

Pepinini Minerals Limited

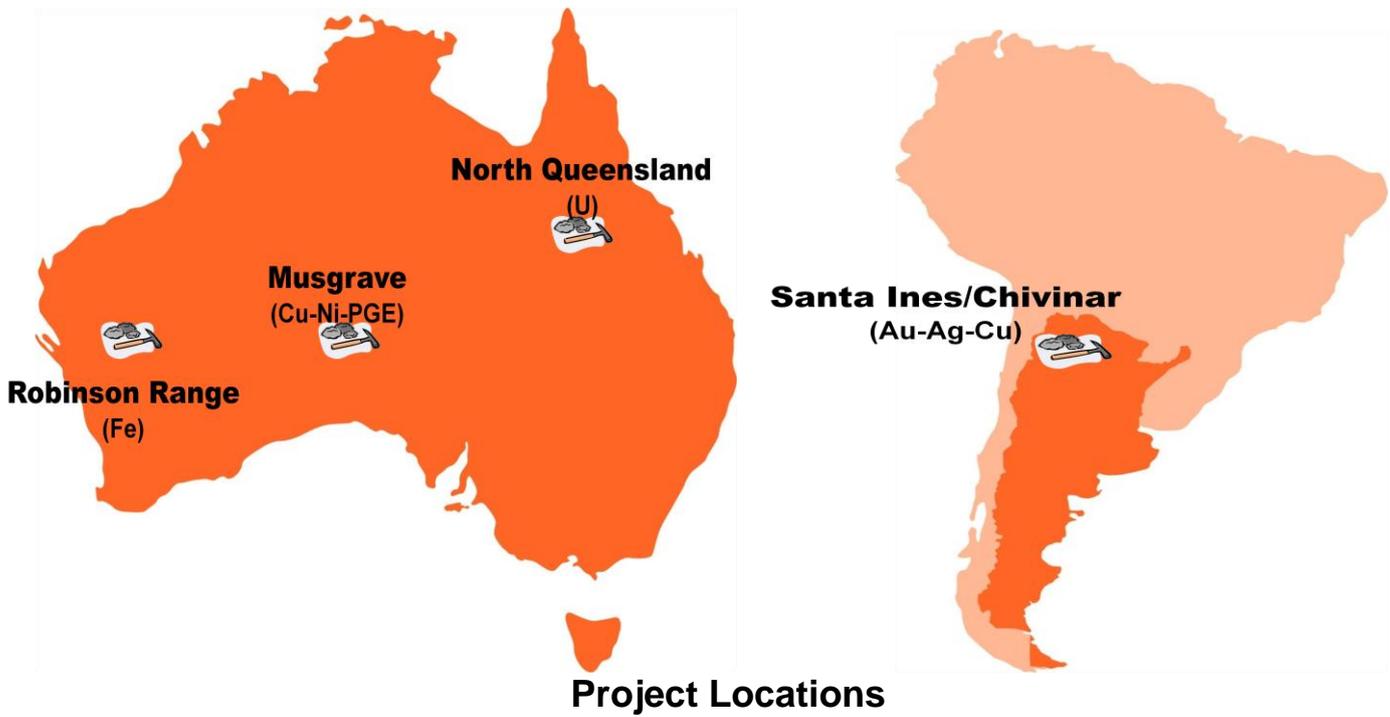


Report for the Quarter Ending 31 March 2015

29 April 2015

Highlights during the quarter:

- ◆ Field camp relocation for **Caroline Project - Central Musgrave**
- ◆ **Caroline Project (Central Musgrave)** - Vacuum drilling activities have commenced across the previously unexplored Central Plains - Wandilla prospect areas within EL5220 (Caroline).
- ◆ **Spinifex Range Project (West Musgrave)** - Data processing of the detailed aeromagnetic survey at Spinifex Range, west Musgrave Province, is complete. Six prospect areas have been identified that contain structures considered prospective for Ni-Cu-PGE or Ti-V-PGE mineralisation where further investigations have been recommended. Heritage approvals to commence on-ground geophysical survey & soil regolith drilling work have been secured.
- ◆ At the end of the quarter the Company held \$1.42 million in cash.



Musgrave Province Projects

Caroline Project (South Australia)

PNN's Musgrave Project comprises 3 exploration licences and 4 exploration licence applications (100% PNN) covering 8,225 km², and three Joint Venture tenements with Rio Tinto Exploration covering 1,378 km² (PNN earning 51%) (see Figure 1).

