

25 OCTOBER 2017

September 2017 Quarterly Report

Key highlights for the quarter

- Completion of the maiden Ore Reserve at Owendale, positioning it as one of the **world's largest and highest grade scandium developments**
- Pre-Feasibility Study ("PFS") completed during the quarter, confirming the **robust economics of a 42tpa scandium oxide development** (US\$180m NPV₁₀ and 27% IRR)
- **High grade cobalt zones identified** at Owendale from a review of historic drill holes
- Simulus Group have been engaged to evaluate plant size options as part of assessing the feasibility of constructing a demonstration plant in 2018

Platina Resources Limited ("Platina" or the "Company", ASX: PGM) is pleased to report its activities for the quarter ending 30 September 2017 ("September Quarter").

During the September Quarter, Platina completed multiple milestones at its 100%-owned Owendale scandium-cobalt-nickel-platinum project located 7km from Clean Teq's (ASX: CLQ, A\$821m market capitalisation) analogous Syerston deposit in central NSW, Australia.

Platina Managing Director, Robert Mosig, commented:

"The September Quarter was a highly productive quarter for Platina, with the completion and release of our Owendale PFS and the maiden Ore Reserve being key highlights for the period. Owendale continues to shape up as one of the more prolific scandium and cobalt development projects, and continues to attract strong interest from a number of potential strategic partners focused on unlocking a secure, long term supply of scandium."

"There are a number of upcoming development milestones for Owendale which we are progressing, including securing an offtake partner, acquiring a demonstration plant for potential near-term revenues and progressing the definitive feasibility study when we have finalised our optimum processing plant options."

"We recently engaged Perth-based Simulus Group to evaluate options for entry into the existing scandium oxide market, including the potential for a demonstration plant for production in 2018. This strategy is aimed at managing project risks and providing an early return to shareholders. Platina is excited about the potential for a demonstration plant at Owendale."

Preliminary feasibility study

During the September Quarter, Platina announced the results of its PFS which considers a scandium focused development of its 100%-owned Owendale project. The PFS was completed by Prudentia Process Consulting Pty Ltd.

Key outcomes of the PFS are outlined below:

Table 1: PFS outcomes (July 2017)

Parameters	PFS result
Operating	
Annual process throughput	50ktpa
Annual scandia production	42tpa
Average scandia recoveries	90.3%
Average mined grade	610ppm Sc
Financial	
Scandia price assumption	US\$1,500/kg
Capital costs ¹	US\$94m
Annual revenue (LOM average)	US\$58m
Annual cash costs (LOM average)	US\$23m
NPV (10%, pre-tax)	US\$180m
IRR (pre-tax)	27%
Payback period	3 to 4 years

Conservative pricing assumptions have been used in the PFS including US\$1,500/kg for scandia, which compares to current prices of around US\$2,000/kg.

Subsequent to the completion of the PFS, there was a further update to the economics of the Owendale project through the incorporation of:

- Resource drilling and sampling which resulted in an updated mineral resource;
- Further geotechnical drilling, sampling and analysis; and
- Environmental sampling and analysis.

A simplified economic model was used to consider the change in economics from that presented in the PFS. Key aspects include the doubling of the mine life, 6% higher scandium grade, targeting of high cobalt areas and a potential reduction in the mining cost. Provisional analysis indicates that 35 years of high grade ore mining would generate an NPV (10% discount rate) of US\$298m at an IRR of 52%.

Maiden scandium and cobalt Ore Reserve

The September 2017 maiden Ore Reserve positions Owendale as one of the largest and highest-grade scandium and cobalt development globally. The maiden Ore Reserve underpins the positive project economics including an optimised mine schedule of an initial 35 years of high grade ore feed, including an initial 5 years of high grade cobalt (0.18% Co head grade) recovered as by-products.

Table 2: Owendale Ore Reserve (August 2017)

Ore Reserve Classification	Tonnage Dry Kt	Scandium ppm	Cobalt %	Nickel %	Scandia t*	Cobalt t	Nickel t
High Grade (HG) Ore >550 ppm Sc cut off							
Proven	1,009	650	0.14	0.16	1,003	1,413	1,614
Probable	735	635	0.12	0.15	714	882	1,103
Sub- total	1,744	645	0.13	0.16	1,718	2,295	2,717
Medium Grade (MG) Ore 450 to 550 ppm Sc cut off							
Proven	1,215	480	0.05	0.11	892	608	1,337
Probable	1,031	475	0.06	0.11	749	619	1,134
Sub- total	2,246	475	0.05	0.11	1,642	1,226	2,471
HG and MG Ore >450 ppm Sc cut off							
Proven	2,224	555	0.09	0.13	1,896	2,020	2,951
Probable	1,766	540	0.08	0.13	1,463	1,501	2,237
Total	3,990	550	0.09	0.13	3,359	3,521	5,188

*Scandium is typically sold as Scandia or Scandium Oxide (Sc_2O_3) product and is calculated from scandium metal content and a 1.53 factor to convert to the oxide form

Exploration

Test results from the diamond core drilling were received for the geotechnical and environmental sampling, with the results positive for the project.

Preliminary geotechnical results were used to confirm the conservative parameters assumed for the Ore Reserves study. These results indicate the laterite is relatively hard and steeper slopes can be achieved than those assumed to date.

Environmental sampling of waste and ore material types suggest no leachate or solubility issues.

The fineness of all the pit material types suggest they are all suitable for clay lining residue storage facilities.

A fourth batch of reassaying of the previous Helix drill samples was completed which largely targeted the extension of previous sample intervals to extend ore zones or confirm assumed waste contacts. A total of 185 samples were reassayed by XRF with some mineralised samples for Pt, Sc, Ni, Co and Au. These will extend the drilling intercepts for a few holes at the 300 ppm Sc and 0.08% Co cut-offs but are not considered material to the current Mineral Resource statement.

Demonstration plant evaluation

Platina has engaged Stimulus Group to evaluate the commercial feasibility of acquiring a demonstration plant in order to produce scandium oxide in 2018.

Aside from providing near term financial returns, production from a demonstration plant would further de-risk the development of Owendale by establishing contractual relationships with key commercial customers and allow for optimisation of the scandium processing methods and flow sheet design.

Corporate and strategy

Platina's Board of Directors and management team are actively pursuing a dual-track work program to progress both the scandium development option for its 100% owned Owendale project as well as investigate its significant cobalt potential. A clear focus for Platina is to position itself as the premier new-tech metals producer on the ASX by developing its Owendale project.

Platina also continues seeking to strengthen its Board of Directors with the addition of a high quality Director with a strong background in project commercialisation and capital markets. Platina remains hopeful of finalising an appointment in the coming quarter.

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The information in this report that relates to the Mineral Resources and Ore Reserves were last reported by the Company in compliance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves in market releases dated as follows:

- Owendale Maiden Scandium and Cobalt Reserve – 13 September 2017
- Owendale Measured, Indicated and Inferred Mineral Resource – 9 August 2017
- Platina delivers positive pre-feasibility study (PFS announcement) for the Owendale Scandium and Cobalt Project – 10 July 2017

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred above and further confirms that all material assumptions underpinning the production targets and all material assumptions and technical parameters underpinning the ore reserve and mineral resource estimates contained in those market releases continue to apply and have not materially changed.

Statements regarding Platina Resources' plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Platina Resources' plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Platina Resources' will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Platina Resources' mineral properties.

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		