



ASX: PLP

ASX/Media Announcement

Perth: 26 March 2015

NEW AGREEMENT FOR CHANAPE

Platypus Minerals Ltd ("Platypus" or "Company")

Perth-based explorer Platypus Minerals (ASX:PLP) has successfully negotiated revised terms for its project at Chanape in the San Mateo mining district in Peru.

The revised terms reduce the overall ongoing funding obligations on PLP and thus provide a sound platform to enable important exploration on this exciting project to proceed. The independent directors of Platypus appreciate the co-operation of the Chanape vendors in achieving this new position.

Under the new Heads of Agreement, dated 24 March 2015 ("HOA"), Platypus, through its wholly owned subsidiary Platypus Resources Ltd ("PRL"), can earn a 70% interest in 13 concessions (Figure 1) comprising the Central Project and completely encircling the Chanape Cu-Au porphyry discovery currently being explored by Inca Minerals Ltd (ASX:ICG).

Chanape is highly prospective and is described as a completely preserved porphyry system mineralised over a 1.3 km vertical extent, open in all directions and includes near surface epithermal-style gold mineralisation (108 m @ 2.0 g/t Au), mesothermal copper (55 m @ 2.3% Cu) and deeper porphyry copper mineralisation (284 m @ 0.32% Cu)¹.

The new agreement allows Platypus to concentrate its focus on the most prospective ground immediately adjacent to Inca's exciting Chanape project.

"It is clear that the Inca Chanape mineralisation spills over into our tenements in essentially every direction, but specifically along strike to the northeast and southwest as well as eastwards where we have a cluster of breccia pipes coincident with a distinct IP anomaly – a setting identical to Chanape and only 500 m away. We're really looking forward to drilling this one. It's a big system," said Platypus Managing Director Tom Dukovic.

Under the previous agreement, Platypus was due to make payments totalling approximately A\$740,000 by 31 March 2015, comprising a contribution to Minera Chanape SAC ("MC"), the registered holder of the ground, of funds for exploration and vendor payments to the MC vendor shareholders ("Vending Shareholders"). Although Platypus raised \$748,000 through its recent rights issue, this amount fell short of the target \$1.6 million resulting in Platypus not being able to meet these commitments.

Consequently, Platypus, MC and the Vending Shareholders worked towards structuring a new agreement acceptable to all parties but which critically, from Platypus's perspective, enabled Platypus to prioritise funds towards exploration. As a compromise, Platypus agreed to relinquish existing rights over two concessions to the east and northeast, including the Shullac area. However, Platypus retains rights of first refusal over this ground for a period of 24 months and, together with its 100% owned 200 sq km San Damien project, is still the largest landholder in the Chanape region (Figure 2).

1. Inca Minerals ASX announcement of 18 June 2014

Key Terms of new Heads of Agreement over the Central Project:

- At commencement, in consideration of Platypus shares issued to the Vending Shareholders under the previous agreement, PRL will be deemed to have earned 15% in the issued capital of MC.
- PRL can earn up to a further 55%, for a total of 70% in the issued capital of MC by
 - providing exploration funding of US\$3 million over three years, of which a minimum of US\$250,000 is to be spent by 30 September 2015 and a further US\$250,000 by 31 March 2016; and
 - making payments to the Vending Shareholders totalling A\$1.7 million over four years, commencing at a rate of A\$20,000 per month for the first 12 months.
- Once PRL earns its 70% interest the Vending Shareholders and PRL will form a joint venture, under which
 - the Vending Shareholders will be carried through to completion of a bankable feasibility study ("BFS") that is to be solely funded by PRL;
 - the cost of the BFS to be recouped by PRL from the first 50% of free cashflow from production; and
 - PRL and the Vending Shareholders to have a mutual first right of refusal over each others' respective shareholdings in MC.
- In the event that PRL defaults in its obligations or wishes to withdraw then the agreement will be mutually rescinded and PRL's interest in MC would be forfeited and distributed pro rata to the Vending Shareholders.

Consequent on successfully negotiating a more favourable agreement, Platypus Chairman, Rick Crabb, and the Managing Director will be embarking on a promotional roadshow to Singaporean investors in early April to broaden awareness and strengthen interest in the Company's exploration activities both in Western Australia as well as Peru.

Echoing a comment from earlier in the year, Mr Dukovic said, *"With the excellent drilling results from Gobbos and the impending fieldwork over our promising tenure in Peru, Platypus is pleased that its strategic focus on exploration for large porphyry-style deposits is beginning to bear fruit. With some justification, we're looking forward to an exceptional year in 2015, and the negotiation of this new agreement is a positive step in that direction."*

- ENDS -

Two figures follow

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The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovic, 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 Dukovic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.

