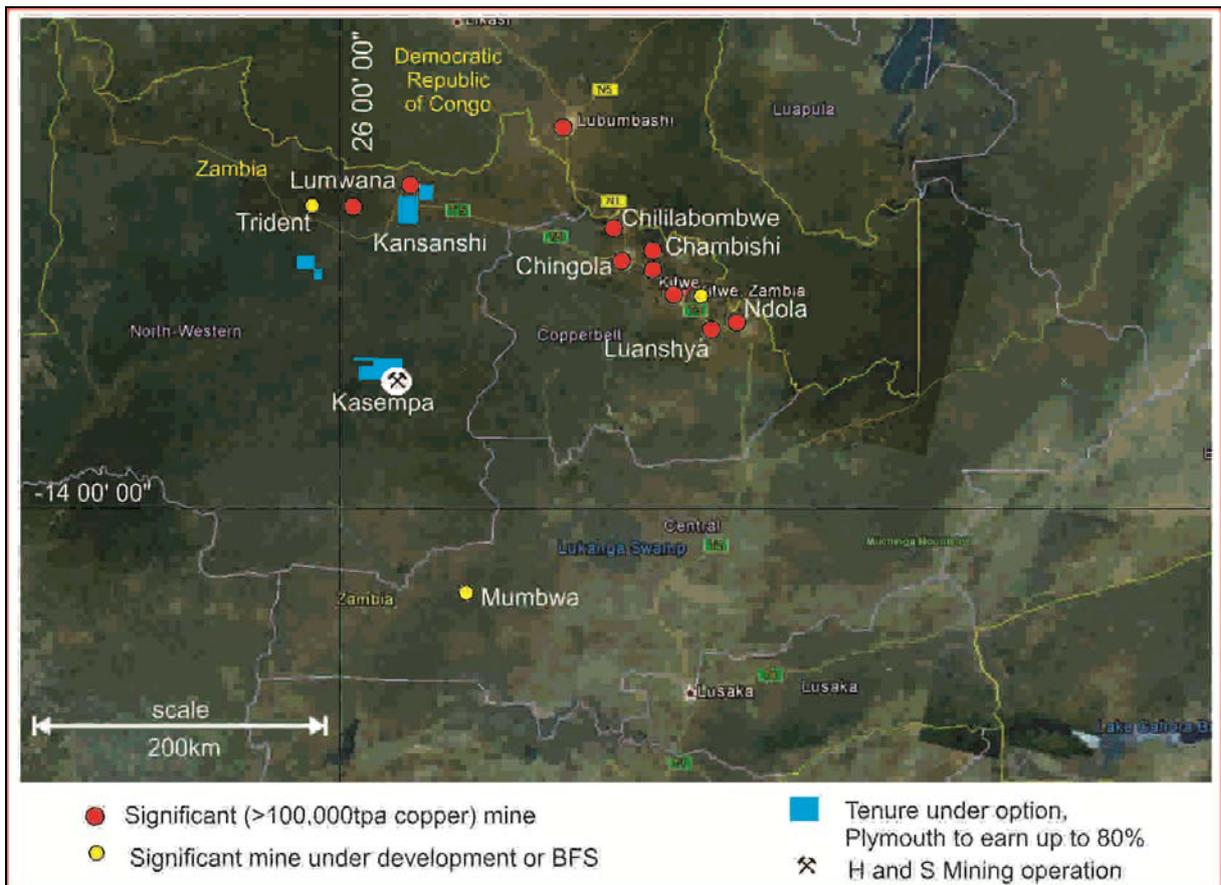


Figure 1: Project locations

Kansanshi is the largest copper mine in Africa, operating from two open pits which in total produce between 230-250,000t copper (Cu) and 100-105,000 oz gold (Au) per year (2011-12) (Figure 2). The project is currently being expanded to reach production of 400,000tpa Cu in 2015.

Mineralisation at Kansanshi is hosted within sheeted copper-gold bearing, north-south striking quartz veins in sediments folded in a northwest-southeast striking, plunging anticline located above a felsic dome complex. Tenement 16200-HQ-LPL Finesse proposes to be the 80% ultimate beneficial holder of pursuant to the Finesse Agreement), is located along strike to the southeast and south (Figures 3 and 4).



Figure 2: Aerial view of the Kansanshi copper-gold mine (2010) looking southeast

Data purchased from the Zambian Geological Survey shows copper prospects within 16200-HQ-LPL 16km due south of Kansanshi.

