

September 2018 Quarterly Activities Report

30 OCTOBER 2018

HIGHLIGHTS

- **Owendale Scandium Project Definitive Feasibility Study on track for completion by year-end. Environmental and permitting activities being completed in parallel**
- **Owendale JORC Mineral Scandium Resource upgraded following successful drilling program. Best drilling intersection of 5 metres at 710 ppm Sc**
- **High-purity, scandium oxide successfully produced from pilot program**
- **Artemis earns 70% interest in the Munni Munni platinum group metal project**

Platina Resources Limited (Platina or the Company) is pleased to report the activities for the quarter, including:

- Owendale, Australia – continuation of the Definitive Feasibility Study, permitting activities and market development to secure offtake and facilitate project financing;
- Munni Munni, Australia – Artemis has met the \$750,000 expenditure commitment to earn 70% of the Munni Munni project, finalisation of joint venture documentation is underway. Results of recent exploration programs are pending; and
- Skaergaard, Greenland – the Company is currently reviewing several approaches from parties interested in acquiring and joint venturing the project.

Owendale, New South Wales

Definitive Feasibility Study

The Company and Ausenco Services Pty Ltd are making excellent progress towards completing the Definitive Feasibility Study (“DFS”). Other key consulting and engineering groups involved in the study, include:

- Element 21 for solvent extraction test work and design for scandium extraction;
- Prudentia Process Consulting for associated solvent extraction engineering;
- Measured Group for mine planning; and
- ATC Williams for geotechnical services.

The DFS which is due for completion by year-end will incorporate the following:

- Pilot metallurgical program results – a 6 tonne bulk representative sample was processed at the SGS pilot facility in Perth and successfully refined into 99.99% scandium oxide product at the Element 21 facility in Brisbane;

- In-fill resource drilling and resource upgrade – a recent drilling program has expanded the zones of high-grade mineralisation within future mining areas and resulted in an upgraded JORC Mineral Resource; and
- Locating the processing plant at Condobolin – designing the plant to fit the historical industrial site which has infrastructure including, access to labour, water, power, rail and sealed roads.

The DFS will assess the technical and commercial viability of constructing Owendale in two stages, initially producing 20 tonnes of scandium oxide per annum, and increasing to 40 tonnes per annum of scandium oxide as the market size increases. The phased development approach also lowers the development risk of the project by minimising initial capital expenditure, matches production with market demand and provides a potential first mover advantage into the market.

The DFS study includes an independent study on the scandium oxide market including demand, supply and price forecasts.

Environmental Impact Assessment and permitting work programs, being completed by RW Corkery & Co, will facilitate finalisation of the Mining Lease Application which is planned to be completed during 2019.

The Company believes that Owendale has significant development potential due to its key attractions which include:

- One of the highest-grade scandium resources projects in the western world;
- Well-defined Mineral Resource and simple open-cut, low strip ratio mining methodology;
- Well-tested and proven process methodology to produce high-purity, scandium oxide;
- Excellent infrastructure including access to labour, water, rail, sealed roads and water;
- Separate mining and processing facilities that simplify the permitting process;
- Potential from by-product credits including nickel-cobalt intermediate products and high purity alumina; and
- Anticipated modest capex for a phased development approach which leverages the strong anticipated demand growth for lightweight aluminium-scandium alloys.

Scandium Marketing Update

The current global supply of scandium oxide is approximately 15 to 20 tpa, with current prices ranging from US\$1100-US\$3,000/kg depending on the quality of the material. A prime objective of the Company is to secure offtake agreements which will then enable project financing options to be pursued for construction funding. The Company has commenced a scandium off-take marketing program which is targeting potential customers in the USA, Europe, Asia and Australia. The marketing development program remains ongoing and will continue into 2019.

The market for scandium oxide is very fragmented with poor availability of supply driving high volatility in pricing. The Company's strategy is to build Owendale in a number of stages in order to grow and develop a stable market for scandium. Primary target markets include solid oxide fuel cells and aluminium alloying.

