



**PROJECTS - ARGENTINA**



**PROJECTS - AUSTRALIA**



**ABOUT**

PepinNini Minerals Limited is a diversified ASX listed Exploration Company focused on exploring and developing a lithium brine resource and production project in Salta Province Argentina within the Lithium Triangle of South America. The Company also holds strategically located exploration tenements in the Musgrave Province of South Australia and the Amadeus Basin of Western Australia. The company also holds a copper-gold exploration project in Salta Province, Argentina

**DIRECTORS**

**Rebecca Holland-Kennedy**

Managing Director

**Sarah Clifton-Brown**

Finance Director

**Philip Clifford**

Non-Executive Director

**Robert WeiSun**

Non-Executive Director

**Justin Nelson**

Company Secretary

**CONTACT**

PepinNini Minerals Limited

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**FURTHER INFORMATION**

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ASX RELEASE

31 October 2017

ASX:PNN

## SEPTEMBER 2017 QUARTER ACTIVITIES AND CASH FLOW REPORTS

- ◆ **Argentine Lithium Brine Project** - Drilling on Pocitos Project completed.
- ◆ Geophysical survey completed on Rincon Salar indicating potential brine bearing aquifers
- ◆ Drilling Permits lodged for drilling on Rincon Salar
- ◆ Logistics and roadworks underway for drilling on Salar de Pular, drilling scheduled for November.
- ◆ PepinNini(PNN) hold sixteen mining leases(mina) over 40,184 ha in Salta Province, Argentina considered prospective for lithium brine and located in the Lithium Triangle of South America.
- ◆ **Corporate** - Adelaide office relocation to Level 1, 6/68 North Terrace, Kent Town, SA 5067



Salar de Pular, Salta, Argentina

## Project Locations

### AUSTRALIA



### ARGENTINA



## Salta Province Projects

PepinNini Minerals Ltd(PNN or the Company) has a wholly owned Argentine entity PepinNini SA(PNN SA) which has increased its land holding for the Lithium Project to sixteen mining licences (*mina*) totalling 40,184 hectares in the western part of the Salta Province of NW Argentina including recently acquired, by application over vacant ground, La Maderita, which is located in the north extreme of Salar de Arizaro south of Salar de Incahuasi. The properties are considered prospective for lithium brine aquifers associated with *Salares* (Salt lakes).

Table 1: PepinNini SA Lithium Project Mining Leases (Mina)

Salar	Mina	Area (hectares)*	Work to date and planned
Salar de Pular	Sulfa 1	657	Reconnaissance sampling completed, Geophysics (VES) completed, roadworks underway for planned Drilling November
Salinas Grandes	Luxemburgo	2,495	Planned Geophysics (VES)
Salinas Grandes	Salinita Norte II	2,994	Geophysics (VES) in review
Salinas Grandes	Lidia I	3,228	Geophysics (VES) in review
Salinas Grandes	Lidia II	2,719	Geophysics (VES) in review
Salinas Grandes	Lidia III	3,500	Geophysics (VES) in review
Salinas Grandes	Lidia V	3,022	Planned Geophysics (VES)
Salar de Arizaro	Ariza Sur 1	3,004	Geophysics (VES), planned Drilling
Salar del Rincon	Villanovena 1	1,586	Geophysics(VES) completed, Drilling planned December
Salar Pocitos	Tabapocitos 02	2,970	Drilling completed
Salar Pocitos	Pocitos II	3,000	Drilling completed
Salar de Cauchari	Guayos II	1,610	Drilling to be evaluated
Salar de Cauchari	Guayos III	1,906	Drilling to be evaluated
Salinas Grandes	Salinita VII	2,990	Planned Geophysics (VES)
Centenario	La Filomena	1,503	Geophysics (VES) completed
Salar de Arizaro/Incahuasi	La Maderita	3,000	Planned Geophysics (VES)
<b>Total</b>		<b>40,184</b>	
* 100hectares = 1sqkm			

The projects being developed all occur within the recognised "Lithium Triangle" which covers parts of Argentina, Chile and Bolivia.

