

12 May, 2015

ASX Release: PGM

Platina Resources on track to start feasibility for Owendale Scandium Project

Scandium developer Platina Resources Limited (ASX: PGM) is pleased to announce it remains on track, subject to financing, to start feasibility studies this month for its 100%-owned Owendale Scandium Project in New South Wales, Australia.

Platina will complete a short preliminary feasibility study on Owendale which will be immediately followed with a bankable feasibility study (BFS).

Scoping Study

Owendale Project has the potential to become Australia's first scandium producer with platinum credits. An independent scoping study, released in March 2015, confirmed Owendale was an outstanding project.

The base case for the project is a simple, open-pit mining operation which will mine approximately 50,000 tonnes of ore per annum for treatment and concentration on site to produce 30 tonnes of scandium oxide at 99.9% purity.

Highlights included;

- Annual production of 30 tonnes 99.9% purity scandium oxide with optional platinum, nickel and cobalt credits for a mine life approaching 70 years
- Life of mine all-in-cash-costs estimated at USD \$466 (AUD\$598) per kilo scandium oxide
- Capital cost estimate of USD \$57 million (AUD\$73.5 million)
- Simple open pit mining operation of just 50,000 tonnes processed each year

Mining is expected to take place two to three times per year in small campaigns from shallow open pits.

The mining concept will involve conventional shovel and truck open cut mining, most likely located on a shallow, high grade starter pit. Batch high pressure acid leach (HPAL) autoclaves are required in order to produce the initial 30 tonnes of scandium oxide.

Owendale hosts an Indicated and Inferred Mineral Resource (JORC 2012) of 24 million tonnes of scandium grading 384ppm Sc (at a cut-off of 300ppm Sc) and

contains a total in-situ content of 9,100 tonnes of scandium metal or 14,000 tonnes of scandium oxide.

Metallurgical Testwork

Testwork for Owendale from high pressure acid leach (HPAL) tests has produced excellent results including;

- Extraction of scandium >85%
- Platinum >80%
- Nickel >95%
- Cobalt (>99%) from Owendale Scoping Study

Off-Take Agreements

The Company continues to seek binding off-take agreements for the supply of scandium oxide and scandium metal from Owendale.

Currently, Platina has two heads of agreements (HoA) which it is negotiating with China based Inner Mongolia Honfine Zirconium Industry Co Ltd (Honfine) for the supply of 15 tonnes of scandium oxide at 99.9% purity and Hunan Oriental Scandium (HNOSC) for the supply of 5 tonnes scandium oxide at 99.9% purity.

The deadline for completion of off-take negotiations is 31 May 2015 and 30 September respectively.

¹Within the past four years, scandium oxide (99.9% purity) has sold within a range of USD\$1,400 - \$3,700 per kilogram

Resource Table – Owendale Project

Table 1. Owendale Mineral Resource Statement

| Cut-off Grade | Classification | Mt | Pt g/t* | Sc ppm | Sc ₂ O ₃ ppm | Ni % | Co % | Fe ₂ O ₃ % | MgO % | Pt koz | Sc t | Sc ₂ O ₃ t | PtEq g/t |
|-----------------------|------------------|-------------|-------------|------------|------------------------------------|-------------|-------------|----------------------------------|------------|------------|---------------|----------------------------------|-------------|
| Pt >0.3 g/t | Indicated | 10.2 | 0.58 | 231 | 354 | 0.20 | 0.05 | 46.6 | 3.6 | 190 | 2 364 | 3 626 | 1.10 |
| | Inferred | 20.9 | 0.49 | 257 | 394 | 0.12 | 0.05 | 47.8 | 2.1 | 329 | 5 360 | 8 221 | 0.85 |
| | Sub-total | 31.1 | 0.52 | 248 | 381 | 0.15 | 0.05 | 47.4 | 2.6 | 519 | 7 724 | 11 847 | 0.93 |
| Sc >300 ppm | Indicated | 4.2 | 0.53 | 401 | 615 | 0.13 | 0.06 | 53.6 | 1.0 | 72 | 1 698 | 2 605 | 0.93 |
| | Inferred | 19.4 | 0.33 | 380 | 583 | 0.11 | 0.06 | 52.6 | 0.9 | 205 | 7 385 | 11 327 | 0.69 |
| | Sub-total | 23.7 | 0.36 | 384 | 588 | 0.11 | 0.06 | 52.8 | 0.9 | 277 | 9 083 | 13 932 | 0.73 |
| Combined | Indicated | 11.2 | 0.55 | 243 | 372 | 0.19 | 0.05 | 47.0 | 3.4 | 197 | 2 722 | 4 175 | 1.06 |
| | Inferred | 32.4 | 0.39 | 300 | 461 | 0.12 | 0.05 | 49.3 | 1.7 | 401 | 9 741 | 14 940 | 0.75 |
| | Total | 43.6 | 0.43 | 286 | 438 | 0.14 | 0.05 | 48.7 | 2.1 | 599 | 12 463 | 19 115 | 0.83 |

