

31 October 2019

SEPTEMBER 2019 QUARTERLY ACTIVITIES REPORT.

HIGHLIGHTS

- Joint venture to acquire up to 70% interest in highly prospective Blue Moon zinc-copper-gold deposit in the USA
- New technical studies planned for the Platina Scandium Project to unlock value
- Mining Scoping Study on Skaergaard project underway to assist in establishing the best future path forward for the project
- Completion of a \$1.25 million Share Purchase Plan subsequent to end of quarter

Strategy Update

The Platina Board made a strategic decision earlier this year to acquire a new project, outlined in previous ASX releases and presentations. The rationale was to enhance the risk-reward balance of the Company's asset portfolio by diversifying the commodity and geographic mix.

Our project pipeline has matured. An earlier stage asset that can be progressed along the resources value curve through drilling and feasibility studies will start to generate more news flow.

Additionally, a new asset will also allow us to expand, develop or monetise our existing assets in an orderly and structured fashion, without the pressure of low cash resources. Our existing assets still have real value and we remain focused on finding a path to generate shareholder returns.

The economic environment for securing offtake agreements and joint venture partners in speciality metals is currently very challenging. Market volatility due to the USA-China trade war is creating economic and investment uncertainty that has been great for acquiring an undervalued asset but not so good for partnering or joint venturing our existing assets.

On 29 August 2019, we announced the Blue Moon transaction. The project is a new opportunity that provides shareholders with excellent valuation upside (as demonstrated by the ASX zinc peer group comparison) in a manageable scale project, in well understood commodities with daily traded liquid markets.

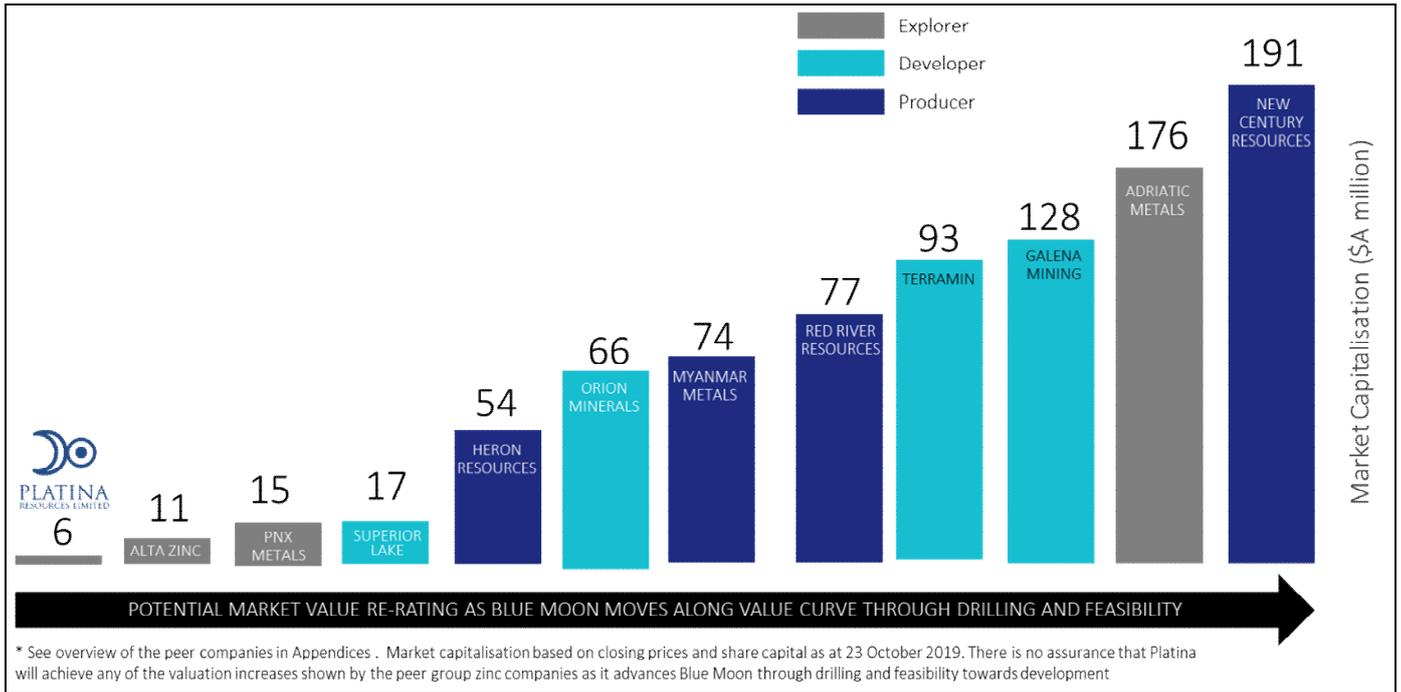
New frontiers. New growth.

