

29 May 2017

ASX Release: PGM

Platina intersects high grade scandium and cobalt at Owendale

Highlights

- **Platina's recent drilling has intersected significant scandium intercepts that confirms the high grade and quality of the Owendale North prospect with intervals such as**
 - **32 m @ 410 ppm Sc**
 - **11 m @ 715 ppm Sc, including 4 m at 880 ppm Sc**
 - **8 m @ 720 ppm Sc, including 1 m at 980 ppm Sc**
 - **6 m @ 635 ppm Sc**
 - **8 m @ 570 ppm Sc**
- **Drilling has also intersected several high grade cobalt zones including**
 - **1 m @ 0.48% Co**
 - **3 m @ 0.33% Co, including 1 m @ 0.45% Co**
 - **3 m @ 0.27% Co, including 1 m @ 0.43% Co**
 - **5 m @ 0.22% Co**
 - **6 m @ 0.20% Co**

Platina Resources Limited (ASX: PGM) is pleased to advise that it has received the first batch of assay results from recent drilling at its Owendale Scandium, Cobalt, Nickel and Platinum project in central New South Wales, Australia.

This batch of drilling results were intended to cover some sterilisation areas and part of a shallow potential starter-pit area, however, scandium and cobalt mineralisation was found to be more extensive than expected. 1 m sample grades range up to 980 ppm Sc, 0.48% Co, 1110 ppb Pt and 0.92% Ni. The drilling has confirmed significant scandium and cobalt mineralisation near surface. In particular, there are some exceptional scandium intercepts in terms of both high grade and thickness and some significant cobalt intercepts with several 1 m sample assays over 0.4% Co.

Platina Managing Director Rob Mosig said, *"This new Owendale drilling is confirming the robustness and continuity of our deposit. It's pleasing to receive confirmatory results like these and we look forward to receipt of the additional assay batches over the next 3 to 4 weeks. Whilst scandium is our main focus, the new intersections of cobalt are also very exciting and it is our intention to also deal with the treatment of cobalt in our PFS."*

The initial drilling results provided in this announcement are from the southwestern portion of Owendale North prospect area. Upcoming announcements will follow in the coming weeks and will include some further exploration results as well as definition and extension drilling at the main Owendale North prospect.

Background

The drilling program included:

- 136 percussion holes for 3660 m of predominantly aircore and limited reverse circulation drilling
- 7 diamond core holes for 132 m

The objective of this drilling program was to provide further confidence in the scandium and cobalt Mineral Resource as well as adding to the Mineral Resource inventory. It is targeting resource definition drilling for the Feasibility Study program as well as some sterilisation drilling, step out extension drilling and scandium / cobalt exploration drilling. The resource definition drilling is aimed at converting existing Inferred and Indicated Resources to Measured Mineral Resource at the Owendale North prospect.

The percussion drilling will provide the large quantity of material required for the future bulk and pilot test programs.

The percussion drilling also included 11 water monitoring holes and two water exploration holes, which both successfully intersected significant water.

All of the percussion drilling except for the two water exploration drill holes are in potentially mineralised areas and are expected to contribute towards a new the Mineral Resource estimation.

Diamond drilling was conducted for geotechnical and environmental purposes and included five drill holes targeting potential pit wall areas and two shorter holes targeting foundation design requirements.

The project location is indicated in Figure 1.



Figure 1: Owendale project location

Drilling results

The location of the new drilling results is indicated in Figure 2 with the summary of the intercepts presented in Figure 3 and Figure 4 and in Table 1.

