

Quarterly Activities Report

for the period ending 31st December 2014

ASX via e-lodgement:
28 January 2015

Highlights

- Completion of the acquisition of 80% interest in Morille
- Placement at 6.0cps under 15% capacity
- Soil and rock chip exploration work ongoing
- Reduction in administration and expenses
- Option issue

In the three months to the end of December 2014, Plymouth Minerals Limited (“Plymouth”, “the Company”) completed the acquisition (final payment) of its 80% interest in the Morille Tungsten Project, continued to advance its understanding and deliver initial results from low-cost surface exploration and undertake ongoing studies in relation to tailings re-treatment.

Management values the Morille Project as it offers a low risk opportunity for an exploration company to transition into a tungsten producer. This belief is based on historical information and Plymouth’s exploration success to date.

The desirability of Spain as a mining investment location has been supported by a recent public announcement that Macquarie Capital has signed a collaboration agreement with a very large Spanish construction company (Sacyr Vallehermoso, S.A) to evaluate and finance mining projects in the country.

A nearby tungsten project (Burruecopardo) owned and operated by Ormonde Mining Plc received its mining concession (mining permit) in the December 2014 quarter. This is after completion of a Feasibility Study in 2012. Ormonde will now be seeking finance to commence construction. Upon Ormonde going into production, Morille would then be in a region with multiple operating tungsten mines within a 75km radius and serviced by excellent infrastructure.

Amongst the current backdrop of softening commodity prices, industry uncertainty and reduced desire to fund exploration projects, management have implemented cost reduction strategies at all levels of the Company. In order to maintain incentives for staff, Options were issued under the employee share scheme at a significant premium to the last traded share price.

Plymouth Minerals Limited

ASX: PLH

Capital Structure (as at 31 Dec 2014)

Shares
36,698,332

Listed Options;
10,716,667 exercise at 25c exp 6/15

Unlisted Options;
3,250,000 exercise at 14c exp 10/17
1,000,000 exercise at 20c exp 3/17

Cash \$0.69m

Board of Directors

Charles Schaus
Non Exec Chairman

Adrian Byass
Managing Director

Humphrey Hale
Steve Brockhurst
Non Exec Director

Rob Orr
Company Secretary

Contact:

www.plymouthminerals.com

Adrian Byass
Managing Director
Plymouth Minerals Ltd.
E: abyass@plymouthminerals.com

Morille

The Company strategy for Morille is to convert the exploration target to JORC resources. In order to achieve this goal the Company will need to conduct additional drilling and field work. The access to sufficient funding to implement this programme is currently not available to the company at present and in lieu of drilling and potentially defining a JORC resource, additional low level field work is ongoing. The programme involves rock chip, soil sampling, mapping and trenching to define additional drill targets and enhance the prospectivity of Morille.

Additional work has been conducted on the tailings located on site. The tailings are considered to have the potential to return a positive cash flow for a small capital outlay. There remains a significant amount of tailings from historical 1970's and 1980's operations within the Project area. To put these tailings into production Plymouth would be required to undergo access / permit processes prior to development. These are being investigated by Plymouth.

The Company continues to investigate complimentary Corporate strategies such as this (tailings treatment) as well as other value accretive project opportunities in the specialty and precious metal sector. The Company is constantly assessing opportunities and will pursue any avenue that may compliment Plymouth's business.

Rock chip, trenching and soil/stream sampling was initiated in the December Quarter and initial observations released in December (ASX 10 December 2014). This work is ongoing and the last samples for the first pass work were submitted for analysis on 23 January 2015. Results will be tabulated when received and released collectively.

Corporate

During the Quarter, Plymouth issued shares under its 15% capacity to settle the final instalment of the Morille acquisition and to bolster working capital. The final share based payment was negotiated in 2013 as part of the acquisition of an 80% stake of Morille from Aurum Mining Plc and the issue of shares to sophisticated investors improves the companies working capital position and allows prudent, low cost exploration work to continue.

As noted previously the company is prudently managing its cash balance and has further reduced its low cash burn. To continue to retain the few key staff within the company at the same time, reduce salary to all people within the Company, incentive options have been issued.

Additional options were issued to replace those which lapsed in March 2014 for the Board. These were proposed in mid-2014 but were not accepted at the time by the Board. With a reduction in salary and a sufficiently high exercise price, these options have been accepted to replace 6,000,000 incentive options which lapsed in March 2014. These employee and Board options issues were ratified at the AGM in November 2014.

In 2014 a total of 6,000,000 unlisted employee and management options lapsed and were replaced by 4,250,000 new employee and management options.

As noted in the September Quarterly report, the price of tungsten (as measured as APT) fell from +USD400/mtu in late 2013 to sub USD300/mtu at the time of writing. World tungsten prices appear to now be stabilising around USD290-300/mtu. Numerous industry analysts and participants forecast tungsten prices to rise in the medium term. The current short term weakness in tungsten has been unexpected.

