PepinNini Lithium Limited

ASX RELEASE 30 April 2019 ASX: **PNN**

March 2019 QUARTER ACTIVITIES AND CASH FLOW REPORTS

- **Argentine Lithium Brine Project –** Brine resource within Pular Project restated to contain 91,000 tonnes Measured and 82,000 tonnes Inferred LCE and 1.7million tonnes Measured and 1.6 million tonnes Inferred Potash(KCl).
- Rincon Project brine re-sampling from two boreholes to extend the drilling program and collecting 19 samples and 12 control samples
- **Corporate** – Successful private placement and entitlement issue fully underwritten raises $1.5m before costs

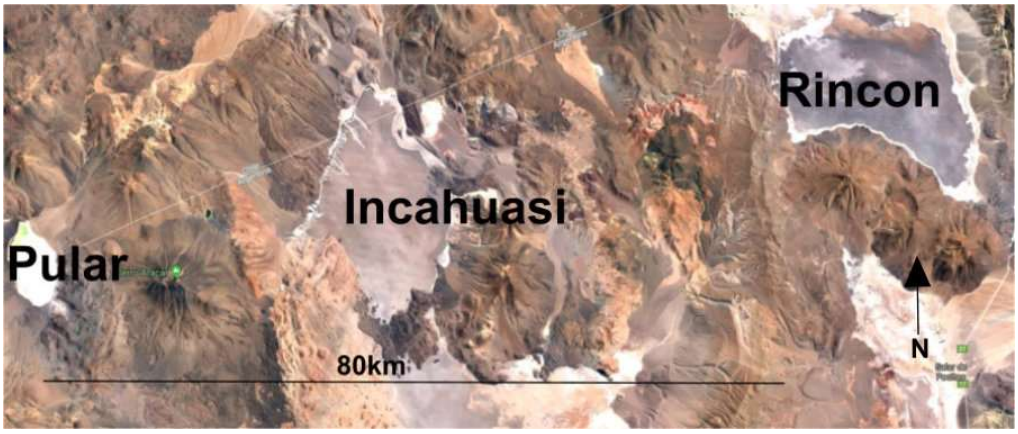

Figure 1 – Pular, Rincon and Incahuasi Projects

ABOUT

PepinNini Lithium 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.
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
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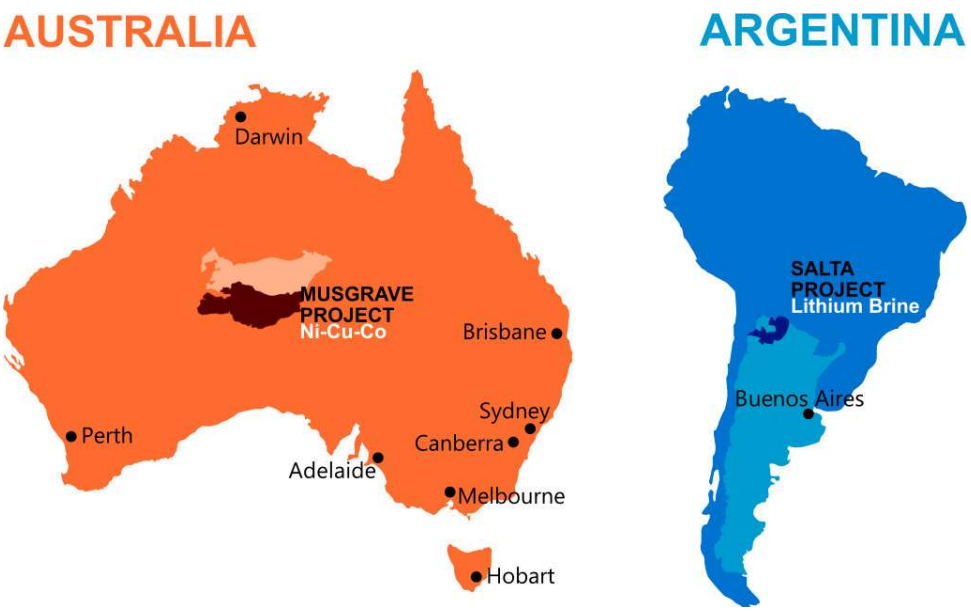