*Note ppm and g/t are equivalent units of measure with g/t traditionally used for Pt

Scandium is commonly sold as scandium oxide (Scandia) Sc₂O₃. Conversion factor from Sc to Sc₂O₃ is 1.5338

Resource Estimation carried out by Golder Associates Pty Ltd, Brisbane. Further details available in the Company's ASX announcement dated 3rd October, 2013.

The platinum equivalent formulae, $PtEq = Pt + 2xNi + 2.5xCo$ is based on the least optimistic recovery process for nickel and cobalt for atmospheric leaching; where the platinum price is US\$1,500/oz, the nickel price is US\$8/lb and the cobalt price is US\$12/lb. The metal equivalent calculation assumes metallurgical recovery of 95% for platinum, 70% for nickel and 60% for cobalt and metal payability of 75% for nickel and cobalt.



Figure 1. Owendale Project location

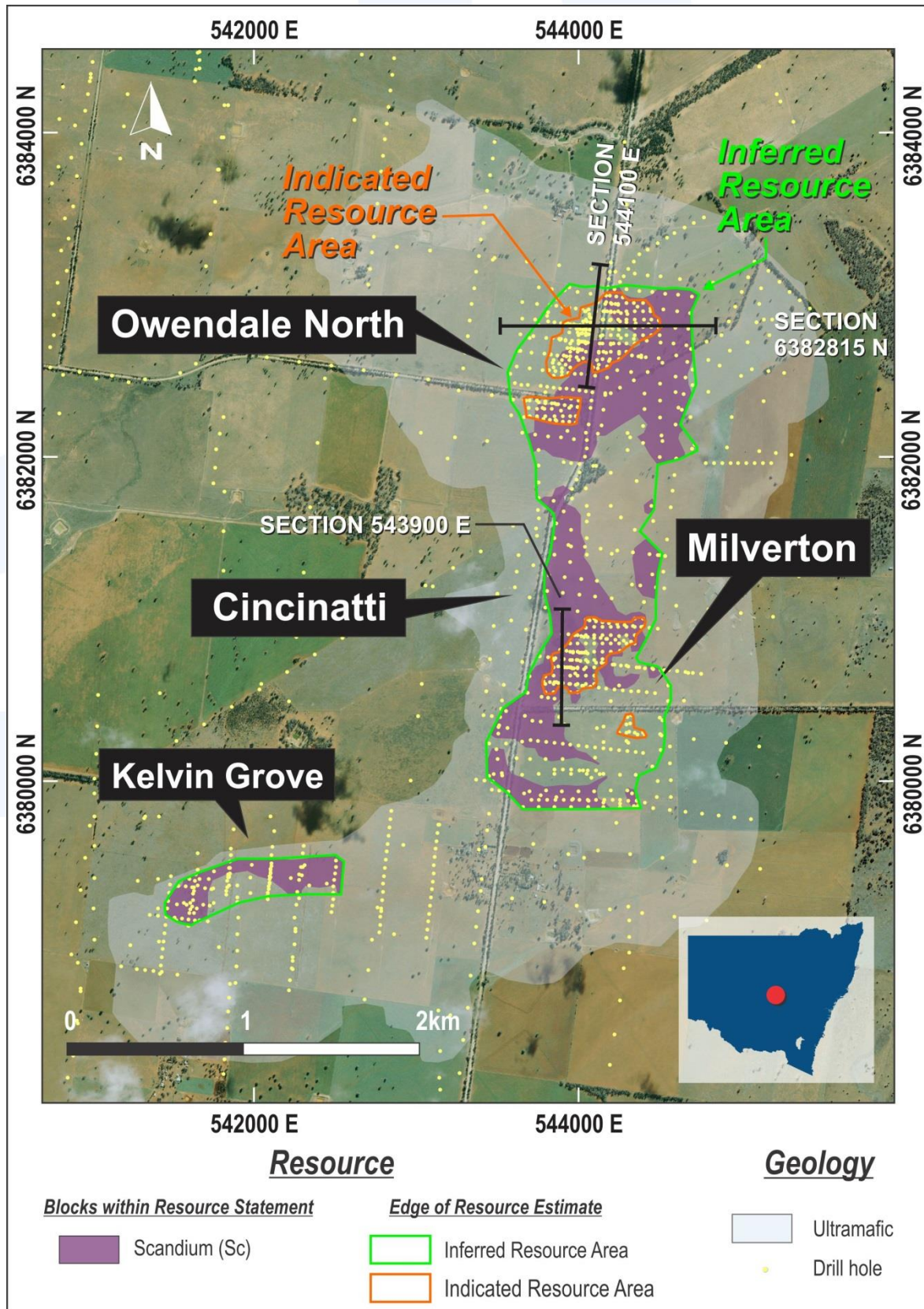


Figure 2. Owendale Scandium Resource area

About Platina Resources

Platina Resources Ltd is an international resource Company focused on the exploration and development of a global portfolio of precious and specialty metal projects. We have been listed on the ASX since May 2006 (ASX code: PGM) and based on the Gold Coast, Australia.

Our core focus is on three advanced, 100%-owned resources: the Owendale Platinum and Scandium Project in Australia, the Skaergaard Gold and Platinum Group Metal (PGM) Project in Greenland, and the Munni Munni PGM Project in Australia.

We aim to create shareholder value by advancing these projects into production as rapidly as possible. Platina also has exploration licences and applications covering nearly 3,000km² in Western Australia with potential for large PGE-nickel-copper and/or gold deposits.

Owendale Platinum and Scandium Project

