

QUARTERLY ACTIVITIES REPORT
for the period ending 31 March 2017

27th April 2017

ASX via Electronic Lodgement

Project: San Jose Lithium, Spain

- Feasibility study data acquired - assays, down-hole survey and geology for 42 RC and DD holes (8,340m of drilling)
- 1,935 metres drill programme completed of diamond and RC drilling
- Phase 1 drilling program completed – broad zones +1% Li₂O intersected, including:
 - **250m @ 1.0% Li₂O from surface** hole MSJ-DD-0003
 - **142m @ 1.2% Li₂O from 67m** SJ-4C
 - **52m @ 1.1% Li₂O from 18m** MSJ-DD-0004
- Exceptional metallurgy results - 97% lithium recovery achieved in first stage metallurgical testwork, using well understood sulphuric acid processing route
- Mineralogy confirms ore amenable to simple beneficiation as per previous Historical Feasibility Study
- Historical Feasibility Study continues to be positively verified, supporting process flow sheet to produce lithium carbonate on site
- Gas pipeline infrastructure adjacent to deposit increases processing route opportunities to produce lithium carbonate and improves project economics
- Environmental Baseline Study and other work continues as part of Mining Application Submission

Project: Banio Potash, Gabon

- Mobilisation and camp construction successful
- Potash drilling commenced

Corporate

- Exercise of management options
- Strong cash position of approximately \$5.3m (31 March 17)

Events Subsequent to Quarter

- AIM listed, Reabold Resources plc, investment into Plymouth for San Jose Lithium Project exposure
- Maiden drill-hole: Potash mineralisation intersected in Gabon
- All lithium assays received and JORC resource estimation for San Jose commenced
- Escrow of Potash Consideration Shares lifted

Summary

During the March Quarter Plymouth announced the completion of phase 1 drilling activities in Spain at the highly-advanced San Jose lithium-tin project. Lithium assays returned broad, high-grade mineralisation – often from surface. Complementing the exploration activity was further advances in metallurgy and process test work for San Jose with excellent lithium recovery from acid leach processing that delivered very high (+95%) lithium recovery.

Plymouth also announced the initiation of drilling in Gabon at the world-class Banio potash project.

Subsequent to the quarter, Reabold Resources plc invested into San Jose through Plymouths subsidiary holding company, Tonsley Mining Pty Ltd.

The following significant work has been undertaken at the San Jose Lithium Project which has an Historical Estimate* of Mineralisation (non JORC) of over 1.15 million tonnes of Lithium Carbonate Equivalent (LCE) and which Plymouth has now initiated work on to deliver a maiden JORC resource estimate in Q2 2017.

*Historical Estimate of Mineralisation Disclaimer: There has been insufficient exploration completed to date to estimate a Mineral Resource in accordance with the JORC 2012 Edition Guidelines. It is uncertain if further exploration will result in the delineation of a Mineral Resource.

San Jose Lithium Project, Spain (Plymouth initially earning up to 75%)

The acquisition of an extensive historical dataset from the Spanish company Tolsa SA (Tolsa) was completed during the March Quarter. Tolsa conducted an extensive feasibility study between 1987-1991 on the San Jose lithium deposit. The dataset was the property of Tolsa and Plymouth negotiated access to it during the quarter. The Company believes the acquisition of this data heralds a major advancement of the project that significantly shorten the time frame to development.

To confirm this data drilling and metallurgical testing has been initiated and partially completed. A short 1,935m drill programme was conducted. Diamond Drilling (DD) began in January at San Jose. Drilling was completed during the quarter. High-grade intercepts such as 250m @ 1.0% Li₂O from surface to end-of-hole (MSJ-DD-003) were returned. All results were received and published on the ASX (20th February and 29th March). This programme of 10 drill holes (2 RC and 8 DD) was designed to confirm historical data and provide metallurgical and geotechnical information.

Tolsa drill trace shown in long section and pierce points of Plymouth drilling as yellow points illustrate the focus on the near surface, shallow open-pit mining concept as identified in the historical feasibility study. Mineralisation at San Jose is proven to be open in several directions and extremely wide. This is shown in Figure 1 and 2 below.