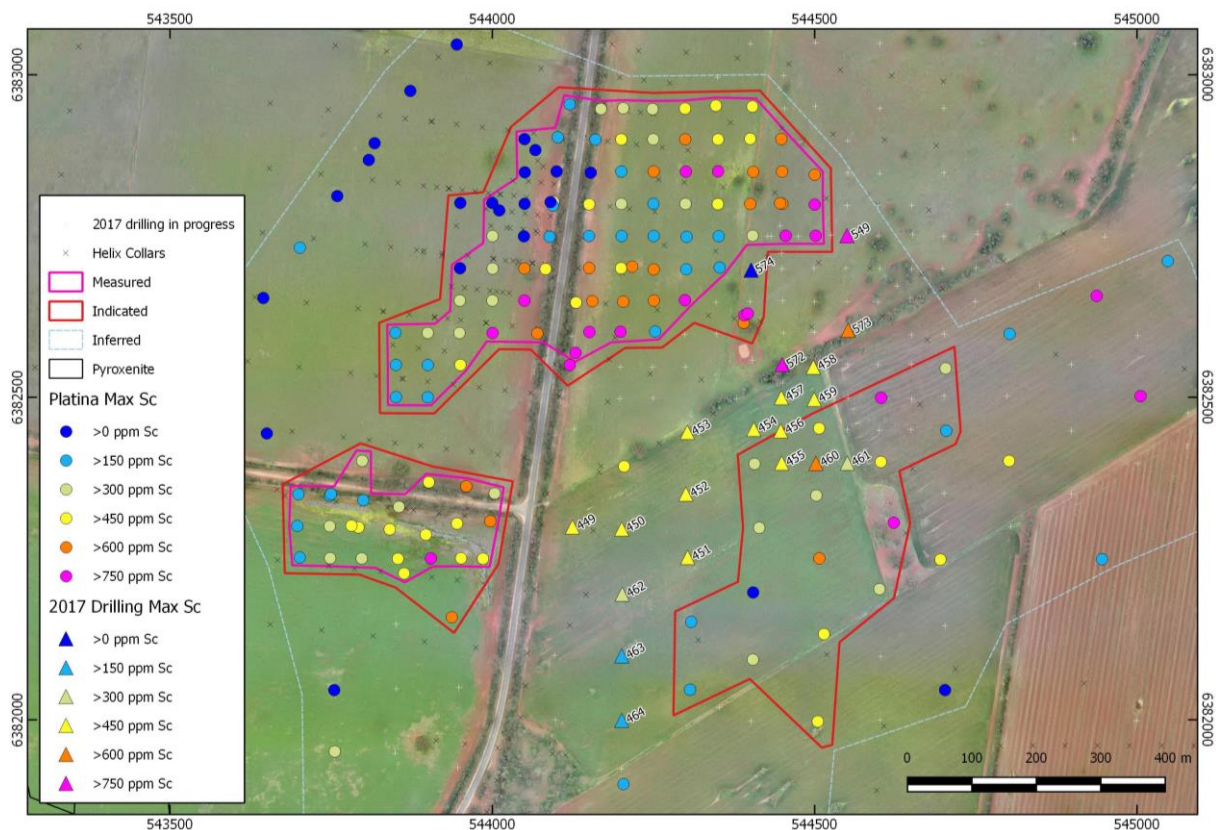
The significant drilling intercepts are provided with the following cut-offs:

- 2 m minimum width at 300 ppm Sc cut-off corresponding to the current Mineral Resource statements;
- 1 m minimum width at 550 ppm Sc cut-off to highlight sub-intervals of high grade scandium and report intervals around 600 ppm scandium – the current PFS feed grade target; and
- 1 m minimum width at 0.15% Co cut-off to highlight higher grade cobalt enrichment zones and corresponding to the current Mineral Resource statements.

The cobalt intercepts both underlap and overlap the scandium intervals.