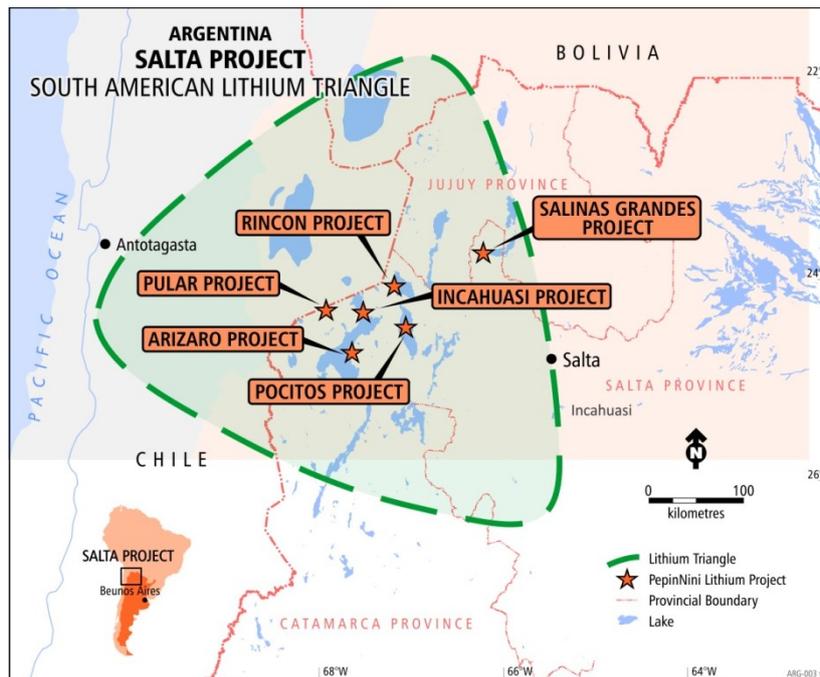


Figure 1 - The Lithium Triangle of South America

The lithium brine minas are situated within six different salar(dried salt lake) environments in the high Puna region of Salta Province, north west Argentina.

