

26 April 2017

ASX Release: PGM

March 2017 Quarterly Activities Report

Platina Resources Limited (ASX: PGM) is pleased to report its activities for the March 2017 quarter on the Company's 100%-owned Owendale scandium, cobalt, platinum and nickel project in Australia.

Highlights

- **Excellent metallurgical processing test work results**
 - Pressure Acid Leach (PAL) method show dissolutions of scandium, 93%, cobalt, >97%, and nickel >97% respectively.
 - Solvent extraction test work results demonstrate scandium extraction up to 99.3% from leach solution.
 - Atmospheric Tank Leach (ATL) extraction tests achieved dissolution of scandium, 65%, nickel, 62% and cobalt, >47% respectively.
- **3,000 m drilling program commenced, which aims to:**
 - Convert Inferred to Measured and Indicated Mineral Resources
 - Potentially increase the size of the cobalt and scandium Mineral Resource
 - Provide other key information for the Pre-Feasibility Study (PFS) such as geotechnical information for mining/process plant studies and water monitoring bore holes
 - Provide sample material for a continuous pilot plant test program expected to commence in July
- **\$7.1 million placement completed during quarter to fast-track Feasibility Studies**
 - PFS on track for completion during Q2 2017
 - Feasibility Study (FS) to be completed by end of 2017
- **Re-assaying of drilling pulps increases Owendale Mineral Resource**
 - New cobalt Mineral Resource of 9 Million Tonnes at 0.15% cobalt and 335ppm Scandium at 0.1% Co cut-off, increasing cobalt metal content by 5% and tonnage by 4%, with a total in-situ content of 13,200 tonnes cobalt.
 - High-grade component of scandium Mineral Resource increases to 0.7 Million tonnes at 650 ppm scandium and 0.14% cobalt at a 600 ppm Sc cut-off, with scandium metal content up 11% and tonnage up 8%.
 - Owendale cobalt Mineral Resource now contains the highest combined scandium and cobalt mineralisation discovered in a laterite to date.

Summary

During the quarter, Platina Resources Limited (“Platina” or the “Company”) continued work on its Owendale PFS, engaging independent consultants for metallurgy, geology and mining and environmental, and is expected to be completed on schedule by the end of June 2017.

In addition, the Company also plans to complete its FS by the end of 2017, with the most significant component of the FS, the continuous pilot plant operation, anticipated to start in late July and expected to provide representative samples of 99.9% purity Scandium Oxide for evaluation by prospective off-take and cooperation partners.

The decision to fast track the completion of both the PFS and the FS in 2017 required the Company to increase its treasury during the quarter, and in March, the Company raised a further \$7.1 Million through a placement to corporate and institutional clients of Hartleys Limited. Accordingly, with a cash balance of approximately \$9 Million at the end of the quarter, the Company is well placed to complete its technical studies and move to ramp up and mining in the earliest practicable time frame.

Pleasing results from the first metallurgical processing tests were also received during the quarter, and the Company is well on the way to confirming the most optimum metallurgical process for Owendale. Both PAL and ATL tests were carried out, with ATL showing lower dissolution than the PAL process, which demonstrated compelling dissolution and scandium extraction results. Further work and economic assessments on ATL are being carried out by Core Resources Laboratories, Brisbane, whilst more PAL results are expected to be received in the next 4 weeks. Additionally, the first solvent extraction tests completed during the quarter also demonstrated excellent Scandium extraction recoveries of up to 99.3% from PAL leach solutions. Further Scandium solvent extraction tests are in progress as a prelude to optimisation of this component for the planned July continuous pilot plant operation.

In February 2017, an upgrade to the cobalt Mineral Resource resulted in an increase to 9 million tonnes at a grade of 0.15% Co for a contained resource of 13,200 tonnes. This represented an increase in the metal content by 5% and the tonnage by 4%. In addition, the high-grade component of the scandium Mineral Resource increased the metal content by 11% and the tonnage by 8%. The Owendale cobalt Mineral Resource now contains the highest combined scandium and cobalt mineralisation discovered in a laterite to date.

