

Grant of Banio potash licence

ASX via e-lodgement:
2nd March 2016

HIGHLIGHTS:

- Plymouth notified of grant of Banio tenement which covers a major potash project with high-grade intercepts at shallow depth
- Banio Project hosted within the extensive Congo Basin
- Recent ~\$120M EOI announced for Elemental Resources Ltd potash company, (~20km along strike from Banio (Congo Basin) highlights activity in region

Plymouth Minerals Limited (“Plymouth” or “the Company”, ASX:PLH) is pleased to announce that it has been notified by Equatorial Potash Pty Ltd (“Equatorial”) that the **grant of tenure covering the Banio Potash Project (Banio)** has been **approved by the Minister of Mines**. Equatorial lodged an exploration licence application (number from DGPEM: No. 652), which has now been granted with new licence (Arete No. 161).

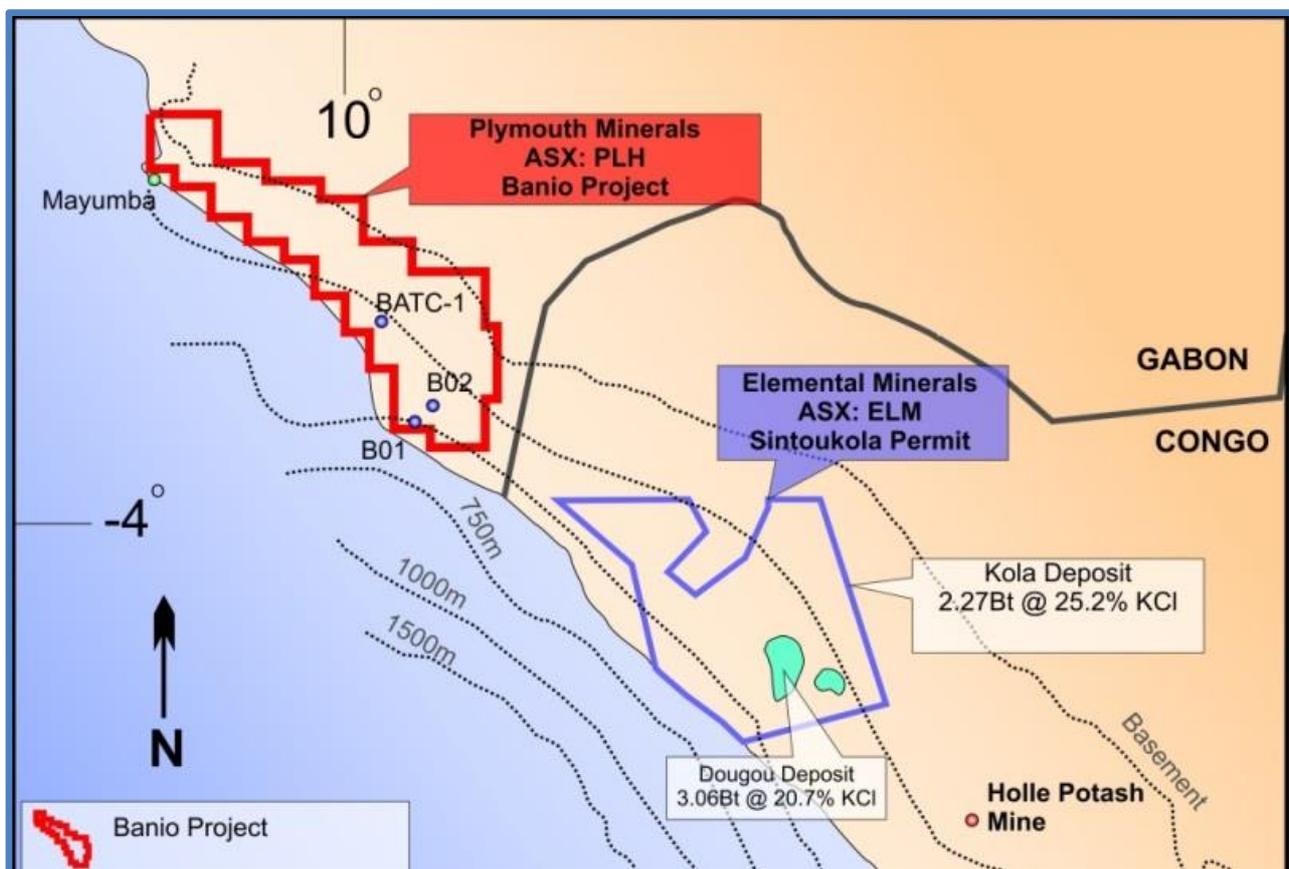


FIGURE 1: BANIO PROJECT IN RELATION TO ELEMENTAL RESOURCES PROJECT

Plymouth entered into a binding Heads of Agreement (HoA) to purchase Equatorial (full details contained in ASX release 7th October 2015). Equatorial holds 100% of the shares in Mayumba Potasse SARL, a Gabonese Company, which in turn holds a 100% interest in the Banio Exploration Licence and a 100% interest in a second potash project, Mamana (currently held under Exploration Licence Application).

