

# Quarterly Activities Report

## for the period ending 30<sup>th</sup> September 2014

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ASX via e-lodgement:  
31 October 2014

During the Quarter, Plymouth has reviewed the results of the maiden Morille drilling campaign (final assays were released 18<sup>th</sup> June) and planned future work designed to bring the highly encouraging first-pass drilling results into a JORC resource category.

Plymouth believes that the Morille Project offers an excellent opportunity for a junior resource company to transition to producer based on recent exploration success which compliments the brownfields nature of a past producing area.

The next key stage is to convert the Morille exploration target to JORC resources. This will require additional drilling and field work. Whilst further work is required and this development pathway is uncertain, the Company believes it is worth pursuing. A comprehensive plan showing the next stages to progress Morille was released on the 18<sup>th</sup> September. The high-grade and shallow nature of drilling results at the Westside Prospect is significant and highly advantageous to Plymouth in this environment.

Plymouth believes there are good prospects for the conversion of exploration results into shallow JORC resources. The location and opportunities for conversion are illustrated in Figure 1.

This drill planning has been designed against a back drop of generally softening commodity prices, this has been felt in the tungsten and tin prices. Plymouth has therefore elected not to pursue an extensive drill campaign at this point in time and is prudently managing its cash balance. Plymouth is mindful of maintaining a low cash burn. The final drilling and assay expenses from the inaugural Morille drill programme were met during the September Quarter and thus the current requirements on the Company's cash reserves will be minimal.

### Plymouth Minerals Limited

**ASX: PLH**

#### Capital Structure (as at 30 September 2014)

32,150,000 shares

10,716,667 options 25c (listed)

1,000,000 options 20c (unlisted)

Cash \$0.73m

#### Board of Directors

Charles Schaus  
Non Exec Chairman

Adrian Byass  
Managing Director

Humphrey Hale  
Steve Brockhurst  
Non Exec Director

Rob Orr  
Company Secretary

#### Contact:

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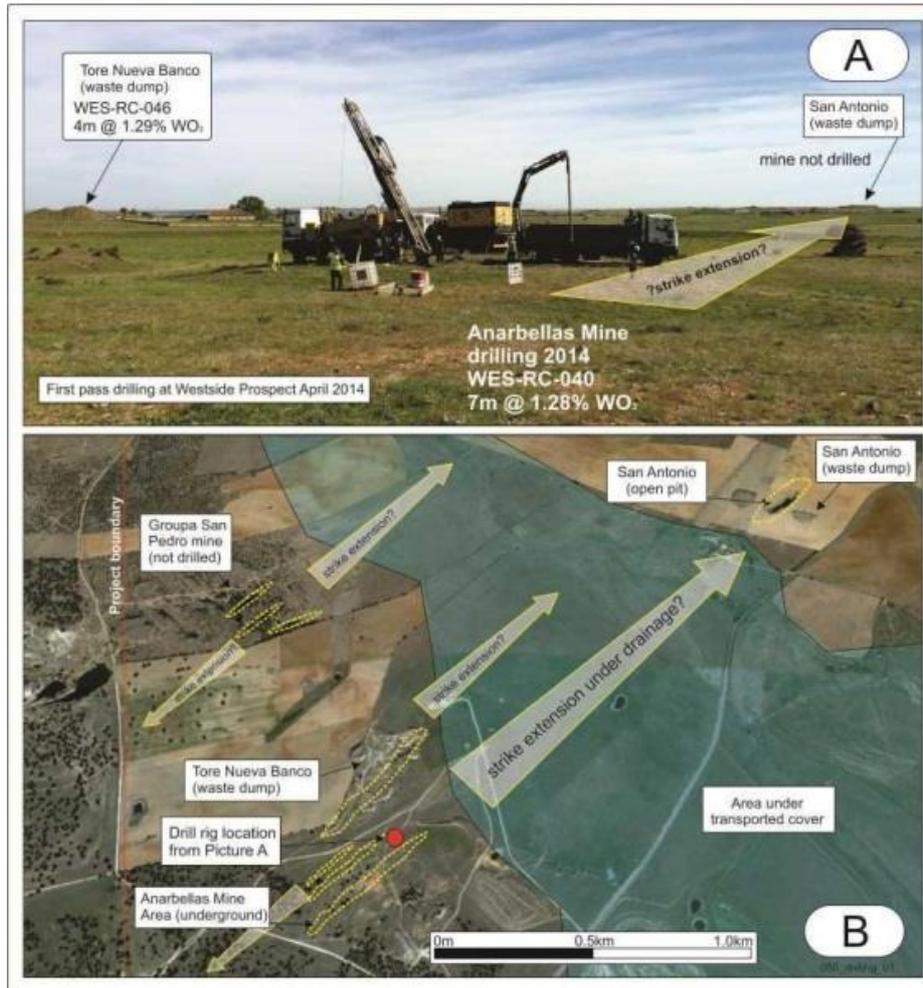


Figure 1: Drill targets at Westside Prospect.