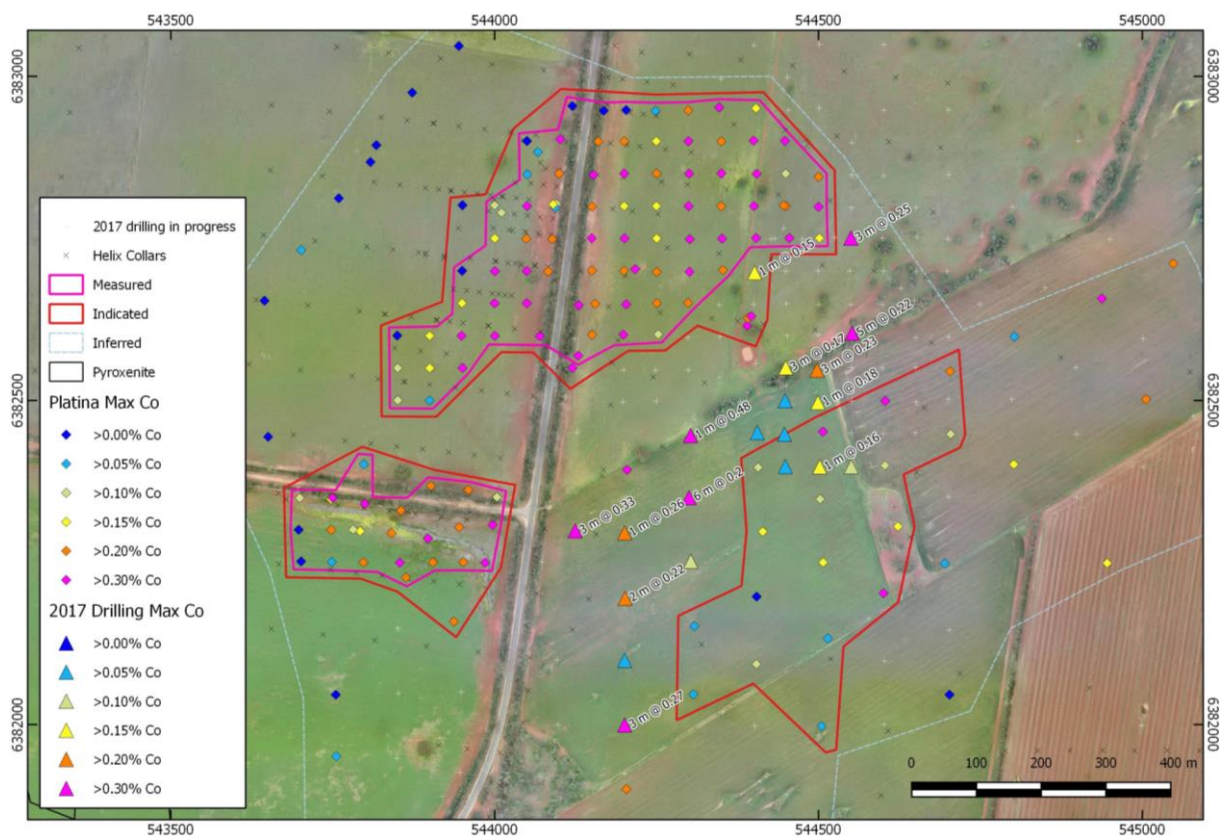
The figures accompanying this report distinguish:

- previous Platina drilling with complete Sc and Co analyses (coloured dots);
- previous historical (Helix Resources) drilling with no Sc and incomplete Co analyses (black crosses);
- recent drilling with assays outstanding (white crosses); and
- recent drilling with assays returned (coloured triangles).