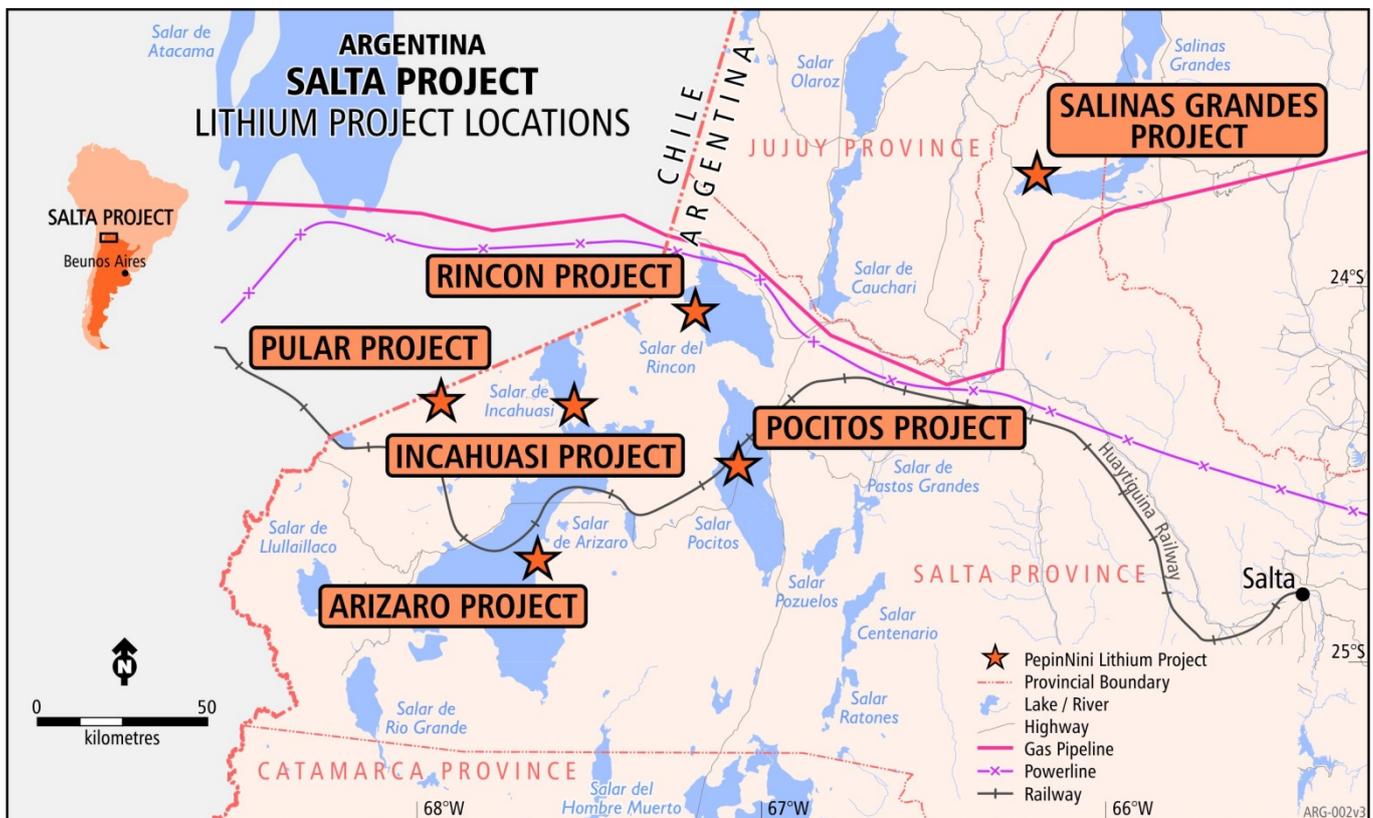


Figure 2 - Lithium Projects - Salta Province, Argentina.

During the quarter drilling was completed on Pocitos Salar with sample results indicating low grade lithium brine. It was decided not to continue to pumping tests on this salar. Drilling logistics planning was undertaken for Salar de Pular where lithium brine was confirmed by surface sampling in September 2016. Additional permitting was required for roadworks needed to gain access for drilling equipment. The additional permits have been received and roadworks

are to commence. It is anticipated that drilling will be able to commence in November. Geophysical VES surveys were completed on Centenario Salar, La Filomena and Salar del Rincon, Villanovena I. Following geophysical VES surveys, areas of limited potential will be relinquished which is the case with Centenario Salar Mina, La Filomena. Areas of potential are scheduled for drill testing. Consequently it is planned to drill Salar del Rincon, Mina Villanovena I for which drilling permits applications have been lodged. It is anticipated that drilling would commence early December. A geophysical VES survey is planned for recently acquired La Maderita.



Photos 1 & 2 Salar del Rincon - VES Survey



Figure 3 VES Survey Profile and Location Mina Villanovena 1 Rincon Salar

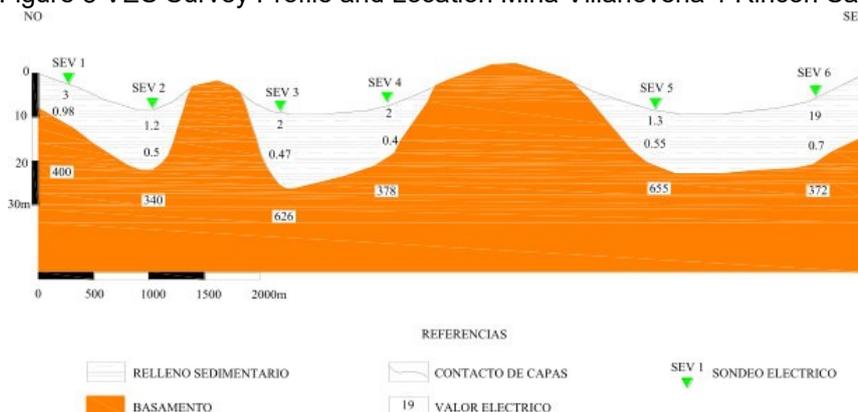


Figure 4 - VES Survey Profile Mina Villanovena 1 Salar del Rincon

Pumping tests will be carried out for resource definition on projects with the best potential.

The Company continues to undertake engagement with the local inhabitants of the Salar del Rincon and Salar de Pular project areas in preparation for further exploration activities and drilling. The PepinNini exploration team based in Salta are all local inhabitants so there is community connection and recognition of the Company.



Photo 3 - Olacapato Community Meeting ahead of Drilling Commencement - Salar del Rincon

Tabulated below are exploration activities achieved to reporting date and planned for the next twelve months. Actual activities will be dependent on the results of preceding activities.