The Westside Prospect, which was previously undrilled in any form prior to Plymouth’s exploration, returned several very high grade results including;

- **4m @ 1.29% WO<sub>3</sub>** from 61m and **4m @ 0.31% WO<sub>3</sub>** from 68m (WES-RC-046)
  - **2m @ 0.30% WO<sub>3</sub>** from 18m (WES-RC0-045)
  - **7m @ 1.28% WO<sub>3</sub>** from 67m (WES-RC-040)
- (full results tabulated June 18<sup>th</sup> 2014 ASX release)*

Significantly, all of these drill holes were inclined (-60 degrees) and the true vertical depths of intercepts were all within 50m of the surface.

Additional work has been conducted on the tailings located on site that have potential to return a cash flow for very small capital outlay. There remains a significant amount of tailings from historical 1970’s and 1980’s operations within the Project area. Access / permit processes must be undertaken prior but are being investigated by Plymouth. Some of the extensive tailings are visible in the background of the deconstructed treatment facility (Figure 2) at ACMA and there are also a larger amount of additional tailings at Westside. Some testwork has been conducted on tailings from Morille (Figure 3).



Figure 2: Historic processing facilities with tailings some dumps visible in the background.



Figure 3: Separating a tungsten (scheelite) stream from Morille tailings using a shaker table.

Plymouth is investigating complimentary strategies such as this (tailings treatment) as well as other value accretive project opportunities in the specialty metal sector. The Company is constantly assessing opportunities and will pursue any which compliment Plymouth’s business.

The Board is mindful of the current economic backdrop in which Plymouth is operating and whilst the previous 12 months since acquisition of Morille (Figure 4) have not been positive in commodity pricing, there is still a strong medium term outlook for these metals based on market commentary (Figure 5).

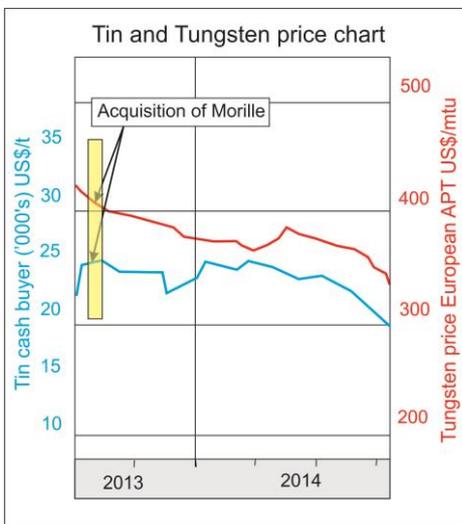


Figure 4: 12 month tin and tungsten price

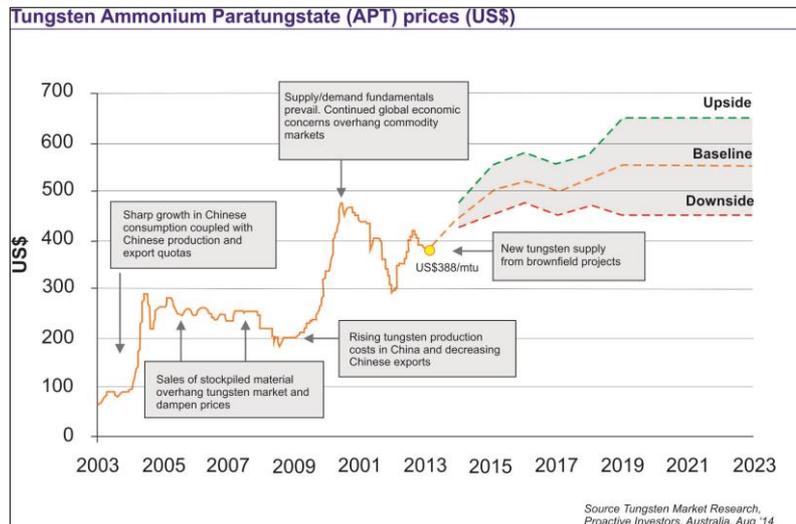


Figure 5: Historic tungsten (APT) price performance and projections (August 2014)

For further information contact;

