



ASX/Media Announcement

Perth: 1 February 2016

Exclusive Agreement with Global Lithium Focused Lepidico Ltd

Initiating its entry into the lithium sector, Platypus and Lepidico Ltd ("Lepidico") have entered into a 1 month Exclusivity Agreement to allow the parties to complete mutual due diligence for the purpose of investigating whether or not an agreement for the acquisition by Platypus of Lepidico or its assets can be agreed ("Agreement").

Lepidico is a lithium exploration company and holds an application for an Exploration Licence (ELA 5234) over the Euriowie Prospect near Broken Hill (NSW) where historical workings contain lithium bearing micas and elevated levels of lithium in rock chip samples.

Lepidico is actively pursuing global lithium project acquisitions and Joint Venture opportunities and is currently in advanced discussions with a number of parties to secure additional projects.

Lepidico is also the 100% owner and licensor of the L-Max technology, a proprietary metallurgical process that has the potential to commercially extract lithium and other by-products from unconventional sources at a competitive cost.

The L-Max technology delivers a potential opportunity to create a third supply source of lithium, namely the largely overlooked lithium-bearing micas such as lepidolite and zinnwaldite.

Lepidico's Executive Chairman Gary Johnson is an experienced metallurgist and the principal of Strategic Metallurgy Pty Ltd, which specialises in providing metallurgical and strategic consulting to various mining companies, including Sirius Resources on the Nova Deposit, with which Strategic Metallurgy has been involved since analysis of the initial drill core.

Platypus continues to focus on its current projects at the Pearl Bar-Gobbos area and pursue additional lithium opportunities in its own regard, including in the hard-rock and lake brine sectors.

The Board of Platypus Minerals Ltd (ASX:PLP) ("Platypus" or the "Company") is pleased to announce it has signed an exclusive 1 month Exclusivity Agreement with Lepidico to allow the parties to complete mutual due diligence enquiries for the purpose of investigating whether or not an agreement can be reached on the terms for the acquisition by Platypus of Lepidico or its assets, including the negotiation of a formal agreement in that regard.

Under the Agreement, for a period of 1 month, Lepidico must not solicit, invite, encourage or initiate any inquiry, expression of interest, offer, proposal or discussion with any third party in relation to or in respect of any sale of Lepidico or its assets.

Lepidico is a public unlisted lithium exploration company and through its wholly owned subsidiary Mica Exploration Areas Pty Ltd, holds an application for an Exploration Licence (ELA 5234) over the Euriowie Prospect near Broken Hill, NSW. Lepidico is also actively pursuing other lithium project acquisitions and joint venture opportunities and is currently in advanced discussions with a number of parties to secure

additional projects rich in lithium micas. Lepidico will keep Platypus updated on the progress of these discussions over the coming weeks.

Historical exploration at Euriowie targeted tin mineralisation within a pegmatite, which outcropped over a length of 1,400 metres and ranged between 1 m to 8 m in thickness. These historical workings reportedly contained visible lithium-bearing micas and elevated levels of lithium in rock chip samples.