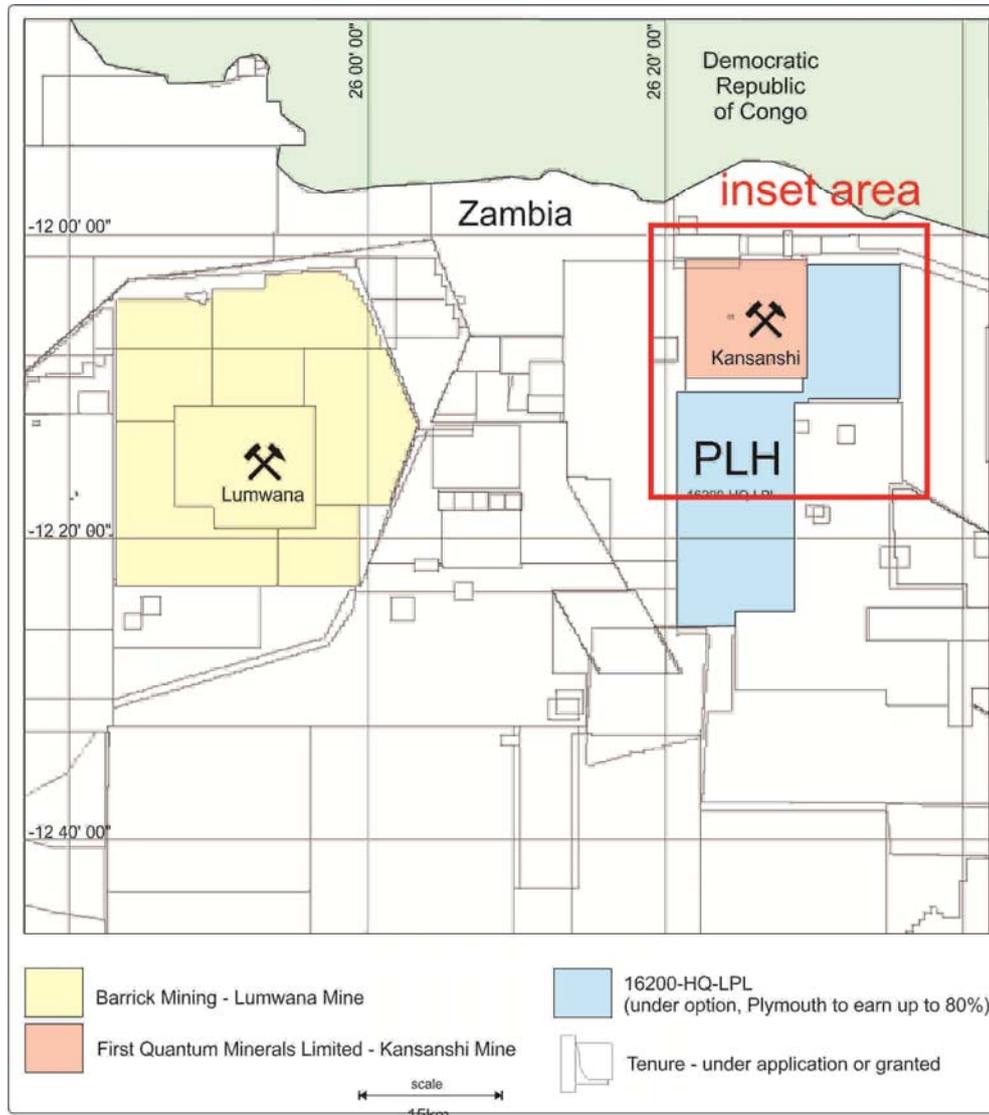


Figure 3: Tenement plan and project (Kansanshi) location plan

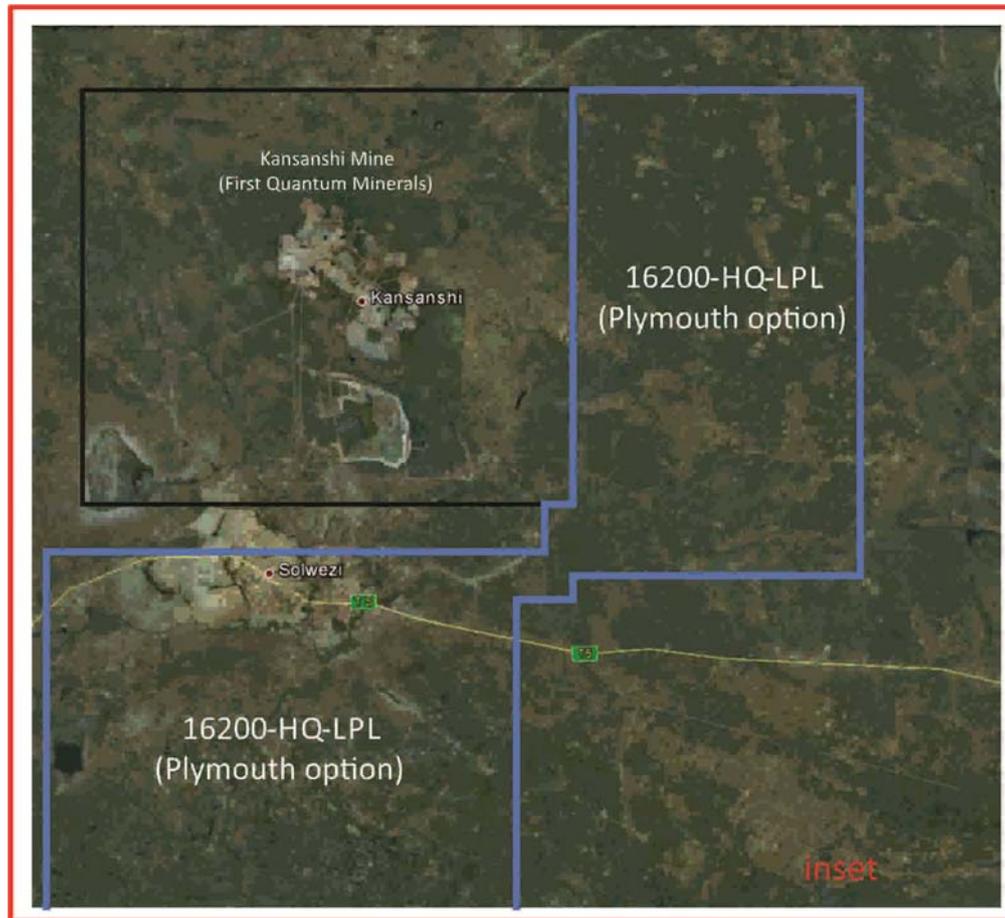


Figure 4: Aerial photograph and tenement location plan at Kansanshi

H and S Mining Limited – Small Scale Mining Licence 14923-HQ-SML: Kasempa Copper Mine

The H and S Mining Agreement allows Plymouth to acquire the option to secure an interest in the Kasempa mining operation through the option to purchase 10% of the share capital of H and S Mining Limited, which is the sole operator of the Kasempa H and S Mine (**KHS**). The KHS Mine is a small, open pit operation which is currently undergoing ramp-up and was commissioned with first blister copper production in late 2012 (See Figure 5 and 6) located on 14923-HQ-SML. The KHS Mine is located within a 4km² tenement that is surrounded by the 650km² tenement 16199-HQ-LPL (**Kasempa Exploration Project**). Plymouth has the right to acquire an option pursuant to the Finesse Agreement to acquire an 80% interest in the Kasempa Exploration Project.



Figure 5: Copper mineralisation taken by Plymouth geologist from open pit at H and S Mining tenement 14923-HQ-SML



Figure 6: Stockpiled copper-gold bearing material at primary and secondary crusher location ready for transport to treatment facility on site 14923-HQ-SML.

Further exploration tenure is located in the southern part of the North Western Region of Zambia in addition to the land holding that surrounds the Kasempa mining operation. This area is also viewed by Plymouth as highly prospective for copper and gold mineralisation, although not of the classic Zambian Copper Belt style seen to the north, but potentially analogous to the Blackthorn Resources Limited (ASX: BTR) Mumbwa IOCG-style deposit closer to the south.

Plymouth managing director Adrian Byass commented: "This is an exciting entry into a blue chip copper mining address. The package of ground will be aggressively explored and potentially offers shareholders exceptional leverage to reward in the event of a commercial discovery. An exploration team is currently being assembled with first pass exploration planned to commence in the near future."