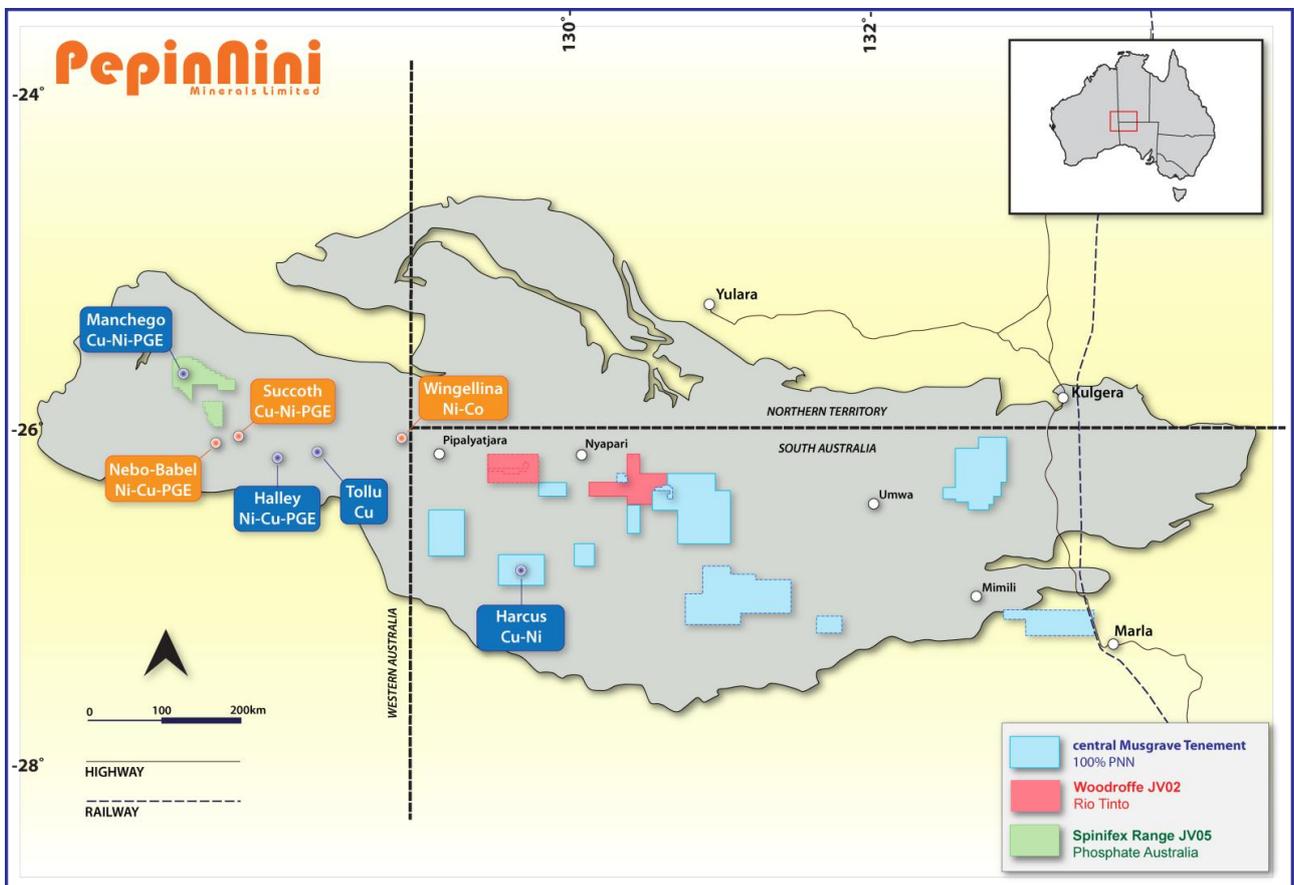


Figure 1 : PNN's Musgrave Project locations, South Australia and Western Australia

The research and development (R&D) collaboration with the Minerals Down Under (MDU) division of the CSIRO has been expanded to include Geoscience Australia (GA) and the South Australian Department of State Development (DSD) and as such has experienced some administrative delays. The collaboration, which will involve the collection and interpretation of airborne electromagnetic datasets, is still scheduled to be undertaken before the end of this financial year (this coming quarterly period). CSIRO, GA and DSD are collaboratively leading the contract of the geophysical systems and planning. PepinNini has relocated its camp and is poised to provide logistics for the data acquisition phase. The project will assist targeting of nickel-copper sulphide mineralisation at three broad prospect areas (Scott, Wandilla and Fowlers) within the Company's Caroline Project (100% PNN) (See Figure 2) which are prospective for Nebo-Babel style deposits as held by Cassini Resources Ltd (ASX: CZI) in the west Musgrave Province.