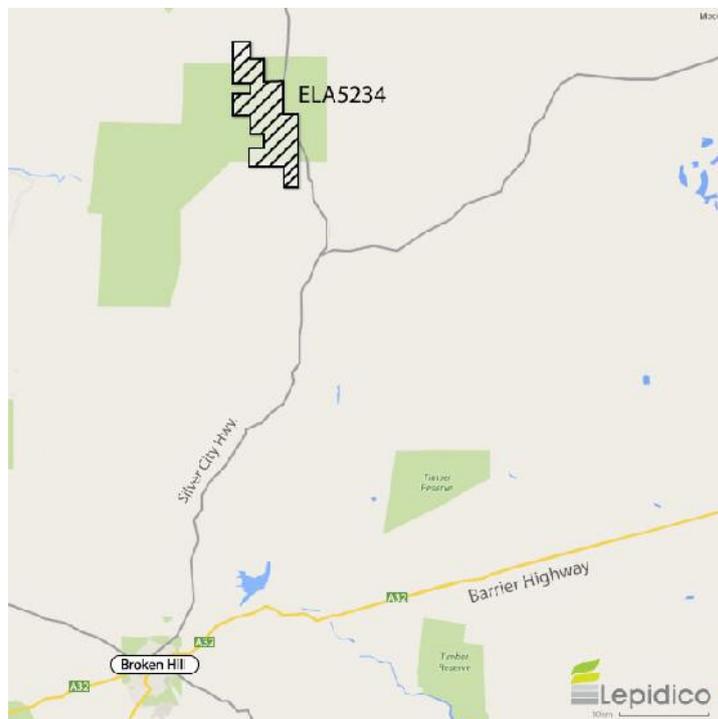


Figure 1. Location of application ELA5234 near Broken Hill, NSW.
Scale bar is 10 km.

Currently, the majority of the world's lithium is produced from either lithium-rich lake brines or the mineral spodumene, sourced from pegmatites. The L-Max process is a disruptive technology that delivers an opportunity to create a third supply source of lithium, namely lithium bearing micas such as lepidolite and zinnwaldite. Although there are a number of known deposits of lithium bearing micas around the world, these materials have typically been overlooked as a source of lithium as there has been no commercial process available to economically extract the contained lithium to produce lithium carbonate or lithium hydroxide that is suitable for end users.

As part of its exploration activity, Lepidico has commissioned and received several geological reports to assist in the identification of deposits that have the potential to host commercial quantities of lithium bearing micas and associated lithium minerals.

With the use of its L-Max technology, Lepidico is seeking to unlock the potential value of such overlooked lithium mica deposits. In this context, Lepidico is actively pursuing value-add opportunities through the application of the L-Max process, including:

- **Brownfields Projects:** There are existing mining projects around the world that currently have lithium bearing micas which are not recovered, but instead remain un-mined, and / or end up in waste dumps or tailings dams. Lithium bearing micas can be effectively concentrated by flotation, which would allow the L-Max process to be utilised to produce lithium products (and other by-products) from a source that has previously been deemed to be of no value. Given

these are existing projects, applying L-Max would provide an opportunity for early cashflow without the risk and cost associated with exploration and resource delineation, on sites with often well-established infrastructure and permitting processes.

- **Greenfields Projects:** There has been limited exploration to date specifically to identify deposits of lithium bearing micas. These micas typically occur in pegmatites (coarse-grained rocks occurring as veins related to granites), often in association with other lithium, tin or tantalum bearing minerals.

Lepidico has adopted a strategy to deliver value to shareholders by:

- **Project Acquisitions:** the acquisition and development of lithium projects with the aim of Lepidico becoming a lithium producer in its own right;
- **L-Max Technology Licensing:** Lepidico can license its L-Max technology and earn downstream royalties from its use. Lepidico, as the owner and licensor of the L-Max process, has already secured one such licensee, Lithium Australia Ltd (ASX:LIT);
- **Technological Development:** The ongoing commercialisation of L-Max and broadening of its scope to allow the production of additional by-products contained within lithium bearing micas and associated ores.

About Platypus Minerals Ltd

Platypus Minerals Ltd (ASX:PLP) is a Perth-based company that is dedicated to the exploration and development of mineral projects prospective for copper, gold and other strategic metals in both Australia and overseas in stable jurisdictions. The focus is on projects that exhibit proven mineralisation, are under-explored, and have the potential to generate large economic deposits and to deliver returns to shareholders.

In late 2015 Platypus announced its intention to focus on its current assets in the Pearl Bar-Gobbos area whilst also initiating an entry into the lithium sector, and since then has been seeking and screening potential lithium opportunities globally.

For further information, please contact

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The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovcic, who is an employee of the Company and a member of the Australian Institute of Geoscientists and who has sufficient experience relevant to the styles of mineralisation and the types of deposit under consideration, and to the activity that has been undertaken, to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Dukovcic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.
