

29 JANUARY 2018

Award of hydrometallurgical pilot plant program on Owendale ore to SGS Minerals Metallurgy

Key Highlights

- **Pilot plant program to derive process design data for flowsheet to produce refined scandium oxide and a Ni/Co product**
- **Production of commercial samples of scandium oxide for testing by potential customers**
- **Continuous run to investigate metallurgical performance of flowsheet derived from bench scale testwork**
- **Generate tailings sample for environmental permitting work**

Platina Resources Limited (ASX: PGM, “Platina” or the “Company”) is pleased to announce that its Board has approved the award of a contract to SGS Minerals Metallurgy (“SGS”) for the commencement of pilot plant testing of ore from the Company’s 100% owned Owendale scandium, cobalt and nickel project in central New South Wales.

Platina Executive Director, Chris Hartley, commented:

“This is a critical step in the development of the Owendale project. It will allow us to validate the flowsheet that we have developed over the last 18 months from small scale batch testing. Furthermore, we will be able to define process parameters for the design of the plant in the definitive feasibility study that will be completed this year.”

“We are pleased to be able to work with SGS who have an excellent reputation in the field of metallurgical testing for HPAL circuits. Their facility in Perth has a strong team and is well equipped to provide us with the quality of service that we require to move forward effectively.”

“We look forward to announcing the results of the program in mid-year once all the analysis of the data and materials generated has been completed”

Overview

Platina has engaged SGS to conduct a continuous run of a high pressure acid leach (HPAL) circuit to recover scandium oxide and other valuable materials from ore from its 100% owned Owendale project in New South Wales. The testwork will take place at SGS Minerals’ facility in Malaga, Western Australia during April 2018. The SGS team will manage the overall program complemented by specialists from other technology suppliers to address specific aspects of the testing. Platina will have representatives present at the SGS facility during the testwork program.

Pilot testing in a continuous run is necessary to generate steady state data on the performance of the flowsheet selected for extraction of the valuable components in the ore. A bulk sample has been prepared from recent drill samples to be a good representation of the ore composition from Owendale. This material will be prepared to provide a homogenous feed to the pilot plant over the test program.

The multi-compartment high pressure autoclave, which is the key unit process in the testwork, will be operated under a constant set of conditions to provide steady state processing. This allows the process streams to be circulated over many cycles through the plant to derive data for process design of a full-scale plant. It will also permit the team to identify build up of any deleterious elements in the circuits.

Process overview

A block flow sheet of the operating process is shown in Figure 1.

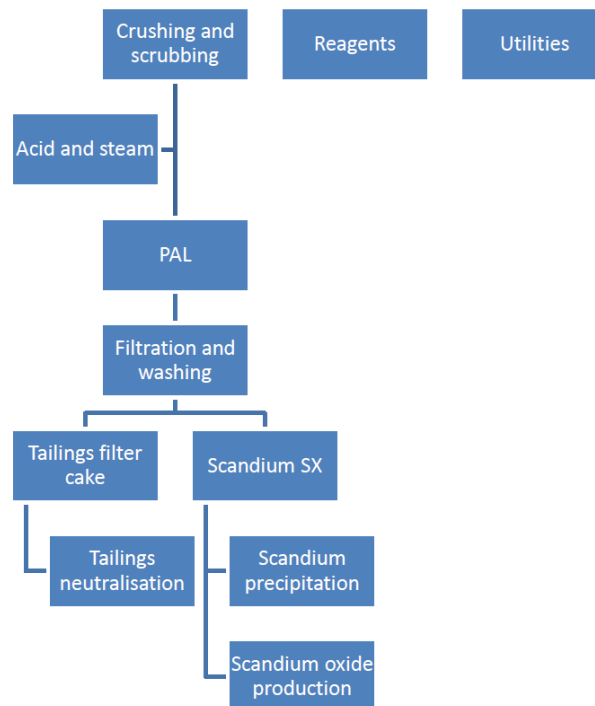


Figure 1 Owendale block flow sheet

The final stage of the testwork will be undertaken in a Brisbane laboratory to produce the refined scandium oxide for quality assessment and tests by potential customers.

Program deliverables

The pilot plant results will be used to derive the metallurgical balance for the extraction and refining of scandium oxide from the Owendale ore, as well as for Ni and Co. It will also provide data on reagent consumptions and degradation of solvent extraction reagents.

Samples of tailings and other residues will be used for characterisation studies that are part of the permitting processes that will start this year. Consultants have been selected to undertake the work to develop the analyses required to support successful applications for permits to construct and operate the Owendale project.

The refined scandium oxide and intermediate Ni/Co products will be made available to potential customers for characterisation for use in their processes.

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