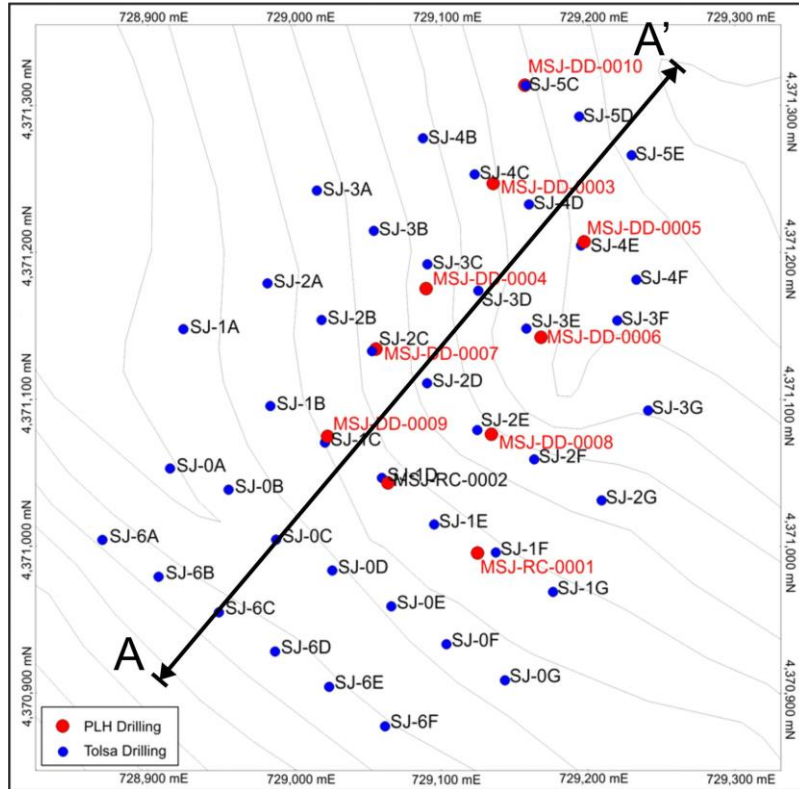


FIGURE 1: DRILLING CONDUCTED AT SAN JOSE. BLACK REPRESENTS TOLSA DRILLING AND RED CONDUCTED BY PLYMOUTH. LONG SECTION (FIGURE 2) A-A' SHOWN AS WELL.