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Significant Valuation Upside Potential from the Blue Moon Project



Refer ASX release, “Transformational Transaction – Joint Venture on a High-Grade Zinc-Copper-Gold project”, 29 August 2019 for overview of the peer companies.

Blue Moon, USA

During the quarter, Platina entered into a joint venture agreement to earn up to a 70% interest in and become operator of the Blue Moon Zinc Project in the United States. The acquisition fits with Platina’s core expertise and experience in advancing projects through drilling, feasibility and development.

The Blue Moon deposit is a member of a well-known type of base metal sulphide deposits, Volcanogenic Massive Sulphides (VMS). These are exploited all over the world to produce copper and zinc concentrates that often contain significant precious metal by-products. The historical work completed on the deposit indicates that it has potential to become a significant producer of both copper and zinc.

Blue Moon provides significant exploration upside but with the benefits of an existing Mineral Resource based on more than 40,000m of drilling that was never developed due to low commodity prices at the time. The Blue Moon Mineral Resource Estimate was sourced from the Blue Moon Zinc Corp, NI43-101 Technical Report, “Mineral Resource Estimate for the Blue Moon Massive Sulphide Occurrence”, effective date 14 November 2018. The report is available from the BMZ website (www.bluemoonmining.com) or www.sedar.com

Table 1 – Blue Moon Global Mineral Resources Estimate (4.0% ZnEQ cut-off grade)

Category	Tons*	Zn %	Cu (%)	Ag (g/t)	Au (g/t)	Pb (%)
Inferred	7,790,000	4.95	0.46	41.36	1.24	0.29
Total	7,790,000	4.95	0.46	41.36	1.24	0.29



Cautionary Note: National Instrument 43-101 is a national instrument for the Standards of Disclosure for Mineral Projects within Canada. The Mineral Resources stated are foreign estimates and are not reported in accordance with JORC Code. A competent person has not done sufficient work to classify the foreign estimates as Mineral Resources in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources in accordance with the JORC Code. Please see Appendix B for the ASX listing rule Chapter 5 disclosures.

**Please note that the Mineral Resource is defined in US short tons (2,000lb) and not metric tonnes.*

The mineral system remains open in all directions and there is also broader tenement potential for identifying further deposits. Recent drilling in 2018, intersected some of the highest grades ever drilled in the deposit and provides scope to expand the system at much higher grades, particularly in gold – see ASX releases, “Transformational Transaction – Joint Venture on a High-Grade Zinc-Copper-Gold project”, 29 August 2019.

From a development perspective, the project benefits from excellent infrastructure including access to nearby ports, rail, sealed roads, low-cost hydro-electricity, labour and water. Initial contact with the local community and authorities have been very positive with strong support for the development of new industry in this area of California.

Platina will acquire up to a 70% interest in the Project by spending CAD3.25 million over 18 months to earn 50% and CAD3.75 million over another 18 months to earn an additional 20%. Once Platina has earned a 70% interest, expenditure is based on a contribute/dilute basis subject to Platina funding the first CAD5 million for both parties as a fully-refundable financing loan.

In addition, in October 2019, we acquired a 5% equity interest in the Project owner, TSX-V listed, Blue Moon Zinc Corporation (BMZ), by subscribing to shares for CAD300,000. In addition, we have a six-month option to acquire a further 5% equity interest in BMZ at market prices. If Platina reaches a 10% interest in BMZ, it becomes entitled to appoint a member to the board of BMZ.



Platina Scandium Project, New South Wales

The Platina Scandium Project (PSP) located in central New South Wales is one of the largest and highest-grade scandium deposits in the world, which has the potential to become Australia's first scandium producer with cobalt and nickel credits. A DFS was completed in late 2018 demonstrating the technical and economic viability of constructing the project. The positive DFS demonstrated the opportunity to create substantial long-term sustainable shareholder value at a manageable capital cost (see Table 1). The next step to unlocking value in the project is to secure an offtake agreement to facilitate project financing and finalise the required permits to begin construction.