Salta Province Projects

PepinNini Lithium Ltd (PNN or the Company) has a wholly owned Argentine entity PepinNini SA(PNN SA) with a land holding for the Lithium Project of nine mining licences (*mina*) totalling 20,840 hectares in the western part of the Salta Province of NW Argentina. 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	Drilling completed –resource re-stated
Salar de Pular	Moncho	2,128	Drilling completed –resource re-stated
Salinas Grandes	Luxemburgo	2,495	Planned Geophysics (VES)
Salar de Arizaro	Ariza Sur 1	3,004	Planned Geophysics (VES)
Salar del Rincon	Villanovena 1	1,586	Drilling completed – initial resource stated, brine re-sampling of two boreholes underway
Salar Pocitos	Tabapocitos 02	2,970	Drilling completed
Salar Pocitos	Pocitos II	3,000	Drilling completed
Salar de Arizaro	La Maderita	3,000	Planned Geophysics (VES)
Salar de Incahuasi	Sisifo	2,000	Geophysics (TEM) completed, drilling planned
Total		**20,840**	
** 100hectares = 1sqkm*			

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

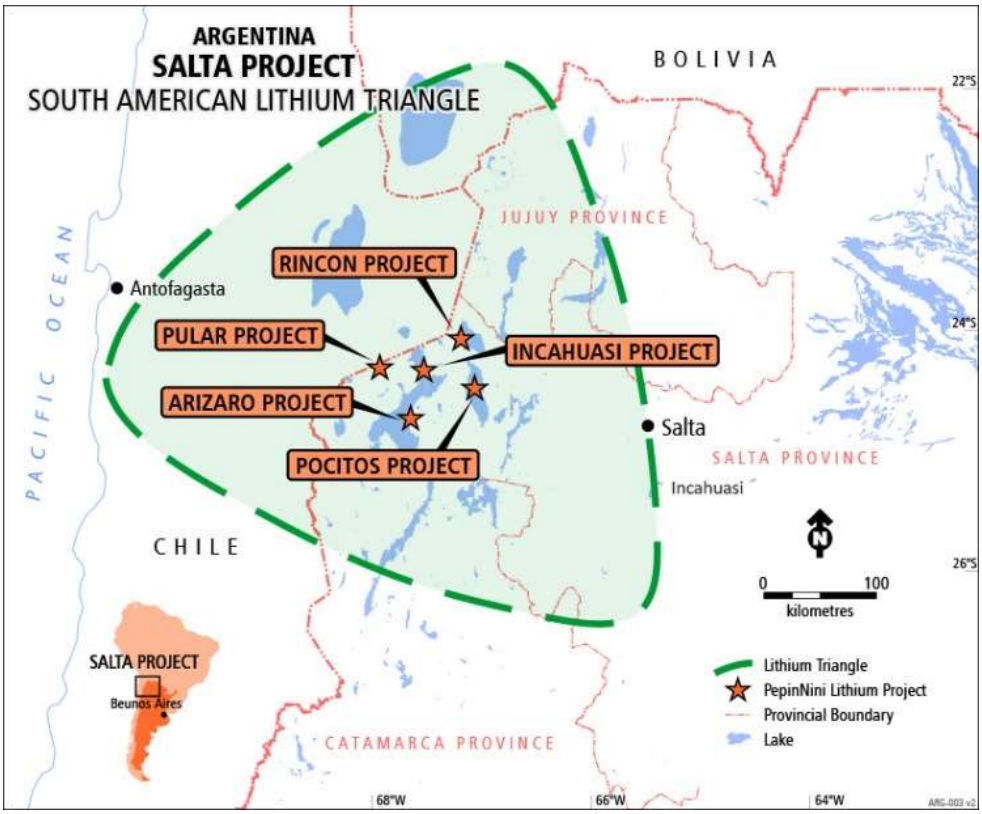

Figure 2 - The Lithium Triangle of South America

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

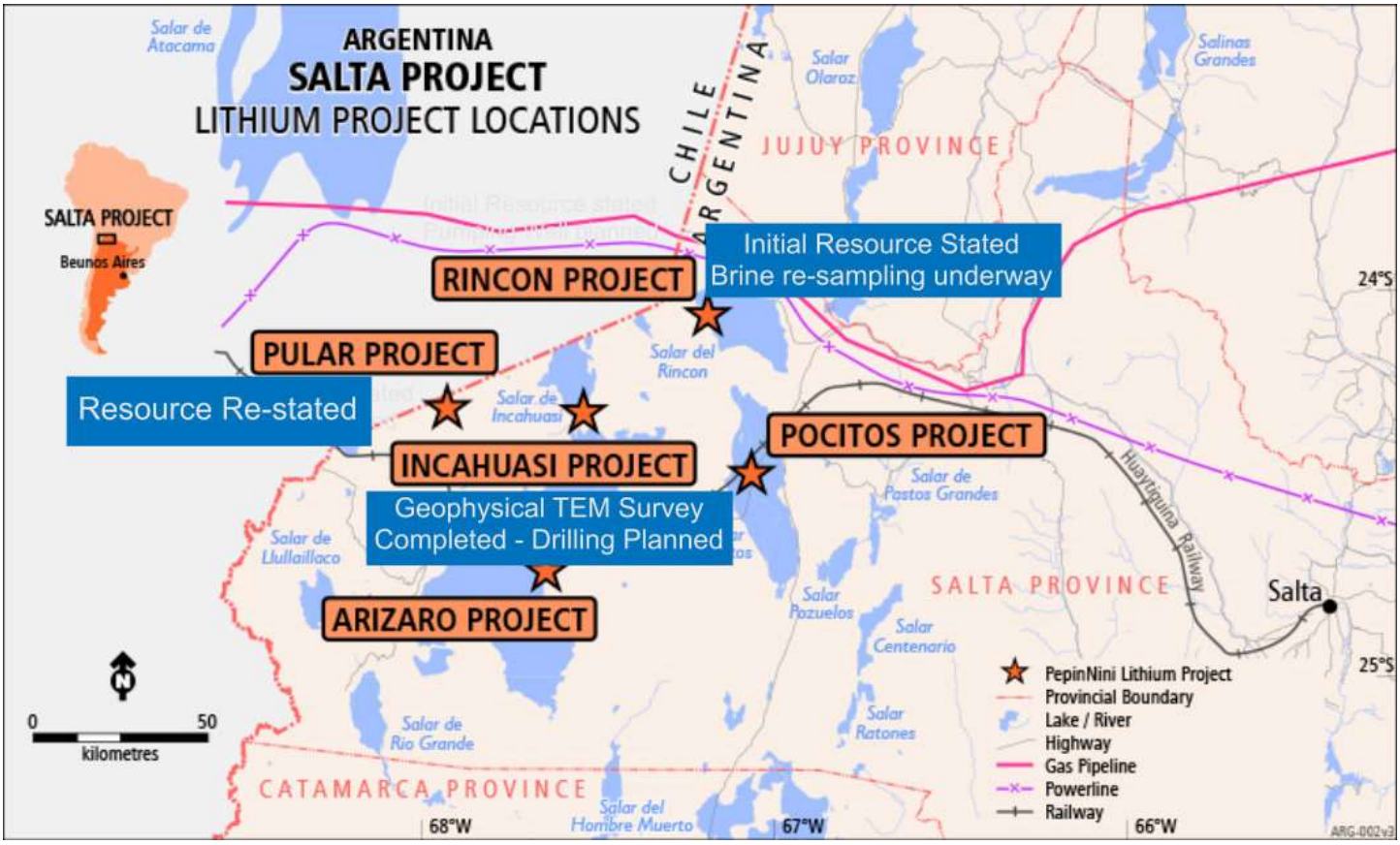

Figure 3 - Lithium Projects - Salta Province, Argentina.

Rincon Project

During the quarter brine from two boreholes was re-sampled to extend the drilling program.