High-Grade Scandium Oxide Produced from Pilot Plant

The Company successfully produced refined scandium oxide meeting a very high-grade specification of 99.99%. The samples of refined product were analysed by a combination of ICP-MS and ICP-OES to determine traces of other elements present. Total impurity levels were between 100 – 200 ppm on the initial batch refining trial. The purity of the material meets the specification provided by one of the potential customers for scandium oxide, which will be confirmed once this party has had the opportunity to analyse a sample in their own facility. Other samples will be provided to potential customers once their requirements are known. Further refining trials on the remaining scandium intermediate are expected to improve upon the purity achieved in the first trial.

The product feed in the refining process was the scandium intermediate produced during the recent pilot tests at SGS in Perth using the patented solvent extraction (SX) process designed and operated by Element 21. The refining test work was also performed by Element 21 in Brisbane using their proprietary scandium refining technology.

Condobolin Site Selected for Process Plant

During the quarter, the Company signed a lease with the Lachlan Shire Council for a disused industrial site in Condobolin to locate the processing infrastructure for the Owendale project. The terms of the agreement, include:

- Initial term is for 12 months, with two annual renewals for 12 months each; and
- Right to purchase site at any time during the term of the lease at an agreed commercial valuation.

The fully remediated site has access to infrastructure including power, water, rail, and sealed roads, and labour from the nearby township of Condobolin. The site has a number of large concrete areas that will be used for location of the autoclave and other process infrastructure, and a number of pond areas that can be used during the operations. The site offers lower infrastructure costs and solves water access issues, both critical items for the planned initial small scale development.

Establishing the processing facility separate to the planned mining activities will also simplify the permitting process. The process plant will be developed under a local shire Development Application and the mining operations through the Environmental Impact Assessment and Mining Lease application process.

Drilling Results

During the quarter, the Company reported the results of 42 holes drilled in May and June 2018, including:

- 21 holes at Box Cowal prospect within the Owendale project area;
- 12 holes at Cincinnati prospect within the Owendale project area; and
- 9 holes at the Condobolin plant site for water monitoring.

Some of the drill holes also targeted other aspects including environmental sampling (2 holes), ground water monitoring (3 holes) and trial water bores (2 holes). Only one water bore location was in a non-prospective area.

Significant scandium intercepts, included:

- 15 metres at 515 ppm Sc, including 5 m at 710 ppm Sc;
- 16 metres at 535 ppm Sc, including 5 m at 670 ppm Sc;
- 9 metres at 555 ppm Sc, including 3 m at 725 ppm Sc;

High-grade cobalt intercepts, included:

- 2 metres at 0.42% Co, including 1 m at 0.68% Co;
- 3 metres at 0.76% Co, including 1 m at 1.36% Co;

High-grade platinum intercepts, include:

- 8 metres at 2.2 g/t Pt, including 1 m at 5.5 g/t Pt.

Of the 31 Mineral Resource definition holes drilled, 15 intersected more than one-metre widths at scandium grades greater than 550 ppm (including 5 metres at 710 ppm Sc) and 25 holes with cobalt grades greater than 0.15% (including 3 metres at 0.76% Co).

The results are very encouraging with higher than expected scandium mineralisation and a southwards extension of the high-grade cobalt and platinum areas previously defined at North Box Cowal.

The drilling has added ground water monitoring and environmental information required for the DFS as well as increasing the Mineral Resource confidence for the additional areas. One drill hole successfully intersected a water resource that has the potential to supply the future mine water requirements.

Mineral Resource Upgrade

During the quarter, the Company upgraded its JORC Mineral Resource estimate at Owendale, achieving a 13% and 8% increase in the Mineral Resources at 600 and 300 ppm cut-off grades, respectively – see Table 1 and 2.

The positive results follow the resource drilling program highlighted above in 2018 and some targeted re-assaying over two new focus areas for the current Feasibility Study. These new resource areas are expected to be converted into new Ore Reserves with mine planning and feasibility work in progress.