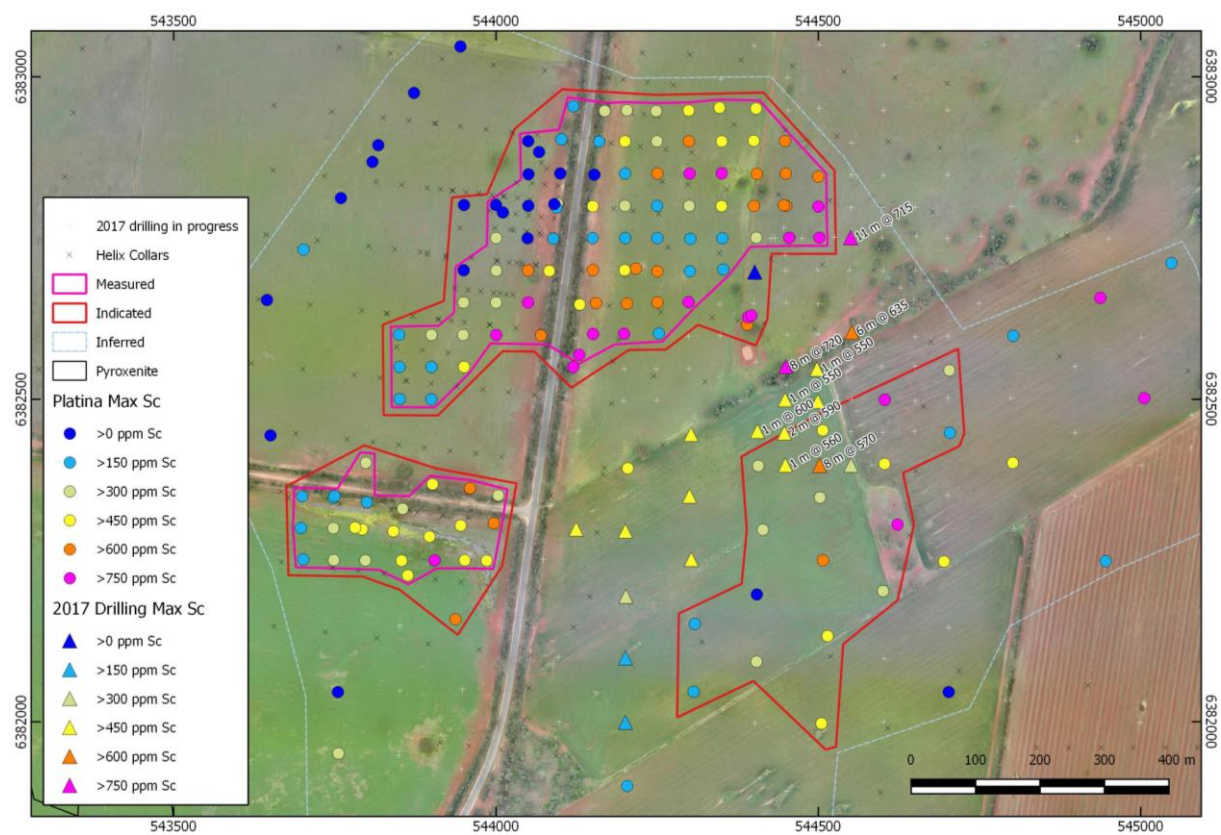
New drill hole numbers displayed without the FKD17_ prefix. Collar coloured by maximum scandium grade

Figure 2: Drilling location



Cobalt intervals displayed where ≥ 1 m and $\geq 0.15\%$ Co. New drilling displayed as triangles.

Figure 3: Significant cobalt intercepts



Scandium intervals displayed where ≥ 1 m and $\geq 0.15\%$ Co. New drilling displayed as triangles.