Planning is complete for a vacuum soil regolith drilling program at the Central Plains - Wandilla prospect (Figure 3) with camp facilities having been relocated to the project site. The initial work involves the collection of soil and regolith samples to assess subsurface geochemical distributions that will enhance bedrock geological mapping, reconcile and validate geophysical target selection, and detect potential geochemical anomalies. The exploration work is investigating previously unexplored areas of the tenement where cultural heritage access approvals were secured during the later part of 2014.

The first phase of vacuum drilling involves completion of shallow holes along traverses across prospective geological and structural environments identified from airborne magnetic responses. The work will map the thickness of cover soils and sands, validate interpretation of bedrock lithologies and investigate the fertility of mafic phases through top-of-basement geochemical sampling, and contribute to the identification of geochemical exploration targets for more extensive drill testing with the company's diamond drill rig.

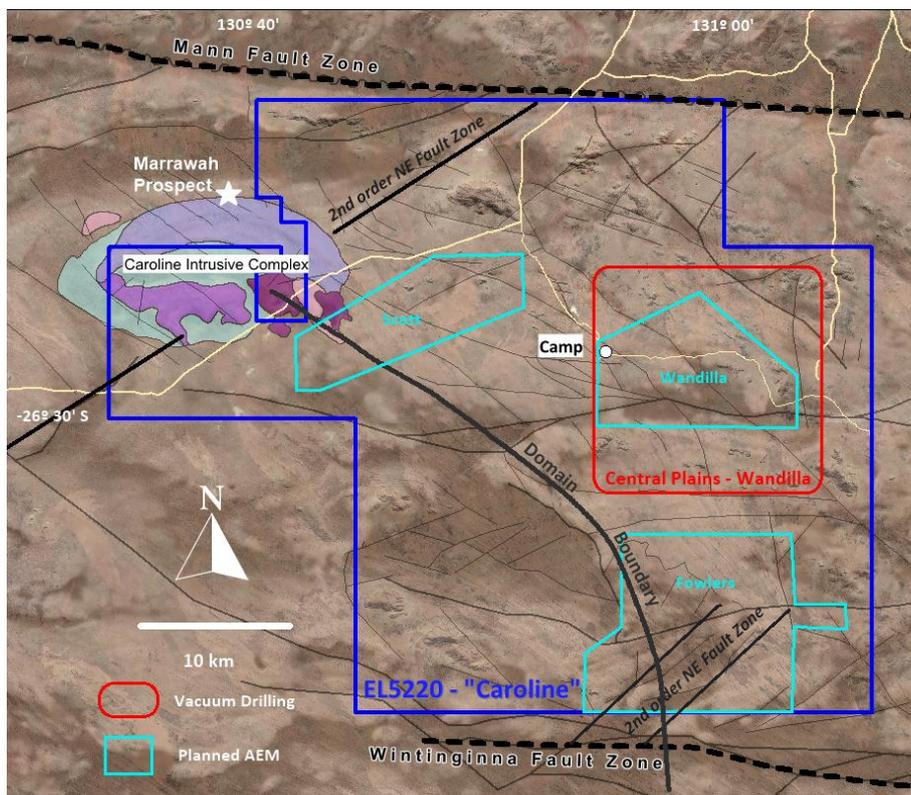


Figure 2 : Location of Nickel Sulphide (NiS) prospects - Caroline Project, central Musgrave Region South Australia.

Spinifex Range Project (Western Australia)

The Company is proceeding to advance the Spinifex Range Project in the West Musgrave Province, Western Australia which is under option agreement with Phosphate Australia Ltd (ASX:POZ). The project area is recognised for its potential for Ni-Cu-V-Ti-PGE minerals associated with large mafic intrusions. The agreement secures a two year period for the Company to investigate and potentially acquire an 80% share of exploration licenses E69/2864 and E69/3191 which cover an area totalling 785.7km² (See Figure 3). Should it choose to complete the purchase an 80%:20% joint venture would be established between PNN and POZ to develop the project.

The tenements are strategically located within a trend of geological formations that have an established endowment of Ni-Cu-PGE mineralisation, the most significant of these being the Nebo-Babel nickel-copper deposit located 14km to the south of tenement E69/3191. On 25 February 2015 Cassini Resources Ltd (ASX: CZI) announced a Mineral Resource Estimate upgrade of 31Mt @ 0.7% Ni and 0.6% Cu (contained 218,000t nickel and 178,000t copper) for the Nebo-Babel deposit purchased off BHP Billiton during 2014 .