Finally, post quarter-end, Platina commenced a 3,000m percussion and diamond core drilling program to increase confidence in the scandium Mineral Resource, increase the size of the cobalt Mineral Resource, provide information for the feasibility studies and provide sample material for a pilot plant test program. Assay results for this drilling program are expected to be available in about 4 to 6 weeks’ time.

Overview

Platina's Owendale Scandium Project has great potential to become a dominant producer of scandium due to favourable characteristics of the project including its shallow depth allowing open-pit mining and appreciable Platinum, Cobalt and Nickel credits. In fact, the Owendale Project is one of the world's highest grade scandium deposits, and has potential to be Australia's first scandium producer with cobalt, platinum and nickel credits.

Owendale is located 7 km north east of Clean TeQ Energy's Syerston Scandium Project, which is the most analogous project given its similar size and grade.



Figure 1: Owendale Project Location

Cobalt Resource

Platina completed an updated Mineral Resource update for its Owendale project, incorporating a recent X-Ray Fluorescence (XRF) with selective re-assaying program of 705 samples as well as 9,061 previous XRF assays discovered during reviews of the database and assaying data quality analysis (refer ASX announcement 14 Feb 2017).

At a cut-off of 300 ppm Sc, the updated scandium Mineral Resource is:

Measured Mineral Resource	4.4 Mt @ 405 ppm Sc
Indicated Mineral Resource	6.4 Mt @ 380 ppm Sc
Inferred Mineral Resource	17.1 Mt @ 385 ppm Sc
Total Mineral Resource	27.9 Mt @ 385 ppm Sc

Containing a total in-situ content of **16,500 tonnes of scandium oxide**

An increase of 8% in tonnes and 9% in metal content over the previous estimate.

At a higher cut-off of 600 ppm Sc, the scandium Mineral Resource is:

Measured Mineral Resource	0.12 Mt @ 655 ppm Sc
Indicated Mineral Resource	0.12 Mt @ 660 ppm Sc
Inferred Mineral Resource	0.44 Mt @ 645 ppm Sc
Total Mineral Resource	0.68 Mt @ 650 ppm Sc

Containing a total in-situ content of **670 tonnes of scandium oxide**

An increase of 11% in tonnes and 8% in metal content over the previous estimate.

At a separate cut-off of 0.1% Co, the cobalt Mineral Resource is:

Measured Mineral Resource	2.3 Mt @ 0.17% Co
Indicated Mineral Resource	2.3 Mt @ 0.15% Co
Inferred Mineral Resource	4.4 Mt @ 0.13% Co
Total Mineral Resource	9.0 Mt @ 0.15% Co

Containing a total in-situ content of **13,200 tonnes of cobalt**

An increase of 4% in tonnes and 5% increase in metal content over the previous estimate.

Further details of the Mineral Resource from the 14 Dec 2017 announcement are provided in Tables 1 to Table 3 for the corresponding scandium and cobalt cut-offs. The 0.1% Co cut-off Mineral Resource totalling 9.0 Mt in Table 3 is subset in grey to indicate a breakdown of the high cobalt Mineral Resource in black into two subsets. One being that part previously reported inside the 300 ppm scandium Mineral Resource (5.0 Mt) and the other part which is additional to the previous reports (4.0 Mt) as the scandium is below the 300 ppm cut-off used for reporting.

