12 July 2018

Proposed Site of Scandium Processing Facility at Condobolin Secured

Key Highlights

— Lease with an option to purchase a disused industrial site in Condobolin, NSW has been signed with Lachlan Shire Council:
  o Initial term is for 12 months, with two annual renewals for 12 months each;
  o Right to purchase site at any time during the term of the lease at an agreed commercial valuation.

— Existing facilities on site include:
  o power and water supplies to within the property;
  o concrete pads, buildings and ponds; and
  o onsite house for an initial office and accommodation.

— Extensive remediation work has been carried out to enable safe development.

Platina Resources Limited (ASX: PGM, “Platina” or the “Company”) is pleased to announce the signing of a lease for the former abattoir site at Condobolin, NSW that is planned to be the site for the processing facility for the Company’s 100% owned Owendale scandium, cobalt and nickel project in central New South Wales.

Platina Executive Director, Chris Hartley, commented:

“This is an important milestone in the project development for Owendale. It gives us access to a premium site in close proximity to our scandium, cobalt and nickel resource. We are pleased to be able to start the re-development of this disused industrial site that has been largely unused for the last 30 years. This fits with our strategy of having a minimal impact on the local environment, whilst delivering sustainable benefits for the community.

The site is the basis for our Definitive Feasibility Study (DFS) that is scheduled to be completed at the end of the year. It reduces infrastructure costs for the provision of water, power and housing. We continue to work on engineering and environmental studies required to complete both the DFS and Environmental Impact Statement (EIS) for the site that we plan to submit at the end of the year.

We have started discussions with a number of local organisations in Condobolin to identify potential providers of services to the project and operation. We look forward to making further announcements as these progress.

We appreciate the constructive approach of the Lachlan Shire Council as we worked together to arrive at this outcome that will benefit both parties.

Platina is confident that we are pursuing the right development for scandium with an initial small scale plant capable of being scaled up as the scandium market grows. Securing the Condobolin site provides the infrastructure required to support a low start-up cost and removes many of the obstacles faced by projects in regional areas. By concentrating on the highest value commodity, scandium allows ore trucking to be a viable option as opposed to the establishment of a processing plant next to a mine site, which would require
extensive development of infrastructure. Platina’s small but highly experienced technical team are continuing to evaluate options that reduce cost or improve the sustainability of what we would hope to be a very long term development for scandium production.”

**Overview**

Platina has been working with the Lachlan Shire team at Condobolin to be able to develop the former abattoir site located to the west of the town over the last 12 months. These discussions and negotiations have resulted in Platina leasing the site for a period of up to 3 years, before making the decision whether to purchase the property. This flexible arrangement will allow Platina to complete the EIS with certainty of access and fund the purchase as part of the project development.

The location of the site is shown in Figure 1 and recent aerial views of the site are shown in Figure 2 and Figure 3.

![Figure 1 Location of proposed Platina Scandium Processing Site in relation to proposed mine site](image)

The site is approximately 70 km from the mine site with good quality road system capable of handling the standard A Double trucks that will be used to transport ore from the mine to the plant and return the tailings from the plant to the mine. Platina is undertaking a traffic study to identify any modifications that may be required to the road layouts as part of its EIS.

The main East - West rail line from Perth to Sydney runs on the other side of the road on the Southern boundary. If ever required this provides an opportunity to build a dedicated facility for handling bulk freight. In the interim several rail access facilities are nearby at Condobolin.
Platina has completed an aerial survey, water monitoring drilling and several site clearance assessments. Platina is currently undertaking a geotechnical, noise and dust monitoring and surveying program to provide the data for both the EIS and the DFS. This will enable the planning of the facilities to minimise impacts on surrounding properties.

A work program was undertaken by Lachlan Shire Council over the last 6 months to remediate the effects of the activities that have occurred on site. Platina will partially reimburse the costs of this as part of its
lease agreement. The structures on site are being surveyed to determine their suitability for reuse, especially the existing concrete pads, as well as to identify any hazards that need to be addressed.

Condobolin is the local shire hub and provides many local facilities, businesses and housing to support the development of the Platina Scandium Project. The site is less than 5km from the centre of Condobolin giving the project easy access to the town and its communities. Platina is working with local organisations, including the Wiradjuri community to establish plans to provide the skill base required to build and operate the project.

**Facilities on site**

The site has a total area of 55Ha excluding additional blocks available to the north and south. The natural topography is well suited to development for a hydrometallurgical plant. There are existing light and heavy vehicle entrances, parking and turning areas suitable for both development and operational phases.

Electrical power is available on site from an existing maintained 22kVA supply.

Water is available from an existing supply line with expansion potential. Two concrete tanks are currently being structurally assessed for refurbishment for on-site water storage.

Both power and water are viewed to be adequate for the scale of development being considered for the DFS in progress and provide options for future plant expansion.

There are existing ponds available for potential plant use and surface water run-off management. The existing concrete pads and ponds will significantly reduce the bulk earthworks required for plant construction and provide good quality lay down areas.

The property and lease includes an existing house on the site that will be used by Platina as a combined office and accommodation unit.

**For further information, please contact:**

Chris Hartley, Executive Director  
Tel: (+61) 7 5580 9094  
Email: admin@platinaresources.com.au

**Previously Reported Information**

The current DFS builds on previous work on the Mineral Resources, Pre-Feasibility Study results and Ore Reserves, which were prepared and first disclosed under the JORC Code 2012. The relevant background information is available in the Company’s previous ASX: PGM announcements as follows:

1. Prefeasibility study announced 10 July 2017  
2. Resource estimate update announced 9 August 2017  
3. Maiden Reserve announced 13 September 2017  
4. Modular development approach reduces Owendale upfront capital expenditure by 59% announced 18 December 2017  
5. Owendale pilot plant program completed successfully announced 12 June 2018

The Company has completed additional Mineral Resource definition drilling and is still awaiting assay results. All of the above works will be updated in the coming months. The Company confirms that it is not aware of any new information or data that materially affects the information included in those earlier market announcements.