	USD	AUD
Stage 1 Annual Production	20 tonnes	
Stage 2 Annual Production (from Year 5)	40 tonnes	
Life-of-mine for financial model	30 years	
Net Present Value (8%), real, after-tax	166 million	234 million
Internal Rate of Return, post-tax	29%	
Payback Period (undiscounted)	5.3 years	
Stage 1 Capital Expenditure	48.1 million	67.8 million
Stage 2 Capital Expenditure	11.1 million	15.6 million
Total Life-of-Project Capital Expenditure*	104.1 million	146.5 million
Life-of-Mine Average Cash Operating Costs#	525/kg	739/kg
Life-of-Mine Scandium Oxide Price	1,550/kg	2,183/kg
USD to AUD Exchange Rate	0.71	

*Includes sustaining capital costs. # Mining, processing, general and administration costs. Excludes royalties

Permitting

To finalise permitting for the PSP, the Environmental Impact Assessment and Development Applications (mine and process plant) needs to be completed. The Company submitted a Mining Lease Application (MLA) during the June 2019 quarter. Work has commenced on the preparation of Development Applications, which require land holder lease or land purchase agreements to be secured at the Red Heart Mine.

To conserve cash resources, we have decided to defer the Environmental Impact Assessment's at the Red Heart mine site and the Condobolin plant site until we are closer to securing an offtake agreement.

Scandium Marketing Update

Platina's prime objective is to secure production offtake agreements, which will enable project financing options to be pursued for construction funding. The Company is actively working on a scandium off-take marketing program, which is targeting potential customers in the USA, Europe, Asia and Australia.



While the solid oxide fuel cell industry has been the dominant consumer of scandium in recent years, the metal's greatest value is as an aluminium alloy targeting aerospace, marine, military and automobile industries. Scandium can produce stronger, more heat tolerant, weldable aluminium products which are being increasingly incorporated into transportation applications for electric vehicles and lowering fuel efficiency requirements. However, the market for aluminium-scandium alloys remains very small and undeveloped.

We believe the key to the development of the scandium market is the establishment of a western world supply source and lower prices for scandium oxide and alloys that can compete with other aluminium alloys in the market. Our belief is that the PSP has the potential to produce the world's lowest cost scandium oxide and create competitively priced supply. However, the ongoing challenge remains the small size of the market relative to the scale of operation required for the proposed PSP High-Pressure-Acid leach process (HPAL).

We are tackling the market entry challenge through a number of new initiatives, including the following:

1. *Aligning with Traxys*

Platina has signed a Memorandum of Understanding with Traxys Europe S.A to assess scandium product and market development, and potential funding for the PSP. Traxys is proposing to assist in developing and executing a strategic product, market and marketing development plan, and in sourcing funding in return for receiving long term exclusive marketing and distribution rights to the scandium products produced from the project. We plan to work together to prepare binding documentation, a multi staged cooperation agreement, and a marketing and distribution agreement with a future working capital component.

Traxys is a global leader in the sales and marketing of a variety of specialty and industrial metals with over 20 offices around the world and \$6 billion in average annual revenue. Traxys has a long track record of success in both serving and growing global markets for strategic materials such as scandium.

2. *Assessing opportunities for producing at a smaller production scale*

Platina will assess the application of a small-scale vat leach technology used for nickel laterite ores to scandium processing in a bid to establish a smaller, lower cost project better aligned to the low volumes of the current scandium market. While conventional HPAL may recover more metal, the technology is more complex, larger scale and requires considerably more capital. Core Metallurgy in Brisbane has been engaged to conduct the trial.

3. *Assessing the potential to produce other revenue streams from the PSP*

The Company has previously demonstrated that it could extract high purity alumina from clarified leach solutions produced from the recovery of scandium in a HPAL plant. However, recoveries were low. An alternative process technology will now be trialled to investigate whether we can achieve better recoveries of the aluminium which will be converted into high purity alumina, which has a premium value, and is used to manufacture sapphire glass and lithium-ion-battery separators.

Interest in Acquiring the PSP

The Company has previously reported a party expressing interest in acquiring the PSP (see ASX, Shareholder Update, 15 August 2018). The party continues to undertake due diligence and the process remains ongoing. No assurance can be given that any transaction will be completed.



Skaergaard, Greenland

Platina owns 100% of the Skaergaard project in Greenland, one of the world's largest undeveloped gold and palladium deposits outside of South Africa and Russia.

In July 2013, the Company reported a JORC compliant Mineral Resource estimate based on metal price assumptions of US\$1,400/oz for gold and platinum, and US\$560/oz for palladium. In the last five years, the price of palladium has substantially increased from US\$736/oz to over US\$1,700/oz today.

To better define the potential development options available for the project, SRK have been engaged to produce the updated Scoping Study (SRK produced a Scoping Study in 2008) and it is nearing completion. The study will provide the fundamental development concept for the project including the project scale, capital and operating costs. Whilst the primary metals for the project include gold and platinum group metals, the viability of producing and selling other metals contained within the deposit is being assessed.