Quarter/Project	Pocitos	Pular	Arizaro	Rincon	Centenario	Company
June 2017	Drilling 2 boreholes Samples for analysis					
September 2017	Sample results Indicate low grade - no pumping testing	Additional drilling roadway permits lodged and granted	Application Mina La Maderita granted	VES geophysics completed Drilling permits lodged	VES geophysics completed - to surrender licence	
December 2017		Drilling Sample results - if results suitable - Pumping tests	VES geophysics	Drilling		Maiden Lithium Carbonate Resource
March 2018			Drilling if VES survey suitable			
June 2018			Pumping testing if Drilling results suitable			Inferred Lithium Carbonate Resource
September 2018						Scoping study for brine production on resource base

PepinNini SA also hold 8 mining leases over 19,900ha which are prospective for Copper and Gold and grouped as the Santa Ines and the Chivinar Projects. No field exploration activities were carried out during the quarter on these projects.

*The section on the Salta Lithium project has been reviewed by Mark King Ph.D., P.Geo., F.G.C., Groundwater Insight, Inc, Halifax, Nova Scotia, Canada, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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 and Qualified Person for the Canadian National Instrument 43-101". Mark King consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## Musgrave Province Projects

PNN's 100% Musgrave Project includes 8 exploration licence applications and 2 granted exploration licences in the name of NiCu Minerals Ltd (NCL) a wholly owned subsidiary of the company. The tenure covers approximately 14,004 km<sup>2</sup> of the Musgrave Province within South Australia. (See Figure 4).

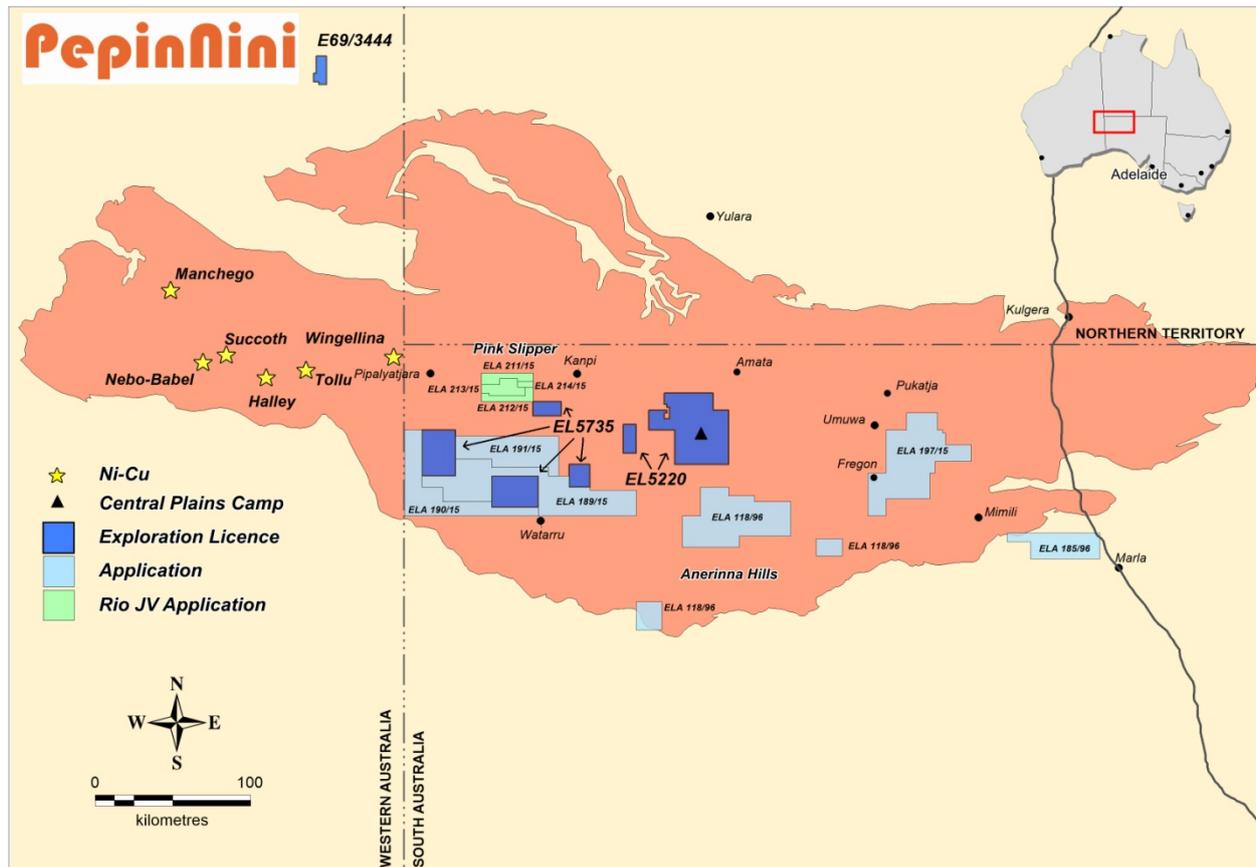


Figure 4: PNN's Musgrave Project locations, South Australia

No field work has been conducted within the Musgrave Project during the Quarter whilst the company focuses its resources on the Argentine Lithium Brine Projects.