Whilst this weakness in commodity prices is seen in numerous other metals and the resources sector, Plymouth believes that the Morille Project retains value and is worthy of continued, prudent exploration activity in this environment. The project expenditure is sufficient from the 2014 field season such that tenements are in good standing for at least 2015. Expenditure in Spain is in Euros and the Australian dollar has appreciated against the Euro during the past 3 months, with 1 AUD buying 0.71 Euro at time of release versus a low of 0.65 in December.

As part of the broader Corporate strategy, Plymouth is assessing other tungsten and precious metals opportunities in the Iberian Peninsula. The Company will utilise its team in Salamanca to assist in this work.

For further information contact;

Adrian Byass
Managing Director
Plymouth Minerals Limited
abyass@plymouthminerals.com

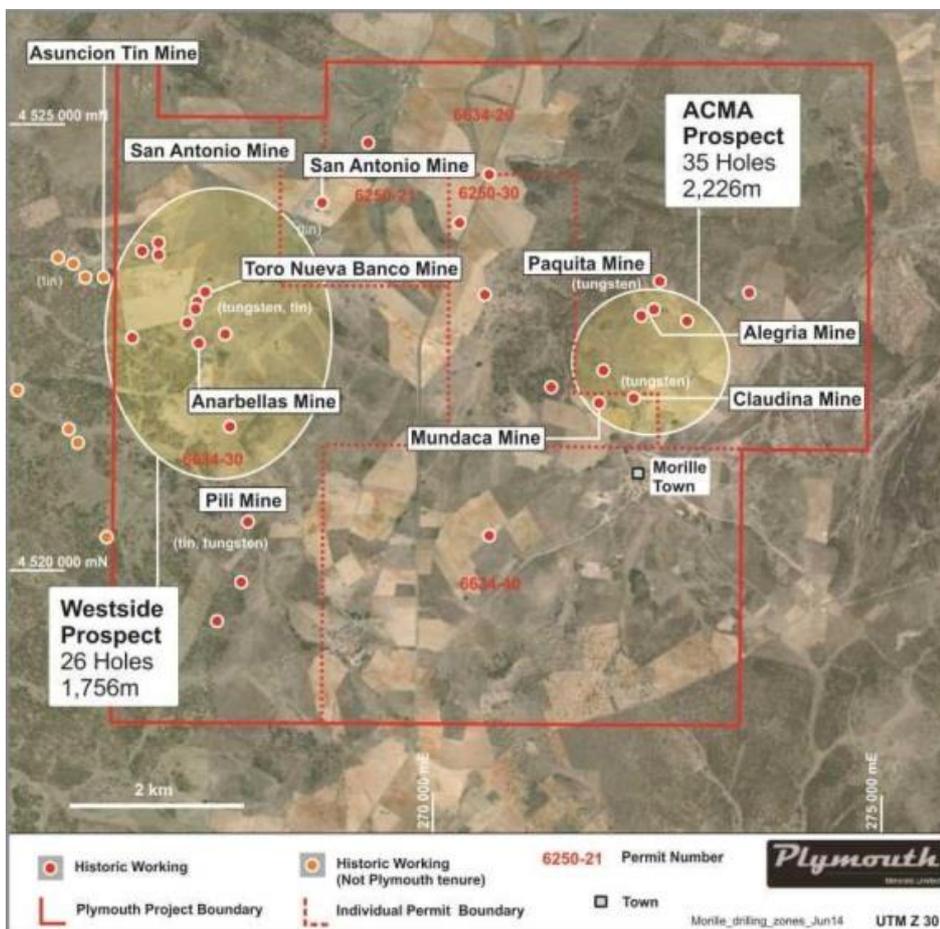
Competent Person Statement: The information in this report related to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr A Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG an employee of Plymouth Minerals Limited. Mr Byass has sufficient experience relevant to the 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 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 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.

About the Morille Project

The Morille Project is an attractive brownfields exploration and development opportunity in a major tungsten and tin producing region. Extensive, small scale, unconsolidated mining activity by uncoordinated private groups in the 1970's and 1980's was stopped abruptly in the mid 1980's due to falling commodity prices. The recent (post 2009) consolidation of the Morille Project into a contiguous tenement package is a significant advancement for efficient exploration and potential development. The Morille Project now covers an area in excess of 57km² within which over 20 separate small underground and open pit mining operations and 2 separate processing facilities operated historically, delivered high quality (high grade and low impurity) tungsten concentrate to domestic and international consumers and were never coherently optimised and mined.

Plymouth acquired an 80% interest in the Morille Project through the purchase of a 100% interest in Spanish companies: Castilla Mining S.L., which in turn owns 80% of Morille Mining S.L. The Morille Project consists of 5 tenements covering 57km² which are 100% owned by Morille Mining S.L. Going forward, the Company looks forward to working with the Projects 20% holder, Aurum Mining PLC, which enjoys a 'free carry interest' until a Decision To Mine stage is reached, upon which they can elect to contribute pro rata to the development of the Project or dilute to a 0.5% NSR.



Tenement Schedule

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. Estano 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