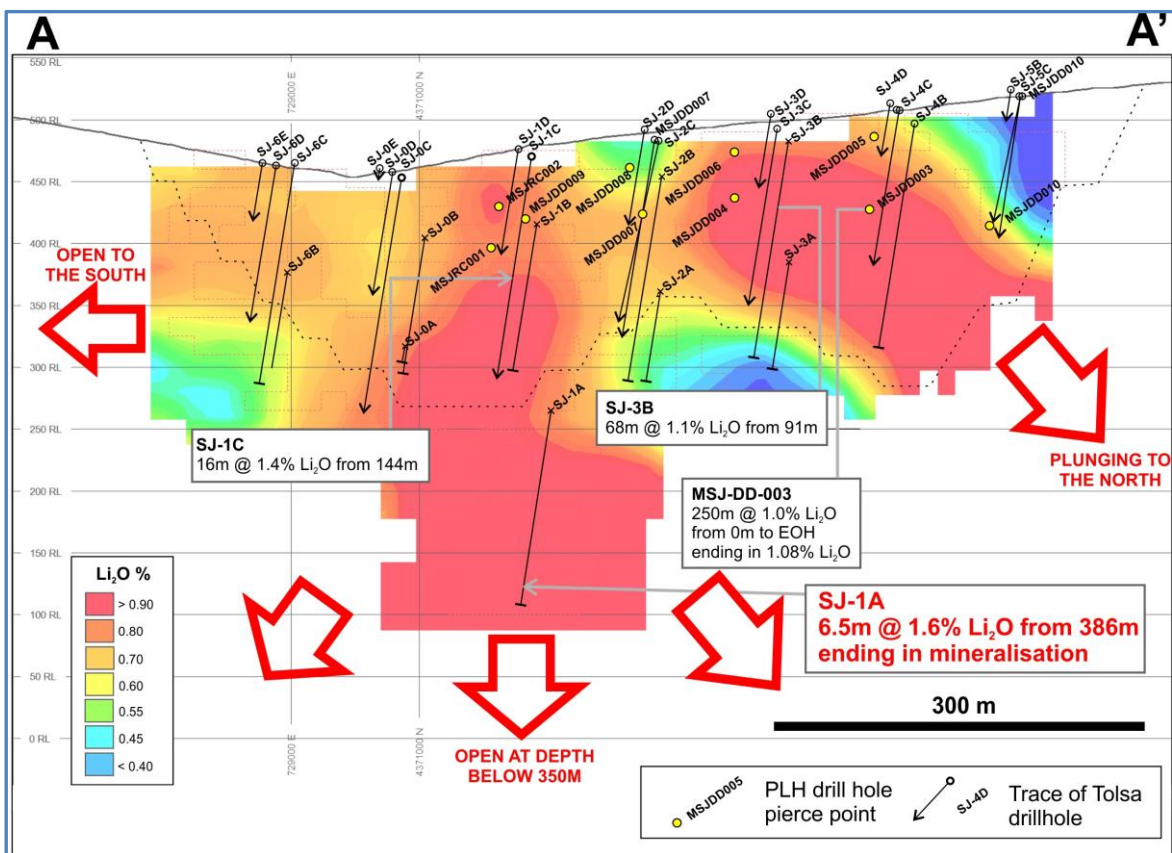


FIGURE 2: LONG SECTION LOOKING EAST OF SAN JOSE THROUGH ALL CURRENT DRILLING. CONTOURED GRADTE TONNAGE VALUE IN BACKGROUND HIGHLIGHTS HIGH-GRADE AT SURFACE AND EXTENDING TO DEPTH.

Metallurgical Testwork Results

Plymouth completed initial testwork to confirm the data that supports the previous sulphuric acid flowsheet produced by Tolsa. Testwork completed by Spanish laboratory, AGQ Mining and Bioenergy, has confirmed Tolsa's results of 96% lithium recovery to the leach liquor on non-calcined ore with sulphuric acid (at atmospheric pressure and 100 degrees centigrade).

Plymouth's results on San Jose material achieved 97% lithium recovery into the leach liquor at a -200 micron grind size, at atmospheric pressure and 100 degrees centigrade on non-calcined ore. It appears from this testwork that less grinding may be required for the same lithium recoveries, which will reduce the power requirements and improve the economics of any future mining operation.

Plymouth's testwork was completed on non-beneficiated samples with a head grade of 0.88% Li₂O. This is below predicted ROM grades estimated from historical optimisation and mining schedules in the Tolsa study. Feed grade to the process plant post beneficiation would likely be materially higher. As a result, it is likely that increased recoveries could be expected from higher feed grades.

Metallurgy Background

Tolsa produced Lithium Carbonate (LCE) via two preferred routes, each with +90% recoveries of lithium. These were; 1) Sulphuric acid route and 2) Sulphate roast process

Tolsa pursued these two routes in preference to others investigated and produced excellent recoveries. The Sulphuric acid route was selected in preference due to a combination of factors including, readily accessible and cheap acid in Spain. Advances in metallurgical technology and the changes in the distribution of power and gas within the Caceres region, which hosts the San Jose project, have significantly and positively changed the potential economics of both processes. As a result Plymouth is reviewing the feasibility of both processes, with a view to identifying efficiencies for the benefit of its own feasibility study.



FIGURE 3: GAS PIPELINE NETWORK IN SPAIN AND PROXIMAL LOCATION OF SAN JOSE PROJECT. LOCAL GAS INFRASTRUCTURE WAS INSTALLED IN 2008

Infrastructure Efficiencies

A high pressure, natural gas pipeline which connects Caceres to the national gas network is situated within 1000m of the San Jose project (Figure 2). This represents a significant potential power advantage for the project and has the potential to significantly change input operating costs for a calcining route (as used in the sulphate process route identified by Tolsa). Access to reticulated natural gas enhances the economics of the project greatly when compared to more remote lithium projects. An initial program of testwork is currently being completed for the sulphate flowsheet using information from the previous Tolsa work. Results of this program will be released when complete.

Mineralogy Results

Plymouth commissioned petrology on samples from San Jose to determine liberation size and the mineral assemblages present. The mineralised samples are predominately made up of quartz, white micas and tourmaline in a roughly 1:1:1 ratio. The quartz grains are significantly larger than the tourmaline and mica. This confirms the ability to beneficiate the ore easily by removing the quartz. This is consistent with work completed by Tolsa which demonstrated a 35% reduction in mass for a 1% loss of lithium through gravity separation. A testwork program has been put together to test gravity separation and flotation processes as part of the next steps.

Beneficiation increases process plant feed grades which usually result in increased recoveries and also the decrease in tonnes treated within the process plant, it is anticipated that there would be a proportional and substantial decrease in reagents and handling costs.