### Woodroffe Joint Venture (South Australia)

Negotiations to extend the farm-in and joint venture agreement between NCL and Rio Tinto Exploration Pty Limited have been on-going and are nearing a final amendment suitable to both parties. The Farm-in and Joint Venture agreement will continue to focus on the exploration of targets considered highly prospective for magmatic nickel-copper-cobalt-PGE sulphide mineralisation.

## Western Australia - Western Amadeus Basin

### Mozart Diamond/Basemetal Project

Granted exploration licence E69/3444 is a 131 km<sup>2</sup> block lying within the West Amadeus Basin (WA). It includes a number of bullseye magnetic anomalies that could represent kimberlitic intrusions similar to those being discovered at the Webb Diamond JV Project (Geocrystal - Meteoric Resources) 200km to the north where 51 kimberlitic bodies have been discovered and numerous microdiamonds have been recovered in surface samples. Mozart is also located 50km east of the historical surface microdiamond occurrence at Mount Destruction.

No field activities were undertaken during the quarter.

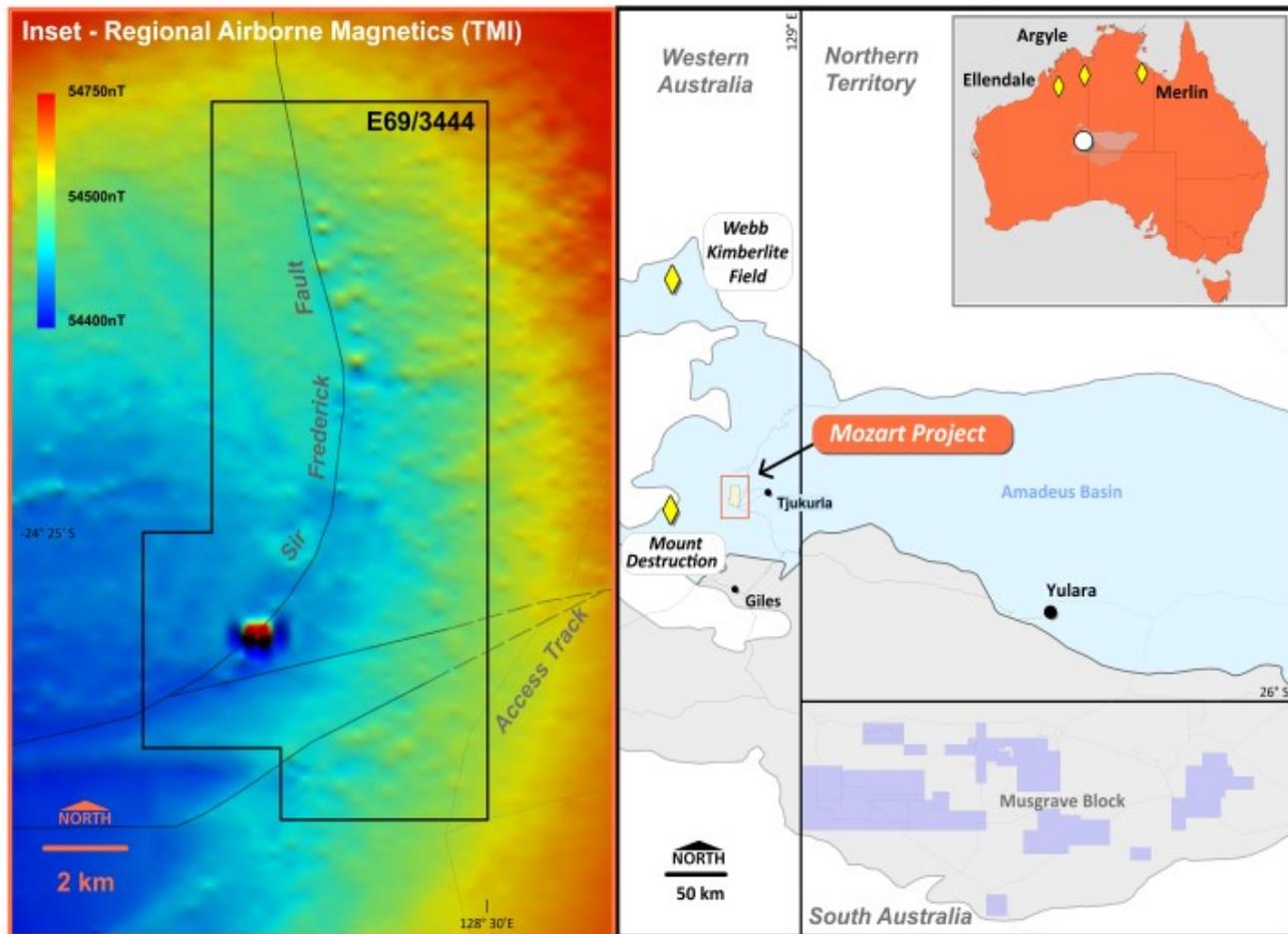


Figure 5 : Mozart Diamond Project - West Amadeus Basin (Western Australia)

## South Australia - Gawler Ranges (Eyre Peninsula)

### Toondulya Bluff Gold Project

The Toondulya Bluff (EL5897) exploration licence is located approximately 100km north east of Streaky Bay, on the Eyre Peninsula, South Australia (Figure 6). It lies within the Proterozoic gold province of the central Gawler Craton along the margin of the Gawler Range Volcanics (GRV) where Hiltaba Suite granitoids intrude older basement rocks. The province contains several gold and silver deposits including Tarcoola, Glenloth, Tunkillia, Paris and Barns. The tenure covers the southern extension of the highly prospective Yalbrinda Shear Zone which to the north is known to host a number of mineral occurrences including the Tunkillia Deposit reported to contain a resource estimate of 558,000 ounces of gold and 1.48 million ounces of silver (ASX:WPG 28/10/16).

Historic gold exploration over the EL5897 tenement area has included dispersed calcrete sampling, shallow aircore drilling, airborne magnetic surveying, and gravity surveying. PepinNini has reviewed this data and has identified three poorly tested gold-in-calcrete zones from this data for further investigation

No field work was undertaken during the quarter.