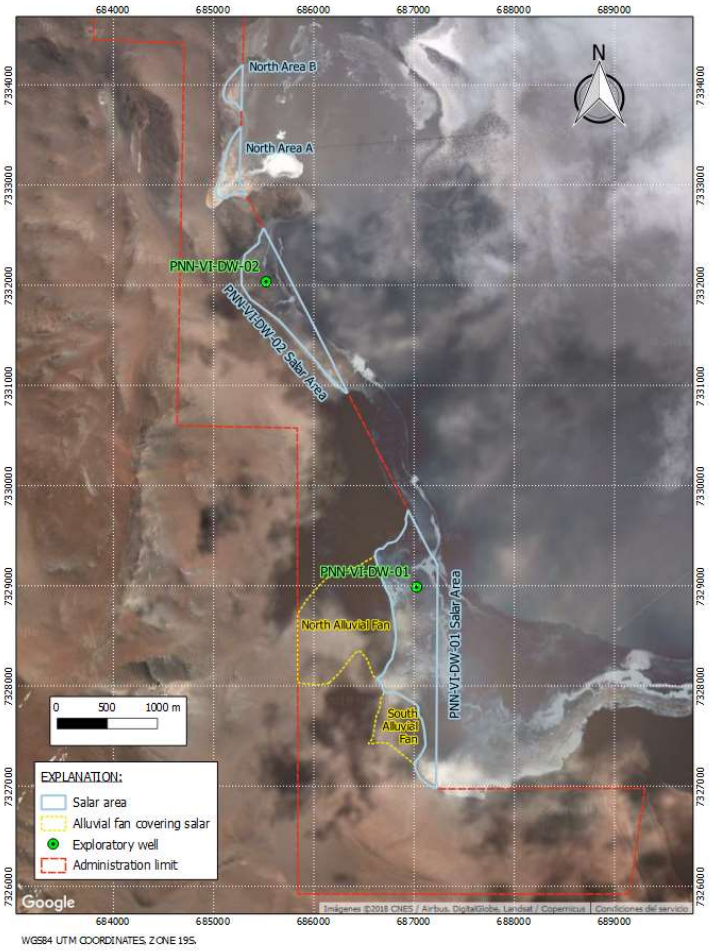

Figure 4 – Rincon Project Borehole Locations

The work involved thoroughly cleaning the boreholes of drilling fluids and sampling the aquifer at specific depths. The program produced 19 samples as well as 12 control samples.

Figure 5 – Rincon Project Brine Re-sampling – March 2019

Salar de Incahuasi Project

During the quarter planning for drill hole testing has been carried out using the results of the geophysical Time Domain Electromagnetic (TEM) survey that was carried out during the previous quarter. It is planned to drill one to two exploratory boreholes with the aim of defining a resource and defining the hydrogeology of the salar which has had only surface sampling to date.

The geophysical survey indicates two distinct zones; firstly a halite surface layer (yellow to red Figure 7) with a conductive potential brine bearing layer below and a saturated conductive zone (crimson to purple Figure 7) from the surface and potentially brine bearing. The survey penetrated to 200m in depth with the interpreted brine bearing zone continuing beyond 200m. The geophysical contractor Quantec's experience in this type of exploration environments indicates that high resistivity values in the surface are due to halite materials in salar surface, and the more conductive materials below it matches brines that may be rich in lithium.(TEM Survey Report Sisifo, Incahuasi, Quantec Geoscience 19 Dec 18).

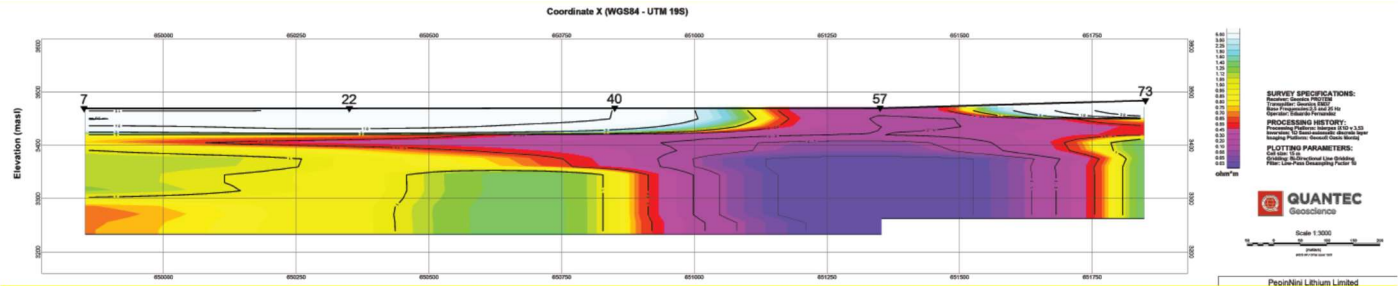

Figure 6 Cross section from surface of TEM survey results Mina Sisifo, Salar de Incahuasi