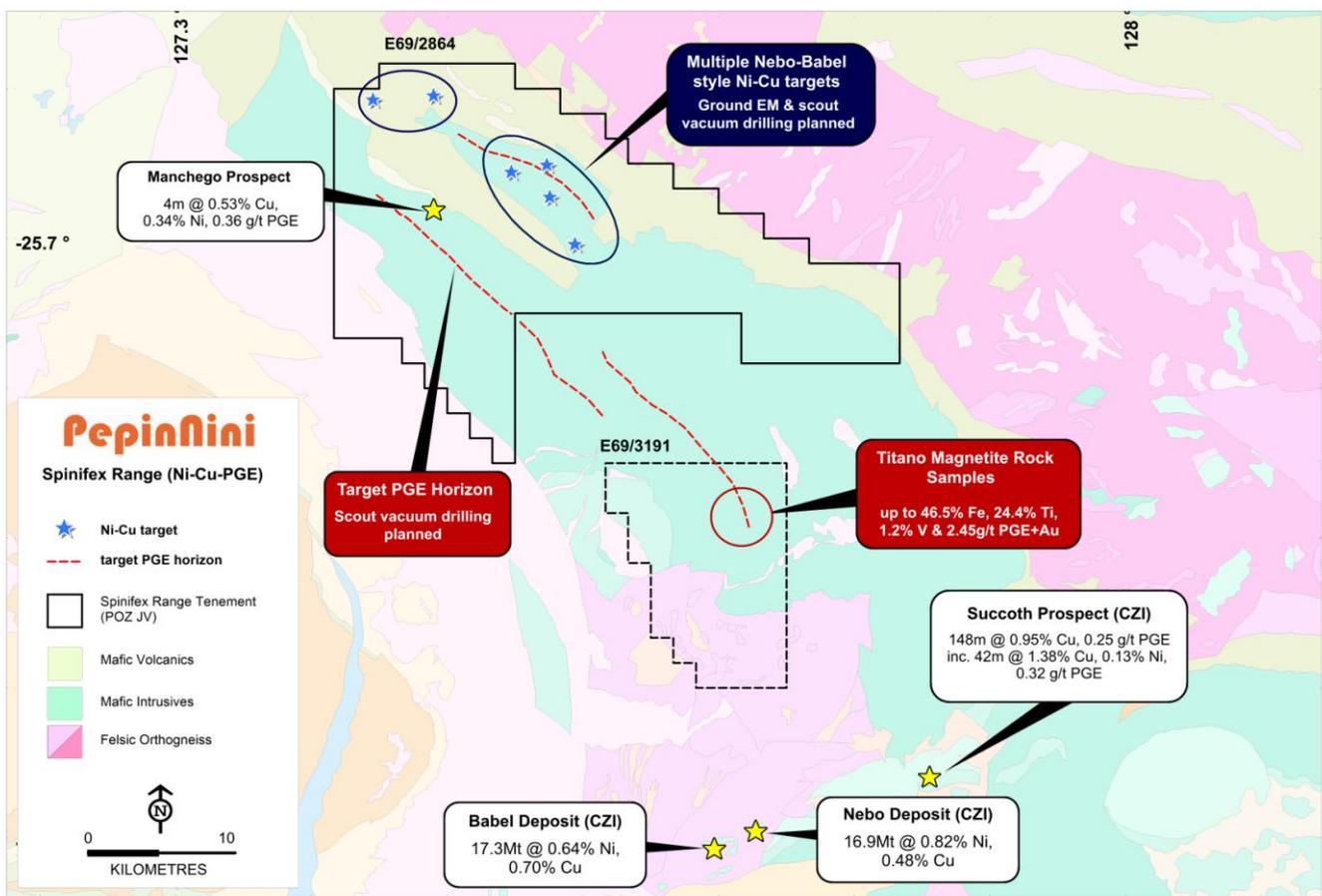


Figure 3 : Schematic regional geology of Spinifex Range Project (E69/2864) and Ni-Sulphide occurrences

Detailed geophysical data collected from the aeromagnetic survey flown across part of exploration licence E69/2864 in December 2014 were received and processed during the quarter (Figure 4). The resultant information has improved the interpretation of structural features and potential host rocks considered to be highly prospective for nickel and copper mineralisation within the project area. Six priority target areas have been identified (Northwest Zone, Central Block, South Central Block, West Lirrara Rd, SW Mancheago Reconn, and Mancheago) that will be investigated further using combined ground geophysics, geochemical sampling, mapping, and vacuum drill regolith sampling.

Heritage access approvals to commence the ground work have been obtained from traditional owners and ground electromagnetic surveying is currently being scheduled. Vacuum regolith drilling will commence once regulatory environmental approvals have been obtained.