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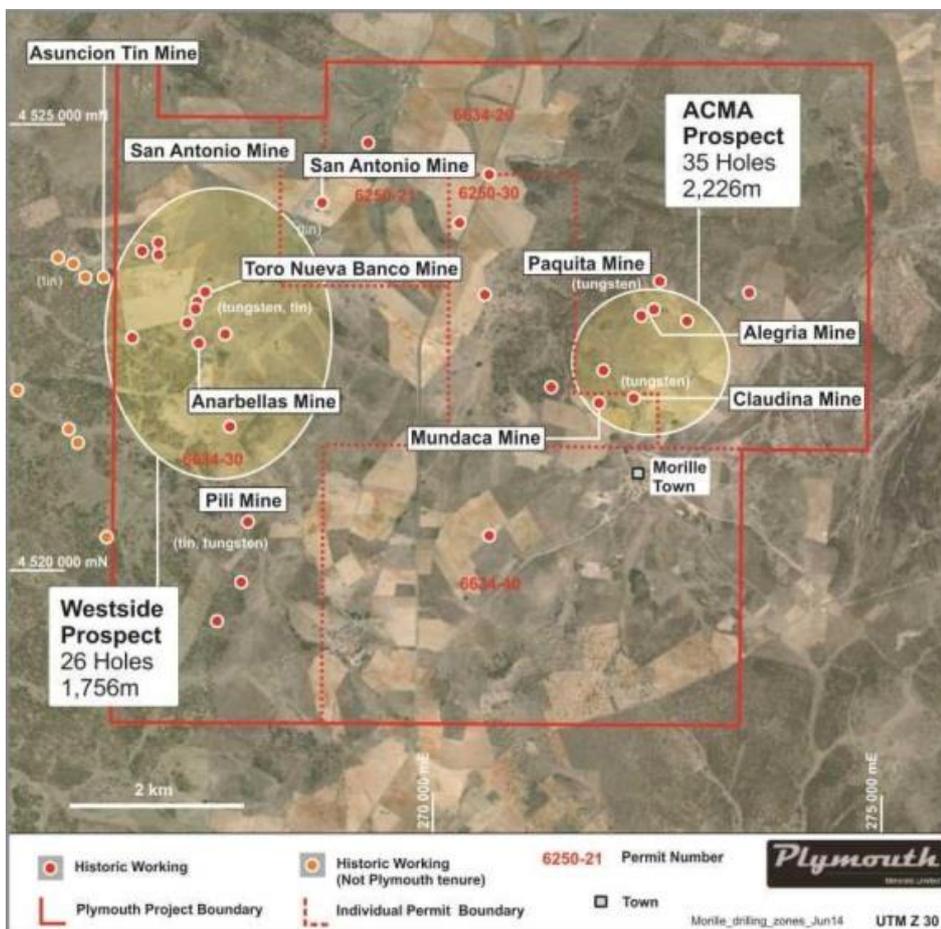
*Competent Person Statement: The information in this report related to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr A Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG an employee of Plymouth Minerals Limited. Mr Byass has sufficient experience relevant to the 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 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 57km<sup>2</sup> 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 57km<sup>2</sup> 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.



## Appendix 5B

### *Mining exploration entity quarterly report*

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

PLYMOUTH MINERALS LTD

ABN

52 147 413 956

Quarter ended ("current quarter")

30 September 2014

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(175)	(175)
(b) development	-	-
(c) production	-	-
(d) administration	(258)	(258)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – exploration bond	-	-
<b>Net Operating Cash Flows</b>	<b>(427)</b>	<b>(427)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – payments for acquisition of subsidiary, net of cash acquired	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(427)</b>	<b>(427)</b>

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(427)	(427)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – bank deposit	-	-
1.20	Other – costs of share issues	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	(427)	(427)
1.20	Cash at beginning of quarter/year to date	1,161	1,161
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	734	734

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	77
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 includes director's fees, salaries for executive and non-executive directors.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

## Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	200
<b>Total</b>	250

## Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	734	461
5.2 Deposits at call	-	700
5.3 Bank overdraft	-	-
5.4 Other – proceeds for intended issue of securities	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	734	1,161

## Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

+ See chapter 19 for defined terms.

### Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	32,150,000	32,150,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	10,716,667 1,000,000	10,716,667	<i>Exercise price</i> 25 cents 20 cents	<i>Expiry date</i> 30 June 2015 15 March 2017
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

### ***Compliance statement***

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

*Rob Orr*

Sign here: Robert Orr  
(Company Secretary)

Date: 31 October 2014

### ***Notes***

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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