

9 March 2017

Platina Resources to raise \$7 million in heavily oversubscribed placement to fast-track Feasibility Studies at Owendale Scandium, Cobalt, Nickel and Platinum Project

ASX Release: PGM

Highlights

- **Placement to raise approximately \$7 million from institutional and sophisticated investors.**
- **Funds raised will be applied to fast-track completion of a Pre-Feasibility Study (PFS) during Q2 2017, and complete a Definitive Feasibility Study (DFS) by the end of 2017.**
- **Further drilling scheduled to update the Cobalt Resource associated with the Owendale Project as well as further drilling required for PFS and DFS completion.**
- **All drilling expected to commence in April**

Platina Resources Limited (ASX: PGM) is pleased to advise that it has received commitments to raise up to approximately \$7.1 million through a placement of up to 52.825 million shares at an issue price of \$0.135 per share ("Placement"), which represents a discount of only 11.7% to PGM's volume weighted average price over the 5-day period leading up to finalisation of the Placement.

The Placement was many times oversubscribed, with strong demand received from institutional investors and existing shareholders. Among the new institutional investors is a number of high quality domestic and international institutional and professional investors.

Hartleys Limited acted as Lead Manager of the Placement, and focused on their strong institutional and professional investor client network to market the Placement.

The funds raised will fast-track completion of a Pre-Feasibility Study (PFS) during Q2 2017, and complete a Definitive Feasibility Study (DFS) by the end of 2017 at the Company's Owendale Scandium, Cobalt, Nickel and Platinum Project in central New South Wales, Australia, including development of a Pilot Plant to run continuously for 2 months.

Fund raised will also be directed towards drilling required to complete the feasibility studies, which will include infill drilling, and drilling for tailings and water bore studies, and drilling to update the Cobalt Resource associated with the Owendale Project.

In addition, Platina will now move to augment the feasibility team, including appointment of a Project Manager, and to carry out extensive marketing and scandium studies.

Managing Director Rob Mosig commented:

"We're pleased with the overwhelming demand for this Placement and thank new investors for their support and acknowledge the continued support of our existing shareholders. We look forward to completing both the PFS and DFS at Owendale, one of the largest and highest grade scandium deposits in the world.

"Following completion of drilling, we expect to update the Cobalt Resource associated with the project. High grade cobalt mineralisation remains open in several areas and we are excited to further develop and define this resource over the coming months.

"The demand received in this raising is a reflection of the outstanding potential of the Owendale Project to evolve into a world-class scandium, cobalt, nickel and platinum development. The Company continues to undertake evaluations for development for either a small tonnage, high grade scandium development or for a potentially larger tonnage cobalt platinum and scandium development."

The Placement will be undertaken in a single tranche pursuant to PGM's existing placement capacity, with completion and issue of the Placement shares anticipated on or around Thursday, 16 March 2017.

Shareholder approval will be sought at a general meeting planned in April 2017 for PGM Directors and officers to be issued a total of up to 11 million unlisted options exercisable at 20 cents each on or before 31 December 2019. It is proposed that the unlisted options will vest in the event of the Company's share price trading at a VWAP of at least \$0.25 for a period of 10 trading days.

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