Plymouth is pleased that it is working with strong and well-respected industry partners in Spain who share our belief in the San Jose project's future. Plymouth's partner at San Jose is Valoriza Minería SL, a wholly owned subsidiary of + A\$ billion market capitalisation Spanish group Sacyr. Senior management of Valorza Minería visited site during January (Figure 2), as part of the ongoing close relationship between the parties. Additionally, the award of the public tender by the regional government (Extremadura Government) to investigate and, if feasible, redevelop San Jose has resulted in a close relationship with relevant government authorities.

Plymouth and Valoriza Minería are actively working towards lodgement of a mining application to the Department in the second half of 2017.

Banio Potash Project Gabon (Plymouth 100%)

Banio is a globally significant potash project with historical drilling and seismic supporting a world-class JORC Exploration Target. Plymouth has embarked upon a programme designed to confirm this potential. Drilling equipment and camp infrastructure was successfully mobilised and constructed in the quarter with updates on mobilisation were released on 24th January and drilling commenced on the 20th of March (Figure 4).



FIGURE 4: MAIDEN DRILLHOLE BA001.

Drillhole BA001 intersected pink salt minerals interpreted to be carnallite mineralisation. Assays are pending. The drill rig has moved closer to historical drill hole BATC-1 which intersected sylvinite and carnallite potash mineralisation within the Alpha Target (Figure 5)

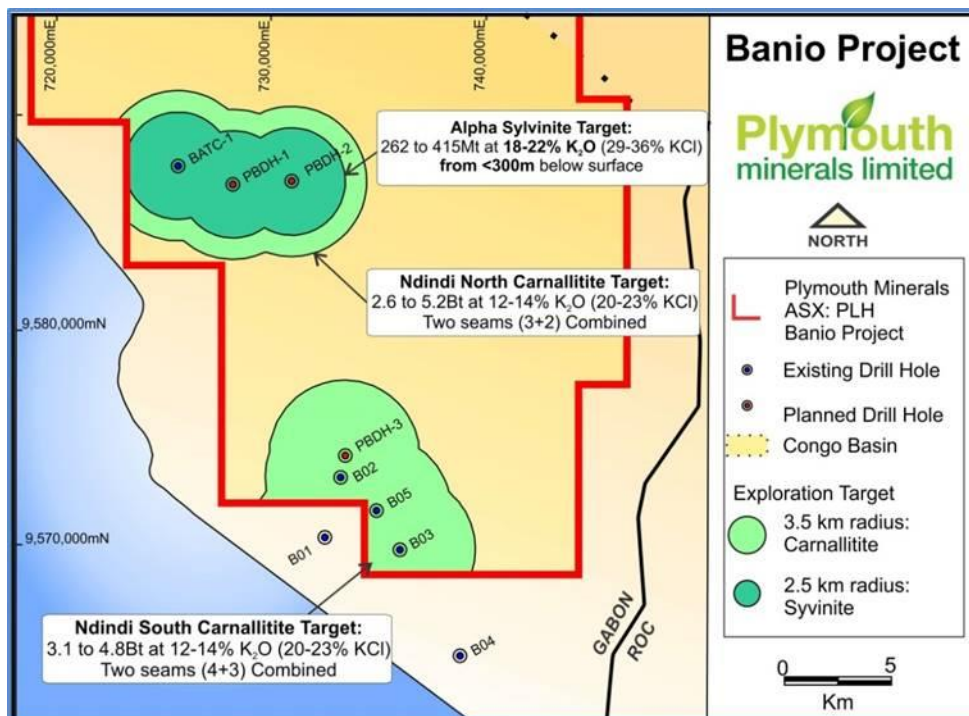


FIGURE 5: ALPHA TARGET LOCATION WITHIN BANIO PROJECT TENURE

The Alpha Target is anticipated to include Sylvinite mineralisation and has two drill holes planned to test the Exploration Target (JORC) of 262 to 415Mt at 18-22% K_2O from a depth of 290m below surface. This is contained within a global Exploration Target (JORC) of 6-10 billion tonnes (Bt) of potash mineralisation (see full details in ASX release dated 24 November 2016).

Drill Targets: The Exploration Targets are in two zones and cover a combined area of 126km² within a larger area multiple times that size that is also prospective for potash mineralisation. The primary drill site is testing Alpha, the shallow, high-grade, sylvinitic, Exploration Target of 262-415 Million tonnes at 18-22% K₂O (28-34% KCl) from 290m below surface. Carnallite mineralisation will also be drilled in the programme.

Consultants to Plymouth have estimated a total combined Exploration Target for Banio of between 6-10.4Bt grading between 12-14% K₂O (19-22% KCl) of potash mineralisation. This would represent a world class deposit in terms of size, depth and location if exploration is successful.