Table 1: Owendale Mineral Resource at a 300ppm Sc cut-off

Mineral Resource Classification	Tonnes	Grades				In-situ Metal Content ~			
	Mt	Sc ppm	Pt g/t	Ni %	Co %	Sc ₂ O ₃ * t	Pt koz	Ni t	Co t
Measured	4.4	405	0.53	0.13	0.07	2 700	74	5 600	3 100
Indicated	6.5	380	0.33	0.11	0.06	3 700	69	7 200	4 100
Inferred	17.1	385	0.28	0.12	0.06	10 000	153	21 100	10 300
Total	27.9	385	0.33	0.12	0.06	16 500	296	33 900	17 500

Table 2: Owendale Mineral Resource at a 600ppm Sc cut-off

Mineral Resource Classification	Tonnes	Grades				In-situ Metal Content ~			
	Mt	Sc ppm	Pt g/t	Ni %	Co %	Sc ₂ O ₃ * t	Pt koz	Ni t	Co t
Measured	0.12	655	0.51	0.17	0.17	120	1.9	210	200
Indicated	0.12	660	0.55	0.20	0.17	120	2.1	230	200
Inferred	0.44	645	0.34	0.20	0.12	440	4.8	890	530
Total	0.68	650	0.40	0.20	0.14	670	8.8	1 330	930

* Scandium is typically sold as Scandia or Scandium Oxide (Sc₂O₃) product and is calculated from scandium metal content and a 1.53 factor to convert to the oxide form.

~ In-situ metal content includes no metallurgical or other recovery factors.

Table 3: Owendale Mineral Resource estimate at a 0.1% Co cut-off

Mineral Resource Classification	Tonnes	Grades				In-situ Metal Content ~			
	Mt	Sc ppm	Pt g/t	Ni %	Co %	Sc ₂ O ₃ * t	Pt koz	Ni t	Co t
Total >0.1% Co									
Measured	2.3	305	0.59	0.36	0.17	1 060	43	8 140	3 930
Indicated	2.3	310	0.37	0.22	0.15	1 080	27	5 060	3 300
Inferred	4.4	360	0.24	0.22	0.13	2 460	34	9 740	5 970
Total	9.0	335	0.36	0.26	0.147	4 590	105	22 940	13 190
Subset within 300ppm Sc Mineral Resource Statement in Table 1									
Measured	1.0	445	0.58	0.26	0.18	690	19	2 580	1 830
Indicated	1.2	420	0.39	0.19	0.16	750	14	2 230	1 840
Inferred	2.9	450	0.25	0.20	0.13	1 970	23	5 700	3 860
Sub-total	5.0	440	0.35	0.21	0.15	3 410	57	10 520	7 520
Subset outside 300ppm Sc Mineral Resource in Table 1 (i.e. additional material <300 ppm Sc)									
Measured	1.3	190	0.60	0.44	0.17	370	24	5 560	2 100
Indicated	1.1	195	0.36	0.26	0.13	330	13	2 830	1 460
Inferred	1.6	200	0.22	0.25	0.13	490	11	4 040	2 110
Sub-total	4.0	195	0.38	0.31	0.14	1 180	48	12 430	5 670

* Scandium is typically sold as Scandia or Scandium Oxide (Sc₂O₃) product and is calculated from scandium metal content and a 1.53 factor to convert to the oxide form.

~ In-situ metal content includes no metallurgical or other recovery factors.

The upgraded results for scandium have extended the areas to be targeted for infill and extension drilling at the Owendale North study area.

Platina commenced a drilling program in April, concentrating on requirements for the Feasibility Study program to:

- Increase confidence in the scandium resource to convert Inferred and Indicated Resources to Measured Mineral Resources
- Increase the size of the cobalt resource
- Provide other key info for feasibility including geotechnical info for mining/process plant studies and water availability
- Provide sample material for pilot plant test program to commence in July.

Owendale Feasibility Study

A \$7.1 million placement completed during the quarter has enabled Platina to accelerate progress on its feasibility study work for the Owendale Project. These funds will enable Platina to undertake all 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.

As part of its investigations into processing methods for Owendale, PAL and ATL options are being assessed due to the availability of higher grade scandium and cobalt, requiring Platina to reassess the potential cost benefit for different processing methods.