Both projects are proven to host potash minerals and were in the application stage at the time of the HoA. A Condition Precedent of the transaction was the granting of at least one of the exploration licence applications covering the potash projects. Plymouth is pleased to receive confirmation of the granting of one of the licences, to the satisfaction of the relevant Condition Precedent. Plymouth reiterates its belief that either of the Banio or Mamana projects has the potential to be a highly valuable asset and will likely significantly enhance shareholder value.

About the Banio Project

The Banio Project (Exploration Licence Number 161) is located in the south of Gabon. Equatorial's potash projects are shown below in Figure 1.

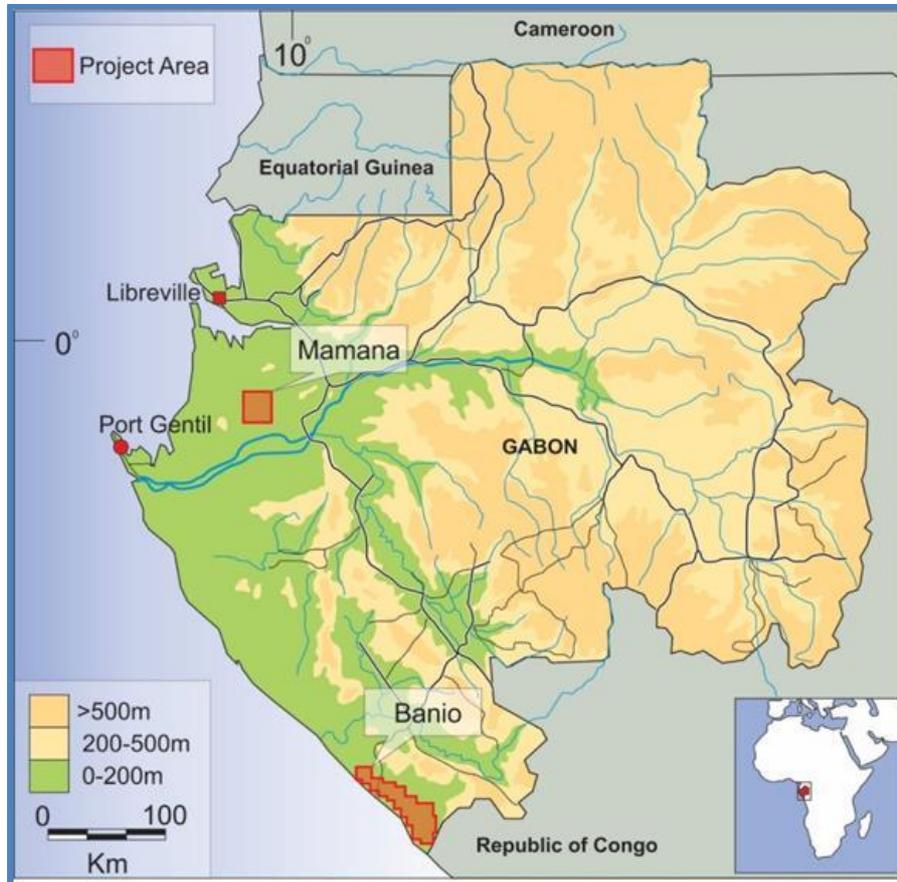


FIGURE 2: GABON POTASH PROJECT LOCATIONS

The Banio Project covers 1,244km² of prospective potash-bearing sediments that are hosted in the Congo Basin which spans from southern Angola through the Republic of Congo (“RoC”), Gabon, Equatorial Guinea, and into the northern extent of Cameroon. Previous drilling in Gabon has identified very wide zones of potash mineralisation (sylvite and carnallite) notably within Plymouth’s Banio tenure.

