

12 Apr 2017

ASX Release: PGM

POSITIVE RESULTS FOR OWENDALE PROCESSING TEST WORK

Highlights

- **Processing option test work returns strong results for Pressure Acid Leach (PAL) method – dissolution of scandium (93%), cobalt (>97%) and nickel (>97%).**
- **Excellent initial solvent extraction test work results demonstrate up to 99.3% extraction of scandium from leach solution.**
- **Atmospheric Tank Leach (ATL) extraction tests results – scandium (65%), nickel (62%) and cobalt (>47%).**
- **Test work to help Platina determine the best processing conditions for a pilot plant program at Owendale in 2H 2017.**

Platina Resources Limited (ASX: PGM) is pleased to announce significant progress on its metallurgical test work programme for the Owendale scandium, cobalt, platinum and nickel project near Tullamore in Central New South Wales, Australia.

To date, Pressure Acid Leach (PAL) and Atmospheric Tank Leach (ATL) options are being investigated by Platina due to the availability of higher grade scandium and cobalt from the Owendale Mineral Resource, requiring Platina to reassess the potential cost benefit for different processing methods.

The Company has 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.

Historical 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 been commenced. Excellent initial results have been received 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.

Further information will be provided in the Company's PFS which is due for completion in Q2 2017.

Platina is engaged in additional QAQC assessment of the results, which together with the additional planned test work is likely to refine the final recoveries assumed for the feasibility assessment. At this stage the results are very positive and indicate >90% recovery of scandium is likely. This is higher than that previously assumed in the 85% scandium recovery used as the basis for the 2015 scoping study (announced 17 March 2015).

Platina Managing Director Rob Mosig said, *"We are extremely encouraged by the high PAL recoveries into solution and are now progressing to the next phase, the scandium recovery and precipitation process."*

Yours faithfully,

Robert W. Mosig
Managing Director

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

For further information, please contact:

Robert Mosig, Managing Director
Office: +61-7 5580 9094
Email: admin@platinaresources.com.au
Website: www.platinaresources.com.au

Grace Caixing Deng, China Representative
Tel: (+86) 185 6669 1727
Email: graced@platinaresources.com.au

Nathan Ryan, NWR Communications
Office: +61 (0) 420 582 887
Email: nathan.ryan@nwrcommunications.com.au

The information in this announcement that relates to Exploration Results is based on information compiled by Mr R W Mosig who is a full time employee of Platina Resources Limited and who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Mosig has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Mosig consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.