Figure 4: Significant scandium intercepts

Table 1: New drilling intercept summary

Hole Number	Total Depth m	Easting	Northing	300 ppm Sc cut-off						550 ppm Sc cut-off				0.15% Co cut-off			
				Depth m	Len m	Pt ppb	Sc %	Ni %	Co %	Depth m	Len m	Sc %	Co %	Depth m	Len m	Sc %	Co %
FKD17_449	27	544124	6382299	5	15	338	375	0.06	0.04					19	3	255	0.33
FKD17_450	27	544201	6382296	12	3	272	435	0.15	0.15					15	1	250	0.26
FKD17_451	27	544303	6382252	2	6	236	445	0.11	0.09								
FKD17_452	27	544300	6382350	3	5	186	455	0.17	0.18					1	6	385	0.20
FKD17_453	27	544303	6382446	3	6	269	405	0.11	0.11					4	1	520	0.48
FKD17_454	27	544406	6382451	7	9	193	410	0.10	0.07	15	1	600	0.02				
FKD17_455	27	544449	6382398	3	10	181	445	0.16	0.06	11	1	560	0.10				
FKD17_456	27	544447	6382448	3	12	183	445	0.10	0.07	10	2	590	0.09				
FKD17_457	27	544448	6382500	3	19	151	425	0.09	0.05	15	1	550	0.09				
FKD17_458	27	544498	6382547	5	10	170	410	0.14	0.09	10	1	550	0.27	10	3	495	0.23
FKD17_459	27	544499	6382497	3	32	98	410	0.10	0.06					14	1	410	0.18
FKD17_460	24	544502	6382398	1	15	174	505	0.10	0.08	6	8	570	0.09	6	1	560	0.16
FKD17_461	28	544551	6382398	1	11	94	350	0.07	0.03								
FKD17_462	18	544201	6382195	4	3	70	315	0.04	0.02					8	2	155	0.22
FKD17_463	15	544201	6382099														
FKD17_464	18	544201	6381999											10	3	225	0.27
FKD17_549	24	544550	6382751	7	15	188	625	0.13	0.06	9	11	715	0.08	17	3	855	0.25
FKD17_572 *	31.7	544450	6382551	10	12	714	615	0.19	0.08	12	8	720	0.11	15	3	825	0.17
FKD17_573 *	36	544552	6382604	4	14	290	490	0.09	0.09	12	6	635	0.21	13	5	655	0.22
FKD17_574	32	544401	6382697											13	1	40	0.15

* Drill results are incomplete with additional assays outstanding

Competent Person statement

The information in this announcement that relates to Exploration Results is based on information compiled by Mr John Horton, Principal Geologist, who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and a full time employee of ResEval Pty Ltd. Mr Horton has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. This includes over 20 years of experience in Nickel Laterite deposits and over 8 years of years of experience with Scandium resource estimation. Mr. Horton is a consultant to Platina Resources Limited and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears

Yours faithfully,

Robert W. Mosig
Managing Director

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Appendix A JORC 2012 Table 1 criteria assessment

The following tables provide a brief summary of that information relevant to the 2017 Platina drilling program in the order and form of the JORC (2012) Table1.