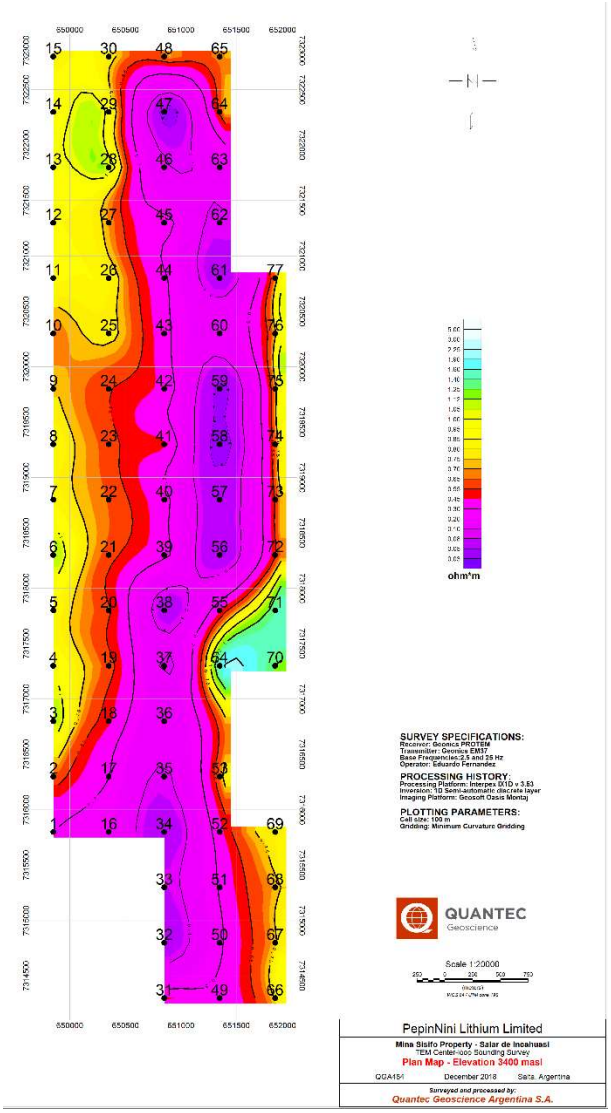

Figure 7 – Plan View at 3,400m elevation of TEM Survey Results, Mina Sisifo, Incahuasi Salar, Salta, Argentina Dec 2018

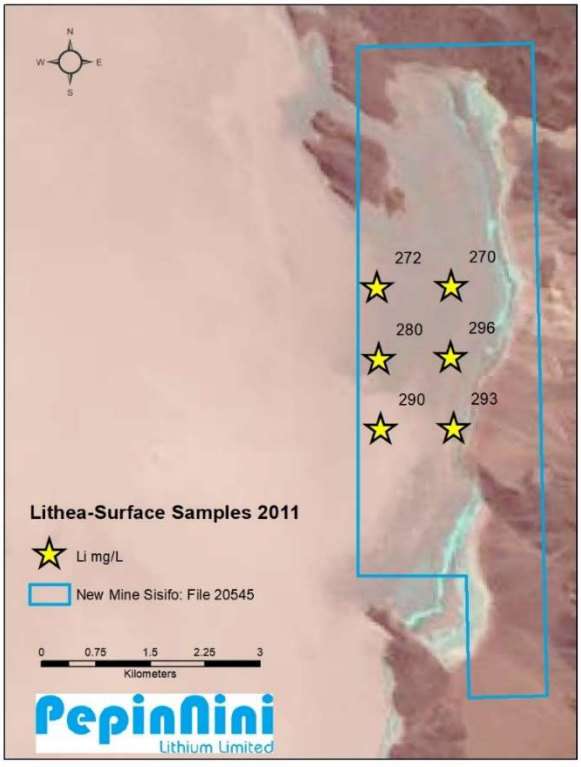

Figure 8 2011 Surface Sample Results Lithium - Sisifo Mina, Salar de Incahuasi

Data obtained from the previous holding entity; Lithea Inc indicates surface Lithium grades up to 296mg/l(Figure 8)

Salar de Pular Project

The Resource for this project was re-calculated, re-stated and re-issued on 23 January 2019 by independent competent person Mr. Michael Rosko, M.Sc., C.P.G. of the international hydrogeology firm E.L. Montgomery & Associates (M&A).

The resource estimate was prepared in accordance with The JORC Code 2012 and uses best practice methods specific to brine resources, including a reliance on core drilling and sampling methods that yield depth-specific chemistry and effective (drainable) porosity measurements.

Table 1 Updated Resource Estimate, Pular Project

Resource Category	Brine Volume (m^3)	Avg. Li (mg/L)	In situ Li (tonnes)	Li_2CO_3Equivalent (tonnes)LCE	Avg. K (mg/L)	In situ K (tonnes)	KCl Equivalent (tonnes)
Measured	**2.0 x 10^8**	**87**	**17,100**	**91,000**	**4,510**	**888,700**	**1,695,000**
Inferred	2.0 x 10^8	77	15,400	82,000	4,280	853,400	1,627,000

No cut-off grade was applied;
The reader is cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability.

Definition of Polygon Blocks and Thicknesses used for Resource Restatement

The total area of the polygonal blocks used in the updated resource calculation was 5.906 square kilometres(km^2). The polygons used for the calculation are shown in red on **Figure 9**. The initial total area for the resource estimate reported 27 July 2018, including all tenements was 16.024 km^2 . Eliminating the Patilla tenement, subject of the discontinued exploration option, results in a 63% reduction in the total area of the concessions being considered for the resource estimate resulting in a reduction in the resource estimate of the same magnitude.