As part of Plymouth's due diligence, it will verify historical exploration data on hand and, if required, re-sample and re-assay material in order to allow reporting under ASX JORC guidelines. As yet, Plymouth is not in possession of exploration data which is suitable for reporting to the ASX.

There are no exploration targets, mineral resources or ore reserves presently which can be publicly quoted as defined pursuant to the JORC Code at the tenements or tenement applications the subject of the Agreements and the Company makes no statement or forecast of whether such mineralisation will be defined in future or whether production of minerals will occur.

African based experienced BDM and vendor of these assets to drive In-country Operations

Subject to completion of Due Diligence and election to proceed, Plymouth has secured the services of Adam Clode, who was instrumental in securing the assets and is a direct vendor in the Production Agreement over the shares in H and S Mining and therefore gives confidence to investors that he has a long term vision for the aim for success of Plymouth Resources Limited. Mr Clode will assume the role of Business Development Manager for Plymouth and will work with the Company to identify further opportunities in Zambia and other African countries.

He is an experienced corporate manager who has not previously been involved in Plymouth and has successfully delivered on some of the largest resource projects in Africa, including the Lumwana Copper Project in Zambia and the Tonkolili Iron Ore Project in Sierra Leone.

Mr Clode trained originally as an engineer and worked on projects in Western Australia, Ghana and Zambia where he specialised in project management. He led a large and diverse team of 120 which was tasked with developing African Minerals' Tonkolili Project from initial concept and early cashflow through to full scale development of Phase 1. He has an extensive business network throughout Africa and in particular in Zambia.