Section 1: Sampling Techniques and Data

Criteria	Explanation
<i>Sampling techniques</i>	<p>Sampling was from percussion drilling returning sample through a cyclone was from predominantly aircore drilling and two reverse circulation holes.</p> <p>All sampling was undertaken on regular 1 m intervals which was bagged weighed at the drill rig and then split through a three tier riffle splitter to achieve a 2 to 3 kg target sub-sample. Some initial drilling used a two tier riffle. The samples greater than 3 kg were dried and riffle split at the laboratory until under the 3.2 kg maximum capacity of the pulveriser.</p> <p>Samples were prepared at a commercial laboratory by pulverisation to provide 200 g master pulp sample, 100 g splits for fire assay for platinum group minerals and 20 g split for XRF analysis.</p>
<i>Drilling techniques</i>	<p>Drilling was undertaken by UDR 650 rig wit air pressure of 350 psi and 1150 cfm, and capable of aircore, open hole, reverse circulation and diamond core drilling. The drilling program included a sampled exploration program of predominantly aircore drilling using a 112 mm diameter drill bit to sample the laterite profile down to the first 2 m of bedrock.</p> <p>Exploration holes were also used or opened up for water monitoring bore holes. For two holes aimed at deeper bedrock target depths reverse circulation hammer drilling was used to produce a similar sample type.</p> <p>Seven diamond core holes were completed for geotechnical and environmental analysis but were not regularly sampled and assayed for resource definition purposes.</p>
<i>Drill sample recovery</i>	<p>Sample recovery was consistently high. Based sample weights and an assumed wet density of 2 the calculated recovery of the aircore samples average 83%.</p>
<i>Logging</i>	<p>Logging was undertaken by an experienced laterite subcontractor and reviewed by Platina geologists and included:</p> <ul style="list-style-type: none"> • Sample weight and number • QAQC samples including duplicates and reference material • Geology, oxidation, colour, texture, minerals, drill type and sampling method • Diamond drill core was photographed prior to sampling • RC chips trays are retained and photographed for all RC drilling • Magnetic susceptibility recorded in most instances • Handheld XRF analysis used in the field to help refine geological understanding <p>Diamond core was also logged and sampled by a specialist consulting geotechnical engineer.</p>
<i>Sub-sampling techniques and sample preparation</i>	<p>Aircore and RC samples were generally riffle split using a three tier riffle splitter to obtain a 1/8 subsample. Initially a two tier riffle splitter was used but this was discontinued due to the excellent recovery and achieve the target split of 3 kg or less. Samples greater than 3.2 kg were dried and split at the laboratory.</p> <p>In rare instances where wet or puggy clays were encountered, for a few meters down hole, the samples were spear sampled using a scoop though the bags when laid on their side.</p> <p>Field samples were placed in calico bags and bundled in groups of 6 samples in zip-tie locked poly-weave bags for submission to the laboratory. Samples were transported to the laboratory by either Platina or subcontract geologists or by commercial sample transport.</p> <p>Samples at ALS were dried for 24 hr at 110°C in the calico bags</p> <p>Pulverisation using a 3kg mixer mill produced 95% passing <75 microns</p> <p>Pulp material was sampled for the master and any other pulp splits.</p>

Criteria	Explanation
	<p>Pulps were dispatched to ALS in Brisbane for XRF assay and ALS in Perth for fire assay</p> <p>The preparation and subsampling methods are considered suitable for the laterite material.</p>
<i>Quality of assay data and laboratory tests</i>	<p>Platina QAQC procedures comprise inserting of certified reference materials (CRMs), field blanks (FBs), and duplicates (DPs) into sample dispatches. Field duplicates were obtained from Aircore samples by respiting the reject sample after selecting a suitable sample at the end of hole. Field blanks use a local source material used for this purposes since 2011.</p> <p>ALS engages a number of QAQC test including 1 in 20 checks on the pulp passing, and regular certified reference material, and reassays.</p>
<i>Verification of sampling and assaying</i>	<p>Platina engaged an experienced laterite field geologist and service company to undertake the drilling, sampling and logging. An independent drilling report is in preparation.</p> <p>Platina geologist and site manager were present for the entire drilling program.</p>
<i>Location of data points</i>	<p>Drilling was initially surveyed by the supervising contract geologist during drilling with a handheld Trimble GPS.</p> <p>This was resurveyed with multi-point averaging during rehabilitation of the drill hole by Platina using a hand held Garmin GPS.</p> <p>Drilling was finally accurately surveyed at the end of the program using a differential GPS (Trimble DGPS Geoexplorer 6000) to sub-metre accuracy.</p> <p>A detailed site survey by drone was completed in late 2016 and provides additional photography and surface elevations for the site for reference and validation of the collar survey.</p>
<i>Data spacing and distribution</i>	<p>The drill holes were sampled on regular 1 m intervals.</p> <p>Drill spacing targeted 50 m spacing in the central Owendale North area widening to 100 m and 200 m spaced for peripheral areas.</p> <p>Limited 25m and 12.5 m spaced drilling was also completed</p>
<i>Orientation of data in relation to geological structure</i>	<p>The drill holes are vertical and intersect the flat laterally extensive laterite profile at the optimal perpendicular angle.</p>
<i>Sample security</i>	<p>No specific security measures were undertaken.</p> <p>Drilling, sampling and dispatch were supervised by a subcontracting exploration service company. All work was overseen by Platina staff.</p>
<i>Audits or reviews</i>	<p>No specific reviews of the current program were undertaken.</p> <p>The program was undertaken by a subcontracting specialist exploration service company and the work overseen by Platina staff.</p>