We believe that a Scoping Study will provide a basis for evaluating the potential development options for the project so we can make an informed judgement about the best future path forward for the project. Whilst the Skaergaard deposit is a large gold and platinum group metals resource, it will ultimately require a partner that has the capacity to develop a large capital expenditure underground mine.

During the December quarter 2019, the Company will be required to renew its Skaergaard licences.

Munni Munni, Western Australia

Platina holds a 30% interest in the Munni Munni project in a joint venture with Artemis Resources Limited (ASX: ARV) who is the Operator. There were no exploration activities at Munni Munni during the quarter.

The Company has received several approaches to acquire its 30% interest in the Joint Venture and is considering its options in conjunction with Artemis. The project has a number of challenges including being low-grade, and at a depth that is not likely amenable to open-cut mining and the metallurgically is not well understood. Further work will be required to define a development path forward for this project.

Corporate Activities

During the quarter, Platina announced an underwritten Shareholder Share Purchase Plan (SPP) to raise \$1.25 million before costs. In October 2019, the Company announced it had received \$1,158,500 from eligible shareholders subscribing for new fully paid ordinary shares under the SPP. The SPP was fully underwritten by Patersons Securities and nominees of Patersons subscribed for the remaining \$91,500 of the underwritten amount. The SPP issue price per share was calculated as \$0.021 per share, being the price, which represents a 20% discount to the volume weighted average price of company shares traded on the ASX during the five trading days immediately prior to the issue date of 9 October 2019.

Funds raised from the SPP will be used to advance our portfolio of projects, including:

- completing the Blue Moon transaction and funding the planned exploration and drilling activities for the Blue Moon zinc project;
- the ongoing scandium market development and permitting activities for the PSP;
- exploration costs for the Skaergaard gold and platinum group metal project in Greenland;
- maintenance and holding costs for Munni Munni (30% interest); and
- for ongoing working capital and corporate costs.



References to previous ASX Releases

The information in this Director's 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:

- Platina Scandium Project - Positive Definitive Feasibility Study, 13 December 2018;
- Platina Scandium Project Ore Reserve, 13 December 2018;
- Transformational Transaction – Joint Venture on a high-grade Zinc-Copper-Gold project, 29 August 2019

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 statements contained in those market releases continue to apply and have not materially changed.



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	30*
M47/124	Munni Munni	WA, Australia	PGM	30*
M47/125	Munni Munni	WA, Australia	PGM	30*
M47/126	Munni Munni	WA, Australia	PGM	30*
E47/3322	Munni Munni	WA, Australia	PGM	30*
EL7644	Owendale	NSW, Australia	PGM	100
EL8672	Condobolin	NSW, Australia	PGM	100
EL2007/01	Skaergaard	Greenland	PGM	100
EL2012/25	Qialivarteerpik	Greenland	PGM	100
American Eagle	Central California	USA	BMZ	Earning up to 70%
Blue Bell & Bonanza	Central California	USA	BMZ	Earning up to 70%
Red Cloud 1	Central California	USA	BMZ	Earning up to 70%
Red Cloud 2	Central California	USA	BMZ	Earning up to 70%
Red Cloud 3	Central California	USA	BMZ	Earning up to 70%
Red Cloud 4	Central California	USA	BMZ	Earning up to 70%
Red Cloud 5	Central California	USA	BMZ	Earning up to 70%
Red Cloud 6	Central California	USA	BMZ	Earning up to 70%
Red Cloud 7	Central California	USA	BMZ	Earning up to 70%
Red Cloud 8	Central California	USA	BMZ	Earning up to 70%
James Gann Jr. trust of 1991	Central California	USA	BMZ	Earning up to 70%
James Gann Jr. trust of 1991	Central California	USA	BMZ	Earning up to 70%

*See note 3 below

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

On 29 August 2019, Platina entered into a joint venture agreement to earn up to a 70% interest in and become operator of the Blue Moon Zinc Project in the United States. Platina will acquire up to a 70% interest in the project by spending CAD3.25 million over 18 months to earn 50% and CAD3.75 million over another 18 months to earn an additional 20%. The Company can withdraw at anytime without incurring any cost.

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 entered into an agreement with Artemis under which Artemis could earn a 70% interest in the Munni Munni Platinum Group Elements Project, comprising M47/123, 124, 125, 126 and E47/3322 (the "Munni Munni Project") by expending \$750,000 over a 3-year period. In August 2018, the Company announced that Artemis satisfied the conditions required to acquire a 70% interest and formal documentation formalising the joint venture is currently being finalised.

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

Platina is an Australian-based company focused on returning shareholder value by advancing early-stage metals projects through exploration, feasibility, permitting and into development.

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