There are no other changes to the Board or Management of Plymouth other than this key in-country appointment although the Board of the Company reserves the right to make further appointments.

Summary of terms of the Agreements

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 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 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 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 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 tonnes of copper metal per annum being maintained for 6 months. This performance
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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.

- 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 tonnes 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 target, mineral resource or ore reserve for the purposes of the JORC Code and they are not a production target. The performance hurdles are not representative of mineralisation defined at H and S Mining's tenure and there can be no guarantee or certainty that such mineralisation 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.

Tenement and tenement application information

Subsequent to exercising the options pursuant to the Agreements which are subject to various conditions precedent the Company can acquire up to an 80% ultimate interest in the following tenements and tenement applications:

Tenement ID	Tenement Type	Holder	% Ownership of Tenement	Application Date	Grant/Validation Date	Area (km2)
16199-HQ-LPL	Exploration	Nautica Minerals	100		12-Dec-12	650
17819-HQ-LPL	Exploration	Maybach Mining Services	100	27-Jul-12		324
17820-HQ-LPL	Exploration	Maybach Mining Services	100	27-Jul-12		306
17974-HQ-LPL	Exploration	Maybach Mining Services	100	27-Aug-12		49
18151-HQ-LPL	Exploration	Sydney Musonda Kalema, on trust for Maybach	100		13-Feb-13	770
16200-HQ-LPL	Exploration	Lion Resources, on trust for Nautica	100		12-Dec-12	620

Plymouth would also hold 10% of H and S Mining Limited (Zambia) which is commissioning an open pit mining operation in Zambia and holds 14923-HQ-SML.

Plymouth will retain 2011/04, an exploration tenement held in Greenland and prospective for Rare Earth Minerals.

Capital Raising

In conjunction with entering into the Agreements, Plymouth has also secured commitment for a placement of up to 6,400,000 ordinary shares in the company (pursuant to the Company's placement capacities under Listing Rules 7.1 and 7.1A) which will be issued at \$0.10 per share to sophisticated investors, to raise \$640,000 before costs of issue.

This represents a discount of 11.6% to the 15 day VWAP. 3,862,500 shares will be placed under Plymouth's 15% placement capacity. The Company will also seek to place a further 2,537,500 shares under the additional 10% placement capacity approved at the 2012 Annual General Meeting.

Funds raised will be used for;

Due Diligence	\$200,000
Licence Fees	\$220,000
Admin and Travel Costs	\$150,000
Costs of Offer	\$70,000
Total	\$640,000

Total issued capital upon completion of these issues will be 32,013,000 ordinary shares, 6,000,000 unlisted management options expiring 31 March 2014 (\$0.30 exercise) and 4,000,000 options with a three year term and a strike price of \$0.25 per share. This capital raising has been underwritten by Perth-based corporate advisory group Energy Capital Partners, who are acting as lead manager and broker. Energy Capital is receiving 4,000,000 options over ordinary Plymouth Shares exercisable at \$0.25 with a 3 year term as part of their mandate with Plymouth.

Pro-forma Balance Sheet as at 31 December 2012 (reviewed)

	31/12/2012 Actual A\$	Effect of Capital Raising	Effect of Transaction A\$	31/12/2012 Pro-forma A\$
Current Assets				
Cash and cash equivalents	2,394,130	640,000	(810,000)	2,224,130
Trade and other receivables	119,103	-	-	119,103
Other assets	37,123	-	-	37,123
Total Current Assets	2,550,356	640,000	(810,000)	2,380,356
Non Current Assets				
Exploration expenditure	-	-	2,610,000	2,610,000
Total Non Current Assets	-	-	2,610,000	2,610,000
Total Assets	2,550,356	640,000	1,800,000	4,990,356
Current Liabilities				
Trade and other payables	61,630	-	-	61,630
Total Current Liabilities	61,630	-	-	61,630
Total Liabilities	61,630	-	-	61,630
Net Assets	2,488,726	640,000	1,800,000	4,928,726
Equity				
Issued Capital	3,206,725	640,000	1,800,000	5,646,725
Accumulated losses	(717,999)	-	-	(717,999)
Total Equity	2,488,726	640,000	1,800,000	4,928,726

Indicative Transaction and Capital Raising Timetable

Agreements signed	27 March 2013
Book build for capital raising finalised	28 March 2013
Shares issued	4 April 2013
Due diligence period complete	26 April 2013

Moving Forward

Plymouth is looking forward to at this stage continuing its work in Greenland on its Rare Earth Project whilst potentially driving an African Copper focus in tandem. The Company has also applied to the ASX for a determination as to whether Listing Rule 11.1 applies to the transactions proposed by the Agreements. Plymouth will update the market during the progression of due diligence in the near term.

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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.