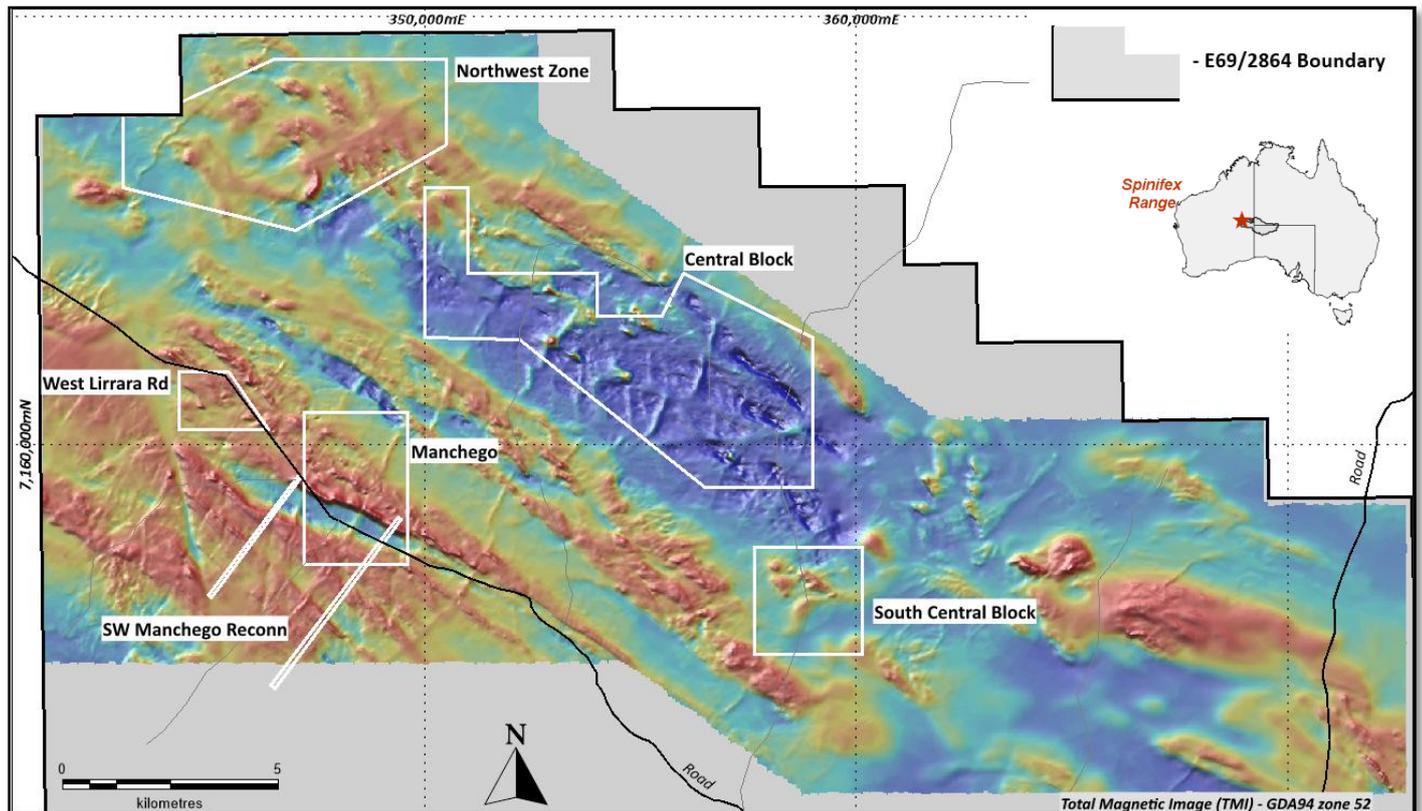


Figure 4 : Spinifex Range Detailed Aeromagnetic Survey (TMI) and Priority Target Areas

ARGENTINA Salta Projects

PepinNini (PNN) has nine granted mining leases (mina) and four applications for mining leases (mina) covering approximately 230 kms² in the Argentine province of Salta. The Salta Projects comprise two separate areas designated as Santa Ines and Chivinar and the Santa Ines Project comprises two granted mining lease and two mining lease applications covering approximately 68 km². The Chivinar Project comprises seven granted mining leases and two mining lease applications and covers 162 kms² (see location Figure 5).