Section 2: Reporting of Exploration Results

Criteria	Explanation
<i>Mineral tenement and land tenure status</i>	<p>The Owendale deposit falls within Exploration Licence EL7644. This licence is 100% owned by Platina Resources Ltd and was granted on the 2 Dec 2010 and renewal has been offered for a further term of 5 years expiring in 2020.</p> <p>The licence measures approximately 9.3 km north-south and 7.8 km east-west.</p> <p>All areas drilled are well within the granted tenement.</p>
<i>Exploration done by other parties</i>	<p>The Owendale intrusive was first recognised in 1961 by a Bureau of Mineral Resource aeromagnetic survey. The area has been held under a series of exploration licences and companies since 1964 including:</p> <ul style="list-style-type: none"> • 1964 to 1967 Anaconda Australia Inc and Quality Earths Pty Ltd

Criteria	Explanation
	<ul style="list-style-type: none"> • 1969 to 1970 Platina Developments NL • 1982 to 1983 CRA Exploration Pty Ltd • 1979 to 1980 Shell Company of Australia Ltd • 1985 to 2006 Helix Resources Ltd and in joint ventures with Chevron Exploration Corporation (1985 to 1988) and Black Range Minerals (1999 to 2004) • 2006 to current Platina Resources Ltd <p>Initial exploration focused on vermiculite, kaolin and deep lead platinum mineralisation.</p> <p>Helix undertook the first extensive drilling program with 39 000 m of RAB drilling, 10 000 m of RC drilling and 6 000 m of costeans. This identified a number of platinum group mineral anomalies that included placer, residual and primary mineralisation. Helix also explored for copper porphyry systems and nickel laterite mineralisation.</p> <p>Platinum production is limited to the Fifield deep lead deposits to the south of Owendale.</p>
<i>Geology</i>	<p>The nickel-cobalt laterite at Owendale is developed over both ultramafic and intermediate intrusive rocks and is typical for laterite mineralisation which forms through both residual and supergene enrichment processes. The relatively low grade of nickel at Owendale, compared to other nickel laterite resources, is consistent with the lower grade of the underlying pyroxenite rocks.</p> <p>The enrichment of scandium occurs during lateritisation through similar processes to nickel-cobalt and is similar to other known occurrences nearby at Syerston and in North Queensland. The high scandium grades are also consistent with higher than usual scandium grades in the underlying ultramafic units.</p> <p>Enrichment of platinum in the laterite profile is from residual processes as there is no evidence of supergene processes.</p>
<i>Drill hole information</i>	<p>The completed drilling and assaying is summarised in Table 1.</p> <p>All holes are vertical with depths indicating true thickness.</p> <p>There are no exclusions except for drilling where results that are not yet available or which are previously reported.</p>
<i>Data aggregation methods</i>	<p>Exploration results presented are length weighted averages.</p> <p>No grade cutting is employed.</p> <p>No metal equivalents are used with reports for both Sc and Co presented separately.</p>
<i>Relationship between mineralisation widths and intercept lengths</i>	<p>Drill intercepts are effectively perpendicular to the laterite profile and represent close to true thickness of the mineralisation.</p>
<i>Diagrams</i>	<p>Maps are provided in the accompanying figures.</p>
<i>Balanced reporting</i>	<p>All drilling is reported with significant intercepts indicated in accompanying tables and figures.</p>
<i>Other substantive exploration data</i>	<p>Mineral Resources are primarily defined by drilling and assaying. Geophysics and surface geochemistry are used in exploration but have no meaningful input to the resource definition.</p> <p>Investigation of ground water, geotechnical analysis and density is in progress.</p>
<i>Further work</i>	<p>The drilling program is part of a Feasibility Study and will be the basis of an updated Mineral Resource, along with further studies on mine planning, geotechnical stability, ground water and environmental impact.</p>