The Company completed 19 PAL batch tests since December 2016 at the SGS laboratories in Perth to assess various leaching options. The latest results for a standard PAL approach include the dissolution of scandium (93%), cobalt (>97%) and nickel (>97%) in 90 minutes at a low acid dosage of 319kg/t of ore and at 255°C. A low iron dissolution (0.5%) was reported. This is a positive result since iron can be the most deleterious impurity for the downstream scandium recovery process.

Platina is planning further PAL test work to refine the optimal acidity, residence time, and temperature conditions, however, processing test work is now continuing on the scandium recovery from the PAL liquor. The recovery method will use an existing proven and patented process which should allow Platina to quickly progress with the planned feasibility studies.

Previous PAL test work has generally only recovered around 30% of the platinum into the solution. Test work to date, which has specifically targeted platinum has included recoveries of up to 82% and further tests will focus on further improving platinum recovery. Alternatively, avoiding platinum dissolution and subsequent investigation of possible extraction of platinum from the PAL residue using physical methods is also planned.

Preliminary solvent extraction test work to recover scandium from leach solution has returned excellent initial results with up to 99.3% extraction of scandium from leach solution reported.

The ATL method is being tested at the Core Resources laboratories in Brisbane, with 15 ATL batch tests completed since November 2016 to assess various leaching options. Test work investigated the performance of sulphuric, hydrochloric and nitric acids. ATL with sulphuric acid gave results for the dissolution of scandium (65%), nickel (62%) and cobalt (>47%).

These bench top test work results are indicative of what may be able to be achieved at commercial scale and will help the Company determine the appropriate process conditions for its continuous pilot processing program planned for July of this year.

Corporate

Capital Raising

During the quarter, Platina completed an oversubscribed \$7.1 million placement of 52.825 million shares at \$0.135/share, receiving strong demand from institutional investors and existing shareholders. Among the new institutional investors are numerous 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.

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The information in this announcement that relates to the Owendale Measured, Indicated and Inferred Mineral Resource is extracted from the report entitled ASX Release "Cobalt and Scandium resource Mineral Resource increases at Owendale" created on 14 February 2017 and is available to view on www.platinaresources.com.au. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Caution Regarding Forward Looking Statements and Forward Looking Information:

This announcement contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of Platina Resources Limited ("Platina"), its subsidiaries and its projects, the future price of platinum group metals ("PGM's"), the estimation of mineral resources, operating and exploration expenditures, costs and timing of development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation, environmental risks, reclamation expenses, title disputes or claims and limitations of insurance coverage. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Platina and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of PGM's; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accident, labor disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although Platina has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that could cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this announcement and Platina disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Platina undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

DISCLOSURES REQUIRED UNDER ASX LISTING RULE 5.3.3

1. Mining tenements held at the end of the quarter and their location

Tenement ID	Area	Location	Ownership	% Ownership
M47/123	Munni Munni	WA, Australia	PGM	100*
M47/124	Munni Munni	WA, Australia	PGM	100*
M47/125	Munni Munni	WA, Australia	PGM	100*
M47/126	Munni Munni	WA, Australia	PGM	100*
EL7644	Owendale	NSW, Australia	PGM	100
EL2007/01	Skaergaard	Greenland	PGM	100
EL2012/25	Qialivarteerpik	Greenland	PGM	100

*See note 3 below

2. Mining tenements acquired and disposed of during the quarter and their location

Nil

3. Beneficial percentage interests held in farm-in or farm-out agreements at end of the quarter and beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

In August 2015, Platina Resources Limited entered into an agreement with Artemis Resources Limited to earn a 70% interest in the Munni Munni Platinum Group Elements Project, comprising M47/123, 124, 125, 126 (the “Munni Munni Project”).

The Company is not party to any other farm-in or farm-out agreements.

Abbreviations and Definitions:

EL	Exploration License	PGE	Platinum Group Elements
M	Mining Lease	PGM	Platina Resources Ltd
Co	Cobalt		
Sc	Scandium		