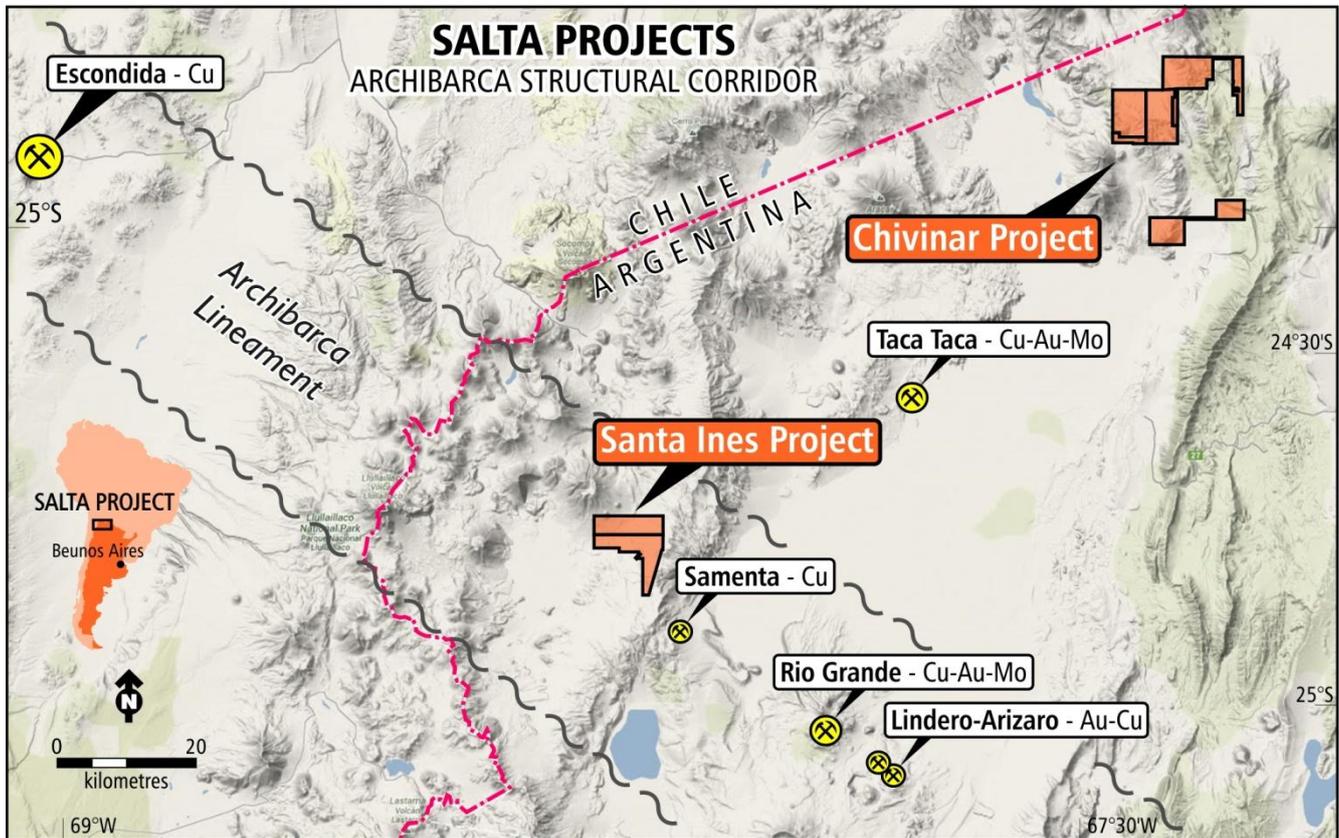


Figure 5 : Location of PNN's Santa Ines and Chivinar Projects

No field work was carried out at either of the project areas during the quarter. The Company is continuing to assess available target opportunities for further exploration work within the tenement holdings and is actively seeking new project areas within Argentina.

Robinson Range Iron Ore Project (Western Australia)

The Robinson Range Project comprises seven tenements that cover approximately 679 km². PNN has a 50% interest in the iron ore contained within three tenements and a 40% interest in the iron ore contained within the other four tenements and manages exploration on behalf of the Joint Venture partners. PNN Area C is located within exploration tenement E51/1033 held by PepinNini Robinson Range Pty Limited (40%), Resource and Investment NL (ASX:RNI) (40%) and Fe Limited (ASX:FEL) (20%).

The joint venture has previously delineated a small Inferred Mineral Resource for PNN Area C as follows; (*PNN ASX Release 6 June 2012*);

Table 2 : Inferred Mineral Resource Estimate for PNN Area C (June, 2012)

Million Tonnes	Cut Off %Fe	Density SG	Fe %	SiO₂ %	Al₂O₃ %	P %	S %	TiO₂ %	LOI %
17.7	45	3.6	49.7	13.3	8.5	0.06	0.04	0.29	5.4
4.3	52	3.8	55.2	8.5	6.5	0.06	0.05	0.21	4.7

This information was prepared and first disclosed under JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

No iron ore field activities were undertaken on the project during the quarter.