To recalculate the resource for only the Sulfa Mina, the initial polygons were not redrawn around the exploration boreholes, as was done for the first resource estimate in July 2018(PNN ASX:27 July 2018). Because of the confidence of the competent person(Mr Michael Rosko) in the initial resource estimate, Mr Rosko only eliminated that part of the resource that was not calculated from Sulfa Mina and did not redraw the polygons. All other aspects of the initial resource estimate were maintained, including assumptions on basin boundaries, unit thicknesses and properties, brine grades, and non-inclusion of fresh or brackish water zones in the upper part of the system. Polygons 1, 2 and 4 are still considered a Measured Resource, and Polygon 5 is still considered an Inferred Resource; Polygon 3 was located completely in the Patilla Mina(discontinued exploration option mina: ASX 9 November 2018) and is not considered in the resource calculations(**Figure 9**).

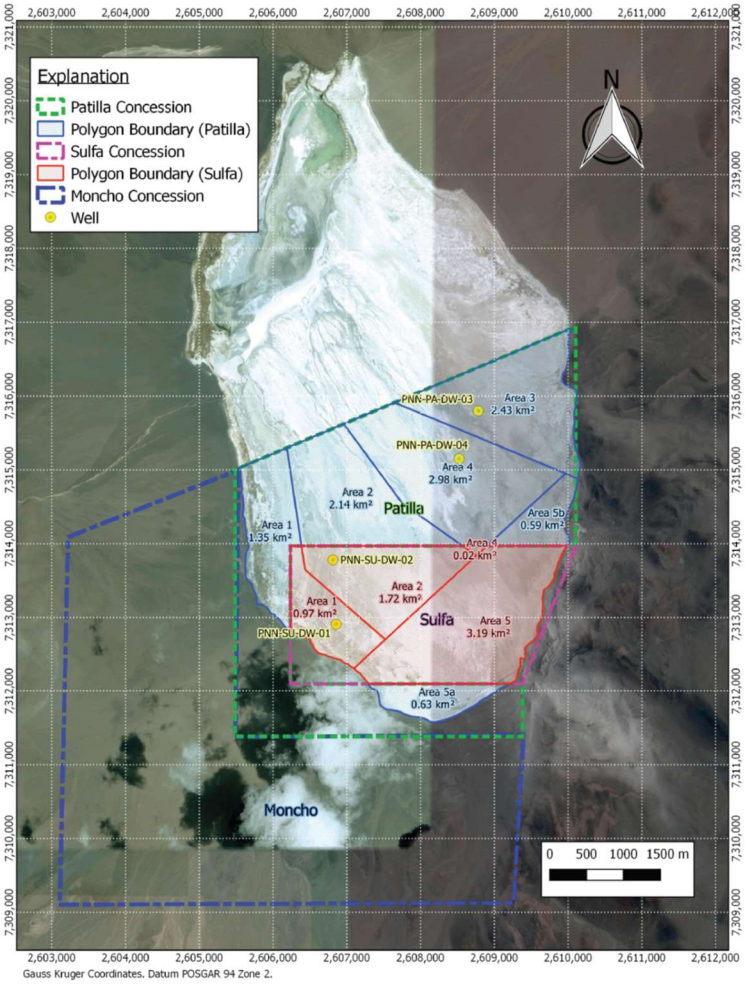

Figure 9 – Updated Polygon Blocks Sulfa Mina, Salar de Pular

Lithium Project Schedule

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

Quarter/Project	Pular	Incahuasi	Rincon	Company
March 2019	Resource restatement	Drilling planning & logistics	Brine Re-sampling	Funding and investing partner search
June 2019	Pumping testing	Drilling planning & logistics	Pumping testing	Brine concentration simulation studies for project viability and planning - funding
September 2019	Conversion to production well from pumping testing	Exploration drilling and pumping testing	Resource restatement and production well conversion	Scoping study three projects combined
December 2019	Pilot testing for LCE test production	Resource statement	Pilot testing for LCE test production	Seek strategic partner for offtake agreement and Project funding Pre-Feasibility study for LCE production - funding
March 2020	Pilot evaporation pond construction	Pilot testing for LCE test production	Pilot evaporation pond construction	Production plant design and funding
June 2020	Evaporation & concentration – transport planning and roadway construction	Pilot evaporation pond construction transport planning and roadway construction	Evaporation & concentration	Production plant construction - funding
September 2020	Evaporation & concentration	Evaporation & concentration	Evaporation & concentration	Production plant construction - funding
December 2020	Evaporation & concentration	Evaporation & concentration	Evaporation & concentration	Production plant construction - funding
March 2021	Evaporation & concentration	Evaporation & concentration	Evaporation & concentration	Marketing LCE -
June 2021	LCE production	Evaporation & concentration	LCE production	Marketing LCE
September 2021	LCE production	LCE production	LCE production	Sale LCE