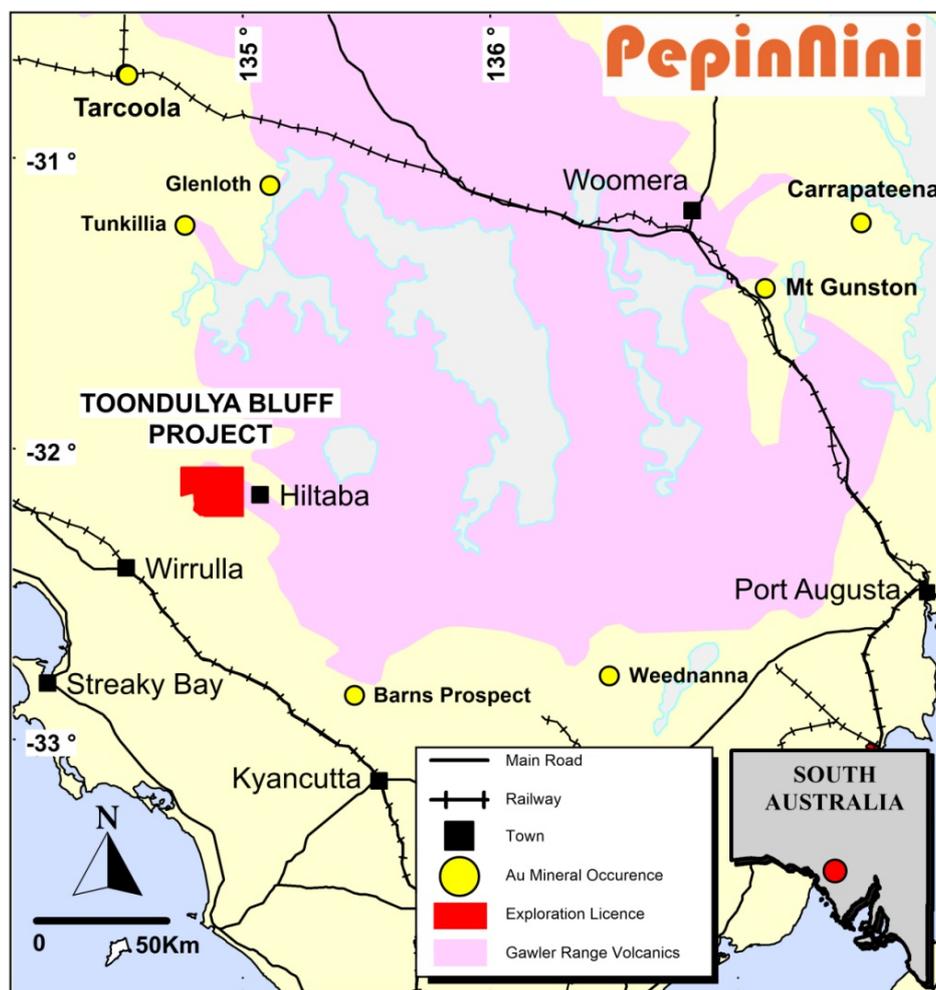


Figure 6: Location of Toondulya Bluff Gold Project South Australia.

## TENEMENT SCHEDULES

### Australia

Tenement	Tenement Name	Area Km <sup>2</sup>	JV	PepinNini Interest	Grant Date
<b>South Australia</b>					
EL 5735	Mt Harcus	1,607		100%	25/10/10
EL 5220	Mt Caroline	1,918		100%	25/2/13
ELA 118/96	Anerinna Hills	2,415		100%	application
ELA 185/96	Willugudinna	823		100%	application
ELA 367/09	Mt Caroline West	46		100%	application
ELA 368/09	Hanging Knoll	34		100%	application
ELA 189/15	Katalina	2,360		100%	application
ELA 190/15	Mt Agnes	1,342		100%	application
ELA 191/15	Krewinkel Hill	1,256		100%	application
ELA 197/15	Ironwood Bore	2,202		100%	application
ELA 211/15 - formerly EX491	Tjintalka	184	JV02	earning 51%	application
ELA 212/15 - formerly EX491	Kapura	160	JV02	earning 51%	application
ELA 213/15 - formerly EX278	Jalukana	234	JV02	earning 51%	application
ELA 214/15 - formerly EX278	Tjalukana	37	JV02	earning 51%	application
EL5897	Toondulya Bluff	390		100%	25/11/16
<b>Western Australia</b>					
E69/3444	Mozart	131		100%	28/2/17
<b>Totals</b>		<b>15,739</b>			

### Argentina

	Tenement	Type	Project	Application	Granted	Applied Area Ha	Title Holder
Cu-Au	Santa Ines IV	Mina	Chivinar	25-Jun-12	10-Sep-13	3,500	PNN SA 100%
Cu-Au	Santa Ines V	Mina	Chivinar	25-Jun-12	10-Sep-14	2,643	PNN SA 100%
Cu-Au	Santa Ines VI	Mina	Chivinar	26-Jun-12	21-Nov-13	3,500	PNN SA 100%
Cu-Au	Santa Ines IX	Mina	Chivinar	30-Jul-13	20-Aug-14	3,417	PNN SA 100%
Cu-Au	Mina Santa Ines	Mina	Santa Ines	27-Sep-10	20-Sep-11	18	PNN SA 100%