Queensland Uranium and Gold Projects

PNN holds four tenements in North Queensland which are considered prospective for uranium and gold and cover 402km². During the quarter tenement EPM 15469 The Gilbert was surrendered as part of the compliance regime for tenement relinquishment. The tenement was no longer considered prospective for gold mineralisation. No field activities were undertaken during the quarter.

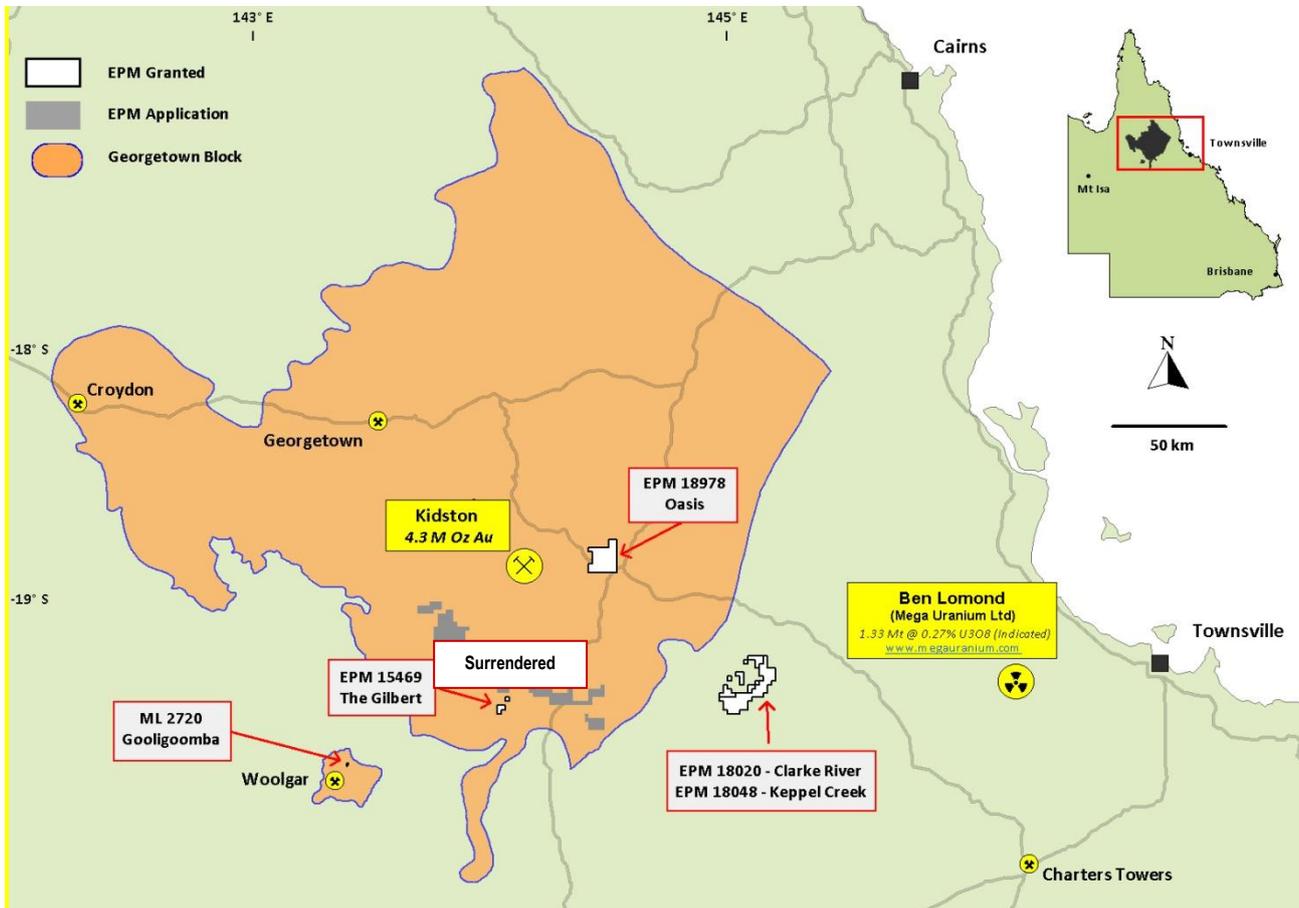


Figure 6 : Queensland Tenement Regional Location Plan

TENEMENT SCHEDULE

Australia

Tenement	Tenement Name	Area Km ²	PepinNini Interest	Grant Date
South Australia				
EL 4587	Mt Marcus	1,607	100%	25/10/10
EL 4780	Pine Ridge	1,382	100%	13/10/11
EL 5220	Mt Caroline	1,918	100%	25/2/13
EL 5185	Woodroffe	764	Earning 51%	24/9/12
ELA 278/82	Jalakana	77	Earning 51%	application
ELA 491/94	Aparatjara	537	Earning 51%	application
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
Queensland				
ML 2720	Gooligoomba	0.83	100%	1/10/84
EPM 18020	Clarke River	187	100%	4/2/13
EPM 18048	Keppel Creek	41	100%	31/3/11
EPM 18979	Oasis	147	100%	17/8/12
Western Australia				
E51/1033		161	40%	22/9/05
E52/1613		91	40%	29/3/06
E52/1670		27	40%	23/11/04
E52/1672		106	40%	22/9/05
E52/1723		61	50%	1/12/04
E52/1910		200	50%	10/8/06
E52/1964		34	50%	1/11/07
E69/2864		619	Earning 80%	7/3/12
E69/3191		167	Earning 80%	13/10/14
Total - 23		11,445		

Argentina

Tenement	Type	Province	Application	Granted	Applied Area Ha	Title Holder
Santa Ines II	Mina	Salta	05-Jul-13	27-Jun-13	3,892	PNN SA 100%
Santa Ines X	Mina	Salta	08-Nov-13	Not yet	379	PNN SA 100%
Santa Ines VII	Mina	Salta	15-Apr-13	28-Nov-13	3,500	PNN SA 100%
Santa Ines XI	Mina	Salta	12-Mar-14	Not yet	525.6	PNN SA 100%
Santa Ines IV	Mina	Salta	25-Jun-12	10-Sep-13	3,598	PNN SA 100%
Santa Ines III	Mina	Salta	15-Mar-12	7-Nov-13	1,055	PNN SA 100%
Santa Ines V	Mina	Salta	25-Jun-12	10-Sep-14	2,643	PNN SA 100%
Santa Ines VI	Mina	Salta	26-Jun-12	21-Nov-13	3,500	PNN SA 100%
Santa Ines IX	Mina	Salta	30-Jul-13	20-Aug-14	3,417	PNN SA 100%
Mina Santa Ines	Mina	Salta	27-Sep-10	20-Sep-11	18	PNN SA 100%
Santa Ines VIII	Mina	Salta	18-Jul-13	28-Aug-14	3,000	PNN SA 100%
Santa Ines XII	Mina	Salta	11-Oct-14	Not yet	511	PNN SA 100%
Santa Ines XIII	Mina	Salta	11-Oct-14	Not yet	3,311	PNN SA 100%
Total 13					29,349.6	

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Phil Clifford BSc MAusIMM. Phil Clifford is the Technical 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

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, 01/05/2013

Name of entity

PepinNini Minerals Limited

ABN

55 101 714 989

Quarter ended ("current quarter")

Mar 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	13	148
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(444)	(1,394)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	12	26