The resource estimations² for the Owendale Platinum and Scandium Project give a total contained metal of 519,000oz platinum and 9,100 tonnes of scandium metal or 14,000 tonnes of scandium oxide. It represents Australia's newest platinum resource and the world's largest and most high-grade scandium deposit.

Platina Resources' Owendale Project is located in central New South Wales, approximately 75km NW of Parkes, and 45km NE of Condobolin. Owendale is also located 12km north of the Fifield Deep Lead, Australia's only historical platinum mine.

The platinum and scandium resources overlap and are contained within the laterite profile that begins at surface and extends to a maximum depth of approximately 50m.

It is the Company's intention to fast track the development of the Owendale platinum and scandium resources as soon as practicable. It is the Company's belief that Owendale has the potential to become Australia's sole platinum mine, with the added upside of coincidentally being the world's largest, highest grade scandium resource. Advances in the processing of scandium could unlock the potential for the metal to contribute significantly toward project economics.

References :

1. Scandium - Mineral Commodity Summary, 2013, USGS.
2. Platina Resources ASX announcement dated 3rd October 2013.
 - a. AUD:USD 0.78

Electronic copies and more information are available on the Company website:
www.platinaresources.com.au

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The information in this announcement that relates to the Owendale Indicated and Inferred Mineral Resource is extracted from the report entitled ASX Release "Owendale Updated Resource Estimate" created on 3 October 2013 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.

Cautionary Statement

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.