Table 1: Owendale Mineral Resource at a 600 ppm Scandium cut-off (August 2018)

Status	Tonnage Mt	Scandium ppm	Platinum g/t	Nickel %	Cobalt %	Scandia t*	Platinum koz	Nickel t	Cobalt T
Measured	0.74	685	0.39	0.17	0.16	800	9	1 300	1 200
Indicated	0.75	670	0.32	0.14	0.11	800	8	1 100	800
Inferred	0.26	645	0.22	0.10	0.07	300	2	300	200
Total	1.76	675	0.34	0.15	0.12	1 800	19	2 600	2 200

*Scandium is typically sold as Scandia or Scandium Oxide (Sc_2O_3) product and is calculated from scandium metal content and a 1.53 factor to convert to the oxide form

Table 2: Owendale Mineral Resource at a 300 ppm Scandium cut-off (August 2018)

Status	Tonnage Mt	Scandium ppm	Platinum g/t	Nickel %	Cobalt %	Scandia t*	Platinum koz	Nickel t	Cobalt T
Measured	7.8	435	0.42	0.13	0.07	5 200	105	9 900	5 400
Indicated	12.5	410	0.26	0.11	0.06	7 800	106	13 400	8 100
Inferred	15.3	380	0.22	0.08	0.05	8 900	106	12 400	7 000
Total	35.6	405	0.28	0.10	0.06	22 000	317	35 700	20 500

As a result of the drilling program, the cobalt Mineral Resource at Owendale now stands at 16.9 Mt @ 0.12% Co at a cut-off grade of 0.08% Co (Table 3). This compares to the August 2017 estimate of 17.6 Mt @ 0.12% Co at a cut-off grade of 0.08% Co. The slight decrease is a function of additional re-assayed drilling, inclusion of more historic Helix drilling results and a more conservative interpretation approach.

Table 3: Owendale Mineral Resource at a 0.08% Cobalt cut-off (August 2018)

Status	Tonnage Mt	Scandium ppm	Platinum g/t	Nickel %	Cobalt %	Scandia t*	Platinum Koz	Nickel t	Cobalt T
Measured	4.0	380	0.49	0.29	0.14	2 340	63	11 610	5 690
Indicated	6.2	350	0.26	0.20	0.12	3 340	51	12 380	7 440
Inferred	6.7	245	0.21	0.21	0.11	2 520	45	13 910	7 270
Total	16.9	315	0.29	0.22	0.12	8 210	160	37 900	20 410

Potential to Produce By-Product High Purity Alumina Demonstrated

A testing program has demonstrated that a 99.989% pure high-purity alumina (“HPA”) could be produced as a by-product from clarified leach solutions following the recovery of scandium in the High-Pressure Acid Leach plant. Preliminary solvent extraction testwork has demonstrated an initial recovery of 48.3% in a single stage. It is anticipated that further testwork will increase the aluminium extraction to in excess of 80%.

HPA is the pure form of aluminium oxide and the pre-cursor material for the manufacture of sapphire glass and ceramic coated Lithium-Ion-Battery separators. HPA’s value is derived from its physical properties of extreme hardness and chemical stability. The price of HPA varies upon product density, crystal structure, particle size and distribution and degree of purity. Further testing is required to demonstrate the economic potential of producing HPA (along with cobalt and nickel intermediate products) as a by-product at Owendale.

Munni Munni, Western Australia

During the quarter, Artemis Resources Limited (“Artemis”) satisfied the conditions required to acquire a 70% interest in the Munni Munni Project in the West Pilbara by spending AUD\$750,000. Finalisation of the definitive Joint Venture documentation is underway prior to any new work programs commencing.

During its assessment process, Artemis initially assessed the potential for mining the PGM resource and identified opportunities to both costean and drill shallow holes, looking to increase the potential of open pitable resources. The results of this work are being evaluated and will form the basis for a possible update of the Mineral Resource to JORC 2012.

During Artemis' review of all the historical data at Munni Munni, including a Vertical Time Electromagnetic survey flown by Platina in 2010, Artemis has identified potential gold opportunities, both structurally hosted and as hydrothermal and/or detrital style. A series of geophysical surveys have been undertaken looking at sedimentary units that sit above and to the side of the Munni Munni Mafic Igneous Complex. These sediments were never focused on in the previous pursuit of platinum group elements where Reverse Circulation drilling was used to pre-collar diamond drilling targeting the deeper PGMs.