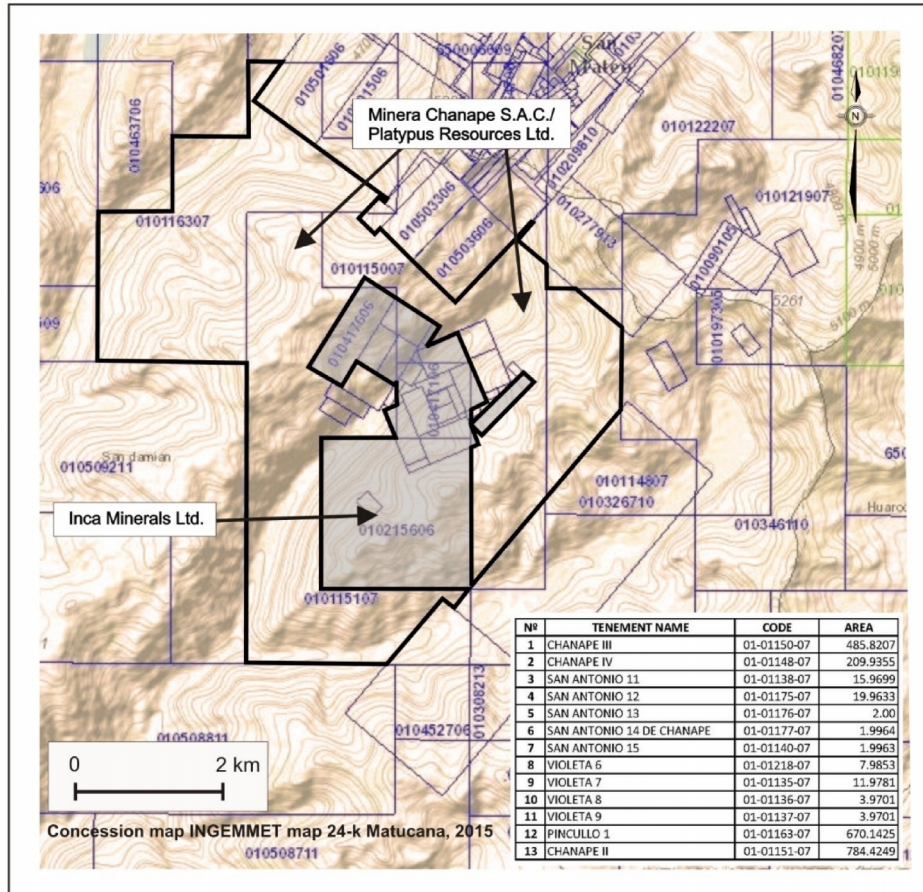


Figure 1. Central Project concessions (heavy outline) surrounding the Inca Minerals Chanape Project (shaded). Note scale bar and relatively small footprint of the Inca tenure.

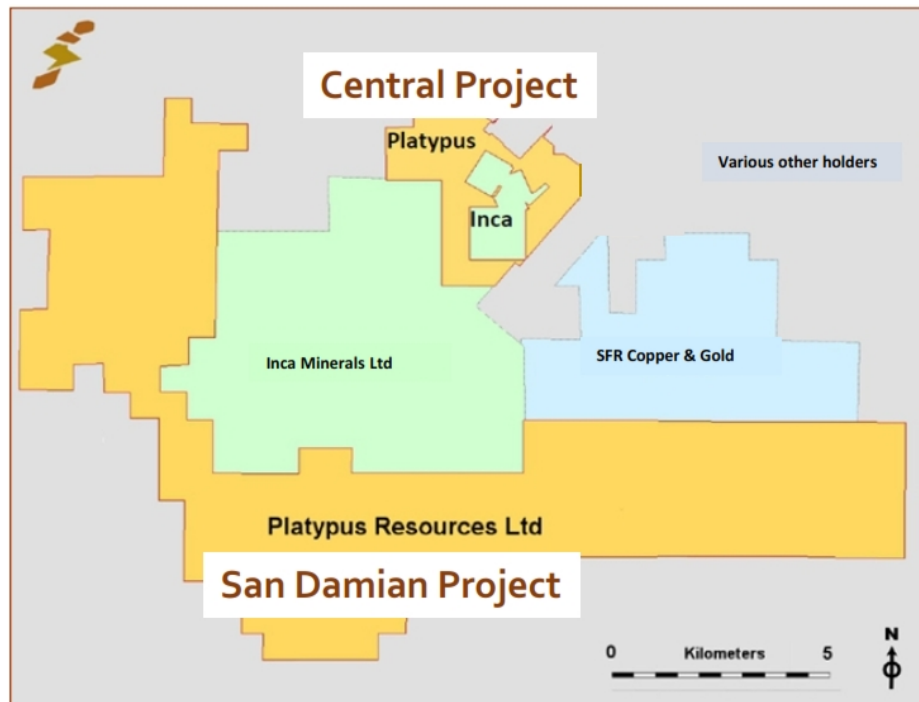


Figure 2. Location of Platypus's Central Project and San Damian Project in relation to other significant holdings in the Chanape area of the San Mateo mining district, situated 100 km east of Lima in Peru.