Copper-Gold Project

PepinNini SA also hold 4 mining leases over 6,840 ha which are prospective for Copper and Gold, the Santa Ines Project. No field exploration activities were carried out during the quarter on these projects.

Musgrave Province Projects

PNN's 100% Musgrave Project includes 8 exploration licence applications and 2 granted exploration licences in the name of NiCul Minerals Ltd (NCL) a wholly owned subsidiary of the company. The tenure covers 14,003 km^2 of the Musgrave Province within South Australia. (See Figure 10). NCL are targeting Nickel- Copper-Cobalt minerals. A number of targets have been generated from an airborne electromagnetic(EM) survey flown in a collaboration with CSIRO and Geoscience Australia in 2016. No field work was carried out during the quarter on NCL tenements.

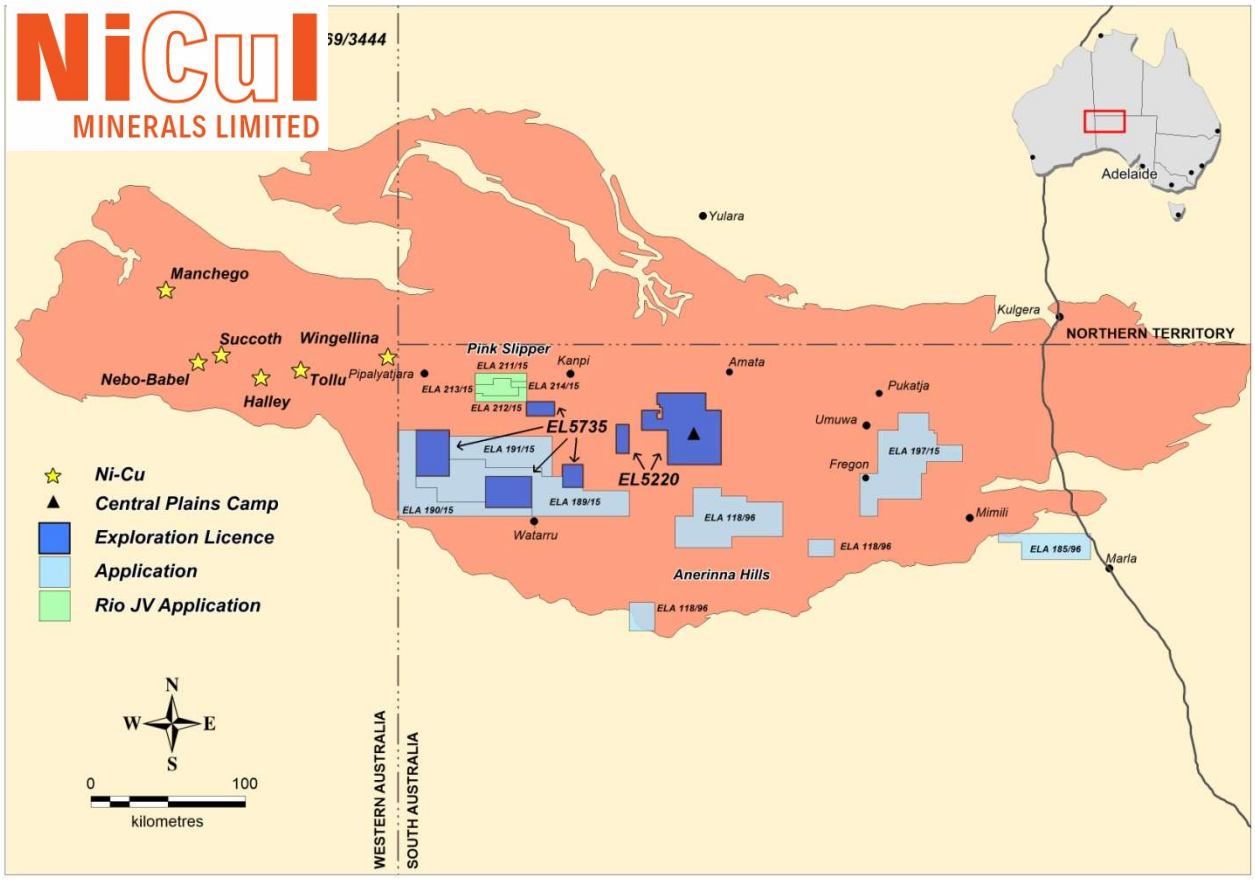

Figure 10: PNN's Musgrave Project locations, South Australia

Rio Tinto Joint Venture (South Australia)