Banio lies 20km to the north west of Elemental Resources (Elemental, ASX:ELM) Sintoukola Project (Figure 2). Elemental has conducted drilling and feasibility study work within Sintoukola which is reported to contain a global resource of 5.3 billion tonnes of potash mineralisation at 14.3% K₂O (22.6% KCl) (*Elemental Resources, Annual Report on Mineral Resources & Reserves, 30/04/2015*) and the previously operating Holle Potash Mine (1969-1977) in the RoC. Drilling has confirmed potash-bearing sediments extend northwards into the Banio tenure.

On 12th February 2016 Elemental announced that it had received a non-binding, conditional Expression of Interest (EOI) to acquire the issued capital of Elemental for up to A\$0.30per share. This valued the issued capital of Elemental at ~A\$120M.

Historically exploration at Banio was focussed on oil exploration with 2D seismic and oil well drilling being completed. Within the drilling, broad zones of “potash salts” were logged and sporadic spot sample assaying confirming the presence of high grade potash within these zones. Whilst the presence of potash (carnallite and sylvite) is confirmed from relatively shallow depths and over very large widths (Table 1), the exact chemical composition and potash grade of the broad zones described in geological logging of drill holes B01 and B02 is not known.

TABLE 1: BANIO DRILL RESULTS

Hole	From m	Interval m	Comments
B01	580	595	Potash/Mg salts logged in the Loeme Formation.
B02	528.45	489	Potash salts logged, selected samples reported up to 48% Sylvite & 80% total potash salts
BATC-1	200	200	Seismic interpretation of salt dome top, planned hole

Seismic data analysis conducted across the Banio project has delineated basement horst (structural uplift) targets associated with the formation of high-grade sylvite style potash mineralisation. This sub-vertical faulting has created zones of enriched sylvite mineralisation in the otherwise continuous and consistent mixed carnallite and sylvite horizons which characterise the extensive Congo Basin. Seismic work shows the development of formations such as this near BATC-1 (proposed) with the salt horizon (potash-bearing) as close as 200m from the surface. Drilling across the border in the RoC confirms high-grade sylvite horizons between 200 and 300m from surface trending northwards into the Banio project.

This information highlights the highly prospective nature of the Banio project and provides immediate drill targets.

Managing Director Adrian Byass said “*Plymouth is pleased to be working with Gabonese officials and Equatorial to obtain granted tenure and to complete this transaction. To have two potentially Company-making projects as part of the transaction is very rare. With previous drilling showing shallow, high-grade potash and good access to infrastructure we are excited by the potential this acquisition has to drive shareholder wealth.*”

As with Mamana, the Banio project is very well located in terms of infrastructure and access to markets. The Gabonese government has recently completed major bridge infrastructure within the tenement area linking previously separated parts of the lagoon (ferry only) and is completing a large programme of sealed roads to access the town of Mayumba. The excellent infrastructure within Gabon which benefits the two projects is highlighted within the Due Diligence presentation (ASX release 30th October 2015) and also specifically on Banio within Gabonese government reports:

http://www.icafrica.org/fileadmin/documents/Transport_Meeting/S4-Port-of-Mayumba-Final-EN.pdf

Plymouth considers the Banio project an exciting exploration and development opportunity and will advise the market on the completion of its due diligence shortly. The processing of the second potash project held by Equatorial (Mamana) is proceeding and Plymouth is confident in the administrative process and minerals industry regulatory framework in Gabon.

Full results and explanatory tables for exploration results are contained in ASX announcement dated 7th October 2015

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Competent Person Statement Gabon: The information in this report related to Exploration Results, Exploration Targets, Mineral Resources or Ore Reserves is based on information compiled by Mr D Reeves, BSc (Hons) Mining Engineer, Grad Dip Appl Fin, MAusIMM, a shareholder in Equatorial Potash Pty Ltd. Mr Reeves 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 Reeves consents to the inclusion in the report of the matters based on this information in the form and context in which it appear.

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.

PLYMOUTH MINERALS LIMITED ASX.PLH

Board of Directors

Charles Schaus
Non Exec Chairman

Adrian Byass
Managing Director

Humphrey Hale
Steve Brockhurst
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Rob Orr
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Share Capital

45,000,000 ordinary shares

4,250,000 options (exercise \$0.14-0.20)