Cu-Au	Santa Ines VIII	Mina	Santa Ines	18-Jul-13	28-Aug-14	3,000	PNN SA 100%
Cu-Au	Santa Ines XII	Mina	Santa Ines	11-Oct-14	30-Nov-15	511	PNN SA 100%
Cu-Au	Santa Ines XIII	Mina	Santa Ines	11-Oct-14	9-Sep-15	3,311	PNN SA 100%
						<b>19,900</b>	
Li Brine	Sulfa 1	Mina	Salar de Pular	2-Jun-16	22-Feb-17	657	PNN SA 100%
Li Brine	Luxemburgo	Mina	Salinas Grandes	2-Jun-16	22-Jun-16	2,495	PNN SA 100%
Li Brine	Salinita Norte II	Mina	Salinas Grandes	2-Jun-16	22-Jun-16	2,994	PNN SA 100%
Li Brine	Lidia I	Mina	Salinas Grandes	9-Aug-16	9-Sept-16	3,228	PNN SA 100%
Li Brine	Lidia II	Mina	Salinas Grandes	9-Aug-16	9-Sept-16	2,719	PNN SA 100%
Li Brine	Lidia III	Mina	Salinas Grandes	10-Aug-16	9-Sept-16	3,500	PNN SA 100%
Li Brine	Lidia V	Mina	Salinas Grandes	17 Jan 17	Not yet	3,022	PNN SA 100%
Li Brine	Ariza sur 1	Mina	Salar de Arizaro	2-Jun-16	22-Jun-16	3,004	PNN SA 100%
Li Brine	Villanovena 1	Mina	Salina del Rincon	2-Jun-16	22-Jun-16	1,586	PNN SA 100%
Li Brine	Tabapocitos 02	Mina	Salar Pocitos	2-Jun-16	22-Jun-16	2,970	PNN SA 100%
Li Brine	Pocitos 11	Mina	Salar Pocitos	17-Aug-16	19-Sept-16	3,000	PNN SA 100%
Li Brine	Guayos II	Mina	Salar de Cauchari	17-Aug-16	19-Sept-16	1,610	PNN SA 100%
Li Brine	Guayos III	Mina	Salar de Cauchari	16-Dec-16	Not yet	1,906	PNN SA 100%
Li Brine	Salinita VII	Mina	Salinas Grandes	9-Mar-17	Not yet	2,990	PNN SA 100%
Li Brine	La Filomena	Mina	Centenario Salar	4-Apr-17	22-May-17	1,503	PNN SA 100%
Li Brine	La Maderita	Mina	Salar de Arizaro/Salar de Incahuasi	4-Aug-17	17-Oct-14	3,000	PNN SA 100%
						<b>40,184</b>	
	<b>Total 24</b>					<b>60,084</b>	