No progress was made regarding access to joint venture exploration licence application (ELA2015/00214) which covers 37km^2 and includes the Pink Slipper geophysical target. NiCul Minerals Ltd continue to request that Anangu Pitjantjatjara Yankunytjatjara(APY) Lands Executive Board progress the negotiation and granting of the JV tenement.

TENEMENT SCHEDULES

Australia

Tenement	Tenement Name	Area Km^2	JV	PepinNini Interest	Grant Date
South Australia					
EL 5735	Mt Harcus	1,607		100%	25/10/10
EL 6148	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	Tjintalka	184	JV02	earning 51%	application
ELA 212/15	Kapura	160	JV02	earning 51%	application
ELA 213/15	Jalukana	234	JV02	earning 51%	application
ELA 214/15	Tjalukana	37	JV02	earning 51%	application
Totals		**14,618**			

Argentina

	Tenement	Type	Project	Application	Granted	Applied Area Ha	Title Holder
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	2,609	PNN SA 100%
Cu-Au	Santa Ines XIII	*Mina*	Santa Ines	11-Oct-14	9-Sep-15	511	PNN SA 100%
						6,138	
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	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	La Maderita	*Mina*	Salar de Arizaro	4-Aug-17	17-Oct-14	3,000	PNN SA 100%
Li Brine	Sisifo	*Mina*	Incahuasi Salar	22-Feb-18	13-Jun-18	2,000	PNN SA 100%
Li Brine	Moncho	*Mina*	Salar de Pular	5-Dec-17	8-Feb-18	2,128	PNN SA 100%
						20,840	
	Total 13					**26,978**	

The section on the Salta Lithium project has been prepared with information compiled by Marcela Casini, MAusIMM. Marcela Casini is the Exploration Manager-Argentina of PepinNini Lithium 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". Marcela Casini consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Resource calculations stated for Salar de Pular,Salta Lithium Project, Argentina have been prepared with information compiled by Mr. Michael Rosko, M.Sc., C.P.G. of the international hydrogeology firm E.L. Montgomery & Associates, Mr Rosko is a Registered Member of the Society for Mining, Metallurgy and Exploration which is a Recognised Professional Organisation under JORC. Mr. Michael Rosko 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". Mr. Michael Rosko is a Principal Hydrogeologist with E.L. Montgomery & Associates and as such is an independent consultant to PepinNini Lithium Limited Mr. Rosko 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 Lithium 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 Lithium Limited
Phone: (08) 8218 5000

Note: Additional information on PNN is available at www.pepinnini.com.au

Appendix 5B - Mining exploration entity and oil and gas exploration entity quarterly report

+Rule 5.5

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	
PepinNini Lithium Limited	
ABN	**Quarter ended ("current quarter")**
55 101 714 989	March 2019

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(161)	(1,231)
	(b) development		
	(c) production		
	(d) staff costs	(56)	(169)
	(e) administration and corporate costs	(86)	(238)
1.3	Dividends received (see note 3)		
1.4	Interest received		
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)		
1.9	**Net cash from / (used in) operating activities**	**(303)**	**(1,638)**

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

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
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)		
2.6	**Net cash from / (used in) investing activities**		

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	294	1,545
3.2	Proceeds from issue of convertible notes	-	40
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	-	122
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)		
3.10	**Net cash from / (used in) financing activities**	**294**	**1,707**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	116	38
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(303)	(1,638)
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)	294	1,707
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**107**	**107**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	107	116
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**107**	**116**

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	85
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 and Non-Executive Directors' Remuneration $77,326.81
2. Chairman, Managing, Finance and Non-Executive Directors' Superannuation $7,239.66

7.	Payments to related entities of the entity and their associates	Current quarter $A'000
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	

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	75
9.2	Development	
9.3	Production	
9.4	Staff costs	
9.5	Administration and corporate costs	30
9.6	Other (provide details if material)	
9.7	**Total estimated cash outflows**	**105**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
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	-			-

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: ...30 April 2019.
(~~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.