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid/refund	0	395
1.7 Other (provide details if material)	0	11
Net Operating Cash Flows	(696)	(1,620)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	-	(110)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	-	2,300
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	0	2,190
1.13 Total operating and investing cash flows (carried forward)	(696)	570

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(696)	570
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	500
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(200)
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	-	300
	Net increase (decrease) in cash held	(696)	870
1.20	Cash at beginning of quarter/year to date	2,119	553
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,423	1,423

Payments to directors of the entity, associates of the directors, 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	113
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. Chairman, Managing Director, Administration Director and non-executive directors' Remuneration |\$103,351.85 |
| 2. Chairman, Managing Director, Administration Director and non-executive directors' Superannuation | \$9,908.70 |

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

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+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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

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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	450
4.2 Development	
4.3 Production	
4.4 Administration	200
Total	650

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	98	119
5.2 Deposits at call	1,325	2,000
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,423	2,119

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EPM 15469 Surrendered	100%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	E52/1723 E52/1964 Renewal granted Renewal granted	50% 50%	50% 50%

+ 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 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	170,047,389	170,047,389	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	27,058,105	27,058,105	<i>Exercise price</i>	<i>Expiry date</i>
	2,500,000	o (employee)	5c	30 Jun 15
	2,500,000	o (employee)	4c	1 Jun 16
	1,600,000	o (employee)	6c	1 Jun 16
	500,000	o (employee)	12.5c	1 Jun 16
	500,000	o (employee)	3c	9 Nov 17
	500,000	o (employee)	6c	9 Nov 18
	500,000	o (employee)	10c	9 Nov 19
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: Wednesday 29 April 2015
(Director/~~Company secretary~~)

Print name: Rebecca Holland Kennedy.....

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 and petroleum 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 or petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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