*The section on the Salta Lithium project has been reviewed by Mark King Ph.D., P.Geo., F.G.C., Groundwater Insight, Inc, Halifax, Nova Scotia, Canada, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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 and Qualified Person for the Canadian National Instrument 43-101". Mark King consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to Exploration Results and Mineral Resources for the Australian projects is based on information compiled by Phil Clifford BSc MAusIMM. Phil Clifford is a Non-Executive Director of PepinNini Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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". Phil Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

**For further information please contact:**

Rebecca Holland-Kennedy  
Managing Director, PepinNini Minerals Limited  
Phone: (08) 8218 5000

**Note:** Additional information on PNN Minerals Limited can be found on the website [www.pepinnini.com.au](http://www.pepinnini.com.au)

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

<b>PepinNini Minerals Limited</b>
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**ABN**

**Quarter ended ("current quarter")**

<b>55 101 714 989</b>	September 2017
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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,390)	(1,390)
(b) development		
(c) production		
(d) staff costs	(62)	(62)
(e) administration and corporate costs	(49)	(49)
1.3 Dividends received (see note 3)		
1.4 Interest received	14	14
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,487)</b>	<b>(1,487)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2 Proceeds from the disposal of: (a) property, plant and equipment (b) tenements (see item 10) (c) investments (d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
<b>2.6 Net cash from / (used in) investing activities</b>	-	-

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	-	-

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	3,008	3,008
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,487)	(1,487)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	
4.4 Net cash from / (used in) financing activities (item 3.10 above)		
4.5 Effect of movement in exchange rates on cash held		
<b>4.6 Cash and cash equivalents at end of period</b>	<b>1,521</b>	<b>1,521</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	662	499
5.2 Call deposits	859	2,509
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,521</b>	<b>3,008</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	170
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

1. Chairman, Managing, Finance, Technical and Non-Executive Directors' Remuneration \$159,830.94
2. Chairman, Managing, Finance, Technical and Non-Executive Directors' Superannuation \$10,445.48

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

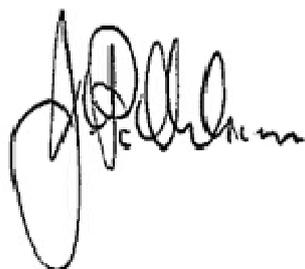
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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	575
9.2 Development	
9.3 Production	
9.4 Staff costs	
9.5 Administration and corporate costs	125
9.6 Other (provide details if material)	
<b>9.7 Total estimated cash outflows</b>	<b>700</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Mina 19607	Granted mina - Argentina	0	100%

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: ..... Date: ...31 Oct 2017..  
(Director/Company secretary)

Print name: .....Justin Nelson.....

**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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.