Artemis geologists have reviewed a number of drill logs and drill holes to better define possible conglomerate or paleo-placer gold potential. Some diamond drilling core remains and this will be reviewed as part of a future exploration program.

Only the remaining diamond drill core provides the detail to review the prospective lithology from previous drilling.

A SAM (Sub Audio Magnetics - a proprietary technique of GAP Geophysics) was successfully used by Artemis at a number of their projects including Carlow Castle where the technique has clearly defined mineralised structures. A SAM survey was completed over a small part of Munni Munni with the aim of defining potential structures within sediments that surround the Munni Munni Igneous Complex. A ZTEM survey by Geotech Airborne has also recently been completed. Data is being processed and will then be interpreted. Results will be reported when they become available.

Artemis-Platina joint venture geologists will review all the recent work completed, and once results come to hand for both the near surface PGM potential, determine a gold focussed work programme to test the structural setting for possible conglomerate or paleo-placer gold targets.

Skaergaard, Greenland

The Company owns 100% of the Skaergaard project in Greenland, one of the world's largest undeveloped gold and palladium deposits outside of South Africa and Russia. The Company has historically invested substantial funds in the development of the asset including drilling, metallurgy and technical studies.

During the quarter, the Company received a number of approaches proposing conditional offers, including sale, joint venture and spinout of the Skaergaard project. The Company is currently reviewing the proposals and assessing options for advancing the project, and how to best generate a return from the significant historical investment.

Growth Opportunities

The Company is examining a number of new growth opportunities which it believes have the potential to enhance the value of the Company.

Corporate

Corey Nolan commenced as Managing Director on the 1st August 2018.

For further information, please contact:

Corey Nolan, Managing Director

Tel: (+61) 7 5580 9094

Email: admin@platinaresources.com.au

About Platina Resources Limited

Platina Resources Limited (ASX: PGM) is an Australian-based exploration and development company focused on precious and specialty metals, particularly platinum group metals (“PGM”) and the strategic metal scandium.

The Company’s flagship project is Owendale in central New South Wales, one of the largest and highest-grade scandium deposits in the world, which has the potential to become Australia’s first scandium producer with cobalt, platinum and nickel credits. A Definitive Feasibility Study is underway and due for completion in late 2018.

The Company also has interests in two gold-platinum group metal projects, including:

- Skaergaard (100% interest) - One of the world’s largest undeveloped gold deposits and one of the largest palladium resources outside of South Africa and Russia, located in Greenland. Skaergaard has a Mineral Resource of 0.69Moz platinum, 8.67Moz palladium and 5.69Moz gold; and
- Munni Munni (30% interest) - Situated in the Pilbara region of Western Australia, the Munni Munni Complex is one of Australia’s most significant PGM occurrences. Munni Munni also has potential for conglomerate hosted gold and is a joint venture with Artemis Resources Limited.

For more information please see: www.platinaresources.com.au

References to Previous ASX Releases

The information in this Director’s 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 Measured, Indicated and Inferred Mineral Resource – 16 August 2018;
- Modular development approach reduces Owendale upfront capital expenditure by 59% - 18 December;
- Owendale Maiden Scandium and Cobalt Reserve – 13 September 2017;
- Platina delivers positive pre-feasibility study (PFS announcement) for the Owendale Scandium and Cobalt Project – 10 July 2017; and
- Skaergaard Indicated and Inferred Mineral Resource – 23 July 2013.

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 statements 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	30*
M47/124	Munni Munni	WA, Australia	PGM	30*
M47/125	Munni Munni	WA, Australia	PGM	30*
M47/126	Munni Munni	WA, Australia	PGM	30*
E47/3322	Munni Munni	WA, Australia	PGM	30*
EL7644	Owendale	NSW, Australia	PGM	100
EL8672	Condobolin	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 entered into an agreement with Artemis under which Artemis could earn a 70% interest in the Munni Munni Platinum Group Elements Project, comprising M47/123, 124, 125, 126 and E47/3322 (the "Munni Munni Project") by expending \$750,000 over a 3-year period. In August 2018, the Company announced that that Artemis satisfied the conditions required to acquire a 70% interest and formal documentation formalising the joint venture is currently being finalised.

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		