Disclaimer: The potential quantity and grade of the Banio Exploration Target is conceptual in nature. There has been insufficient exploration completed to date to estimate a Mineral Resource in accordance with the JORC 2012 Edition Guidelines. It is uncertain if further exploration will result in the delineation of a Mineral Resource.

Banio is located on the southern coast of Gabon and its +1,200km² tenure contains the domestic port of Mayumba. This logistical benefit provides a significant economic advantage to potash project exploration and development in Africa. This sets Banio apart from many other potash projects around the globe

Other Projects

No field work was completed on the Morille Tungsten-Tin Project in Spain (Plymouth 80%) due to weak prevailing tungsten prices. The access agreement was renegotiated with the vendors of Morille. Plymouth was successful in securing a reduced annual commitment. The Company is confident that value will be unlocked in the Morille Project at some future point and continues to hold the asset for minimal costs.

Tungsten prices have recovered slightly in the Quarter, from ~US\$190 to ~US\$205/mtu but this is still below a price deemed economic for potential development.

No work was completed on the Mamana Potash Project in Gabon (Plymouth 100%) as permits are still in application. Work is expected to commence on the high-grade, extensively drilled Mamana Project upon granting.

Corporate

Plymouth believes that San Jose Lithium Project and the Banio Potash Project have the potential, based on current data, to become world-class mineral projects given size, location, grade and access to markets. This continues to drive Company strategy in relation to the most suitable structure to provide shareholder value.

During the Quarter, Plymouth announced an investment by London AIM-listed resource company Reabold Resources plc (Reabold) into Tonsley Mining Pty Ltd (Tonsley) and the San Jose lithium Project. Tonsley is a wholly owned subsidiary company of Plymouth. Tonsley holds all rights to Plymouth's Spanish assets. Reabold has purchased approximately 2% of Tonsley and Plymouth and Reabold are in discussions for Reabold to potentially increase this stake. Plymouth welcomes the investment by Reabold and is working closely with management to deliver Plymouth shareholders increased London AIM exposure.

During the Quarter the Company announced Director Mr Hale exercised 110,000 options to acquire fully paid ordinary shares.

Subsequent to the Quarter, the Company advises that the voluntary escrow applicable to 25,000,000 ordinary shares (Consideration Shares) will be lifted on 28 April 2017. The shares were issued to the vendors of Equatorial Potash as consideration for the acquisition of the Gabon potash projects. The Consideration Shares were subject to voluntary escrow for 12 months from the date of issue.

Plymouth retains a good cash position of approximately \$5.3 million (31 March 2017) and is focussed on delivering technical advancements to its projects which unlock further value.

For more information, visit www.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). 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. A feasibility study completed in 1991 defined an open pit mining operation and a process flow sheet which produced lithium carbonate through acid-leach processing. This historical drilling, mining and processing study work highlights the differences with San Jose and many other hard rock style lithium deposits and highlights the advantages enjoyed by San Jose.

About Plymouth Minerals' Potash Projects

Plymouth owns 100% of the Banio and Mamana Potash Projects, which are drill proven, high-grade, shallow potash deposits that are favourably located on the coast of Gabon and on major transport river ways (barge) with direct access to export ports. Banio has a multi-billion tonne Exploration Target of carnallite and sylvanite based on historical seismic and drilling data.

Competent Persons Statement

The information in this report that relates to Exploration Results, 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.

Disclaimer

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.

Tenement Schedule in accordance with Listing Rule 5.3.3

as at the end of the March quarter:

Tungsten Projects, Spain

Morille Project Permits (100% owned by Morille Mining S.L.) of which Plymouth has an 80% beneficial interest.

- P.I. Tin 9, nº 6.250-21
- P.I. Estaño de Salamanca Fracción Segunda 2, nº 6.250-30
- P.I. Morille, nº 6.634-20
- P.I. Rozados, nº 6.634-30
- P.I. Areasrozados, nº 6.634-40

Lithium Project Spain

Plymouth is earning an interest in the San Jose Lithium Project (Application) from Valoriza Minería San Jose tenement

Valdeflópez: 10343-00

Ampliación a Valdeflópez: 10359-00

Potash Projects, Gabon

Plymouth, through its 100% owned subsidiary Mayumba Potasse SARL, owns a 100% interest in two tenements (granted and application).

Tenements:

Banio - Exploration License No 161 (granted)

Mamana – Application Number DGPEM No 651 (application)