

30 JANUARY 2018

December 2017 Quarterly Report

Key highlights for the quarter

- **Completion of study by Simulus Group to assess modular Owendale plant size options reduced estimated capex to USD 38.5M (from USD 94M)**
- **Negotiations to secure proposed processing plant site advance with the owner**
- **Successful completion of initial site survey at proposed plant site to identify potential development issues**
- **Continued progress on the Environmental and Social Impact Assessment (“ESIA”)**

Platina Resources Limited (“Platina” or the “Company”, ASX: PGM) is pleased to report its activities for the quarter ending 31 December 2017 (“December Quarter”).

During the December Quarter, Platina has progressed with preparation for the Definitive Feasibility Study (“DFS”) at its 100%-owned Owendale scandium-cobalt-nickel-platinum project located 7km from Clean Teq’s (ASX: CLQ) analogous Syerston Sunrise deposit project and 5km from Australian Mines (ASX: AUZ) Flemington project in central NSW, Australia.

Platina Executive Director, Chris Hartley, commented:

“The December Quarter was a quarter in which Platina worked on a number of critical elements for the execution of the Owendale project. The results of these activities will place Platina in a strong position to complete a DFS in 2018 that will define the viability of the Owendale project.”

“We are working on a single option for development that will address the issues facing all the scandium oxide projects in this area of New South Wales. We will be working closely with communities in the region to ensure the benefits are realised for all stakeholders.”

“Perth-based Simulus Group completed the evaluation of options for scale of production to facilitate entry into the scandium oxide market. This strategy is aimed at managing project risks and providing an early return to shareholders. A smaller plant offers the opportunity to develop relationships with customers without destroying value.”

Simulus Group study

The analysis conducted by Simulus Group has highlighted a preferred plant scale which will be used within the upcoming DFS. The key outcomes of the Simulus Group optimisation study are provided in Table 1 (*also refer to ASX announcement dated 18 December 2017*).

Table 1: Key development metrics: Owendale project

Key project parameters	PFS results (July 2017)	Simulus Stage1 option (Dec 2017)	Change (%)
Capital cost estimate	USD 94M	USD 38.5M	(59%)
Average plant feed grade	610 ppm Sc	640 ppm Sc ¹	5%
Process throughput	50,000 dtpa	22,570 dtpa	(55%)
Scandium oxide production	42 tpa	20 tpa	(52%)
Overall scandium recovery to product	90.3%	90.3%	-
Scandium oxide (scandia) product grade	99.9%	99.9%	-
Annual average cash operating cost	USD 23M	USD 15.6M	(32%)
Unit cash cost	USD 532/kg Oxide	USD 780/kg Oxide	47%

¹ Updated from maiden Ore Reserve that post-dates the PFS (first 5 years of PFS production)

This optimisation work has helped to refine the DFS scope and plant configuration which will allow the DFS work program to progress in H1 CY 2018. Importantly, this process will allow for an expansion of production at Owendale when necessary.

Pilot testing of ore

Reject drilling chips was preserved from the 2017 drilling to provide about 7t of representative ore for the upcoming pilot test work commencing in the March quarter 2018. The material has been stored in sealed drums to preserve the moisture and integrity of the sample.

Process plant location

The result of the option study by Simulus Group identified that the scale of the plant could be reduced such that total ore processed would be less than 100 t/d. The reduced scale provides the potential to process ore away from the mine site, where it will be possible to obtain easier access to critical infrastructure, such as power and water. A site has been identified close to a local town that has been previously used for industrial processing and is currently largely abandoned. Negotiations with the owners are progressing and should result in Platina being able to secure rights to build and operate a plant at this location from mid-2018.

Environmental surveys have been undertaken to identify any issues that require remediation prior to any future construction activities.

Environmental studies

Environmental studies at Owendale continue to progress with the collection of baseline data, with 12 months of baseline data required for the Environmental and Social Impact Assessment ("ESIA"). It is expected the ESIA can be completed at the same time as the DFS in late 2018.

Corporate and strategy

Platina's Board of Directors and management team are investigating the significant cobalt potential at Owendale. A clear focus for Platina is to position itself as the premier new-tech metals producer on the ASX by developing its Owendale project.

Artemis Resources Limited ("Artemis", ASX: ARV) are earning in to the Munni Munni Project in Western Australia to obtain a 70% share in the project. During the December Quarter, Artemis announced it had identified significant Fortescue Group sediments over 16km of prospective contact with the Mt Roe Basalts, overlying the Munni Munni Project. Artemis believe this is a significant development, as the Fortescue Group sediments are considered to be the host to the gold bearing conglomerates currently being explored at Artemis held Purdy's Reward, which is located along trend and only 20km to the north-east of Munni Munni. For full details refer to Artemis ASX announcement dated 6 November 2017.

Platina retains full ownership of the Skaergaard project in Greenland and with recent improvements in gold, platinum and palladium prices, Platina remains focussed on ensuring shareholder value can be achieved from this project.

Events subsequent to the close of the Quarter

Platina's Managing Director and Chief Executive, Mr Rob Mosig, resigned on 5 January 2018. Rob was a founding director of Platina, having overseen its IPO and ASX listing and Platina thanks Rob for his contribution to the company and wishes him all the best as he pursues other interests.

Pending the appointment of a new CEO, Chris Hartley is currently acting as Executive Director. A domestic and international search for a new CEO has commenced.

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The information in this report that relates to the Mineral Resources and Ore Reserves were last reported by the Company in compliance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves in market releases dated as follows:

- Owendale Maiden Scandium and Cobalt Reserve – 13 September 2017
- Owendale Measured, Indicated and Inferred Mineral Resource – 9 August 2017
- Platina delivers positive pre-feasibility study (PFS announcement) for the Owendale Scandium and Cobalt Project – 10 July 2017

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred above and further confirms that all material assumptions underpinning the production targets and all material assumptions and technical parameters underpinning the ore reserve and mineral resource estimates contained in those market releases continue to apply and have not materially changed.

Statements regarding Platina Resources' plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Platina Resources' plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Platina Resources' will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Platina Resources' mineral properties.

DISCLOSURES REQUIRED UNDER ASX LISTING RULE 5.3.3

1. Mining tenements held at the end of the quarter and their location

Tenement ID	Area	Location	Ownership	% Ownership
M47/123	Munni Munni	WA, Australia	PGM	100*
M47/124	Munni Munni	WA, Australia	PGM	100*
M47/125	Munni Munni	WA, Australia	PGM	100*
M47/126	Munni Munni	WA, Australia	PGM	100*
EL7644	Owendale	NSW, Australia	PGM	100
EL2007/01	Skaergaard	Greenland	PGM	100
EL2012/25	Qialivarteerpik	Greenland	PGM	100

*See note 3 below

2. Mining tenements acquired and disposed of during the quarter and their location

Nil

3. Beneficial percentage interests held in farm-in or farm-out agreements at end of the quarter and beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

In August 2015, Platina Resources Limited entered into an agreement with Artemis Resources Limited to earn a 70% interest in the Munni Munni Platinum Group Elements Project, comprising M47/123, 124, 125, 126 (the "Munni Munni Project").

The Company is not party to any other farm-in or farm-out agreements.

Abbreviations and Definitions:

EL	Exploration License	PGE	Platinum Group Elements
M	Mining Lease	PGM	Platina Resources Ltd
Co	Cobalt		
Sc	Scandium		