

13 SEPTEMBER 2017

Maiden Scandium and Cobalt Reserve

Key Highlights

- Maiden Owendale Ore Reserves following 2017 drilling results
- Owendale is now the highest grade scandium and cobalt development opportunity
- 35 years of mine life at very high grade scandium grades (645ppm Sc)
- A total Ore Reserve of 80 years at 50 000 t per annum throughput
- Low strip ratio of 0.9:1 for first 10 years of production
- Mining plan optimised for high cobalt grades averaging 0.18% Co in the first 5 years
- Future scandium oxide commercialisation strategy in progress with an evaluation of possible pilot plant production for 2018

Platina Resources Limited ("Platina", ASX: PGM) is pleased to announce a maiden Ore Reserve estimate at its 100% owned Owendale project, outlined in Table 1 and further detailed in Table 3.

The updated August 2017 Mineral Resource and this maiden Ore Reserve positions Owendale as the largest and highest-grade scandium and cobalt development discovered. The Ore Reserve confirms the findings reported in the Owendale preliminary feasibility study ("PFS", refer to ASX release dated 10 July 2017). The maiden Ore Reserve underpins the positive project economics including an optimised, mine schedule of an initial 35 years of high grade ore feed (HG, >550 ppm Sc), including an initial 5 years of high grade cobalt (0.18% Co head grade) recovered as a by-product. This is followed by a further 45 years of medium grade (MG, 400 to 550 ppm Sc) ore feed from stockpiles.

Table 1: Owendale Total Ore Reserve (August 2017, 400 ppm Sc cut-off)

HG and MG Ore >400 ppm Sc cut off	Tonnage Dry Kt	Scandium ppm	Cobalt %	Nickel %	Scandia t*	Cobalt t	Nickel t
Proven	2,225	560	0.09	0.13	1,896	2,027	2,905
Probable	1,765	540	0.08	0.13	1,463	1,483	2,252
Total	3,990	550	0.09	0.13	3,359	3,510	5,157

Note: Scandium is typically sold as Scandia or Scandium Oxide (Sc₂O₃) product and is calculated from scandium metal content and a 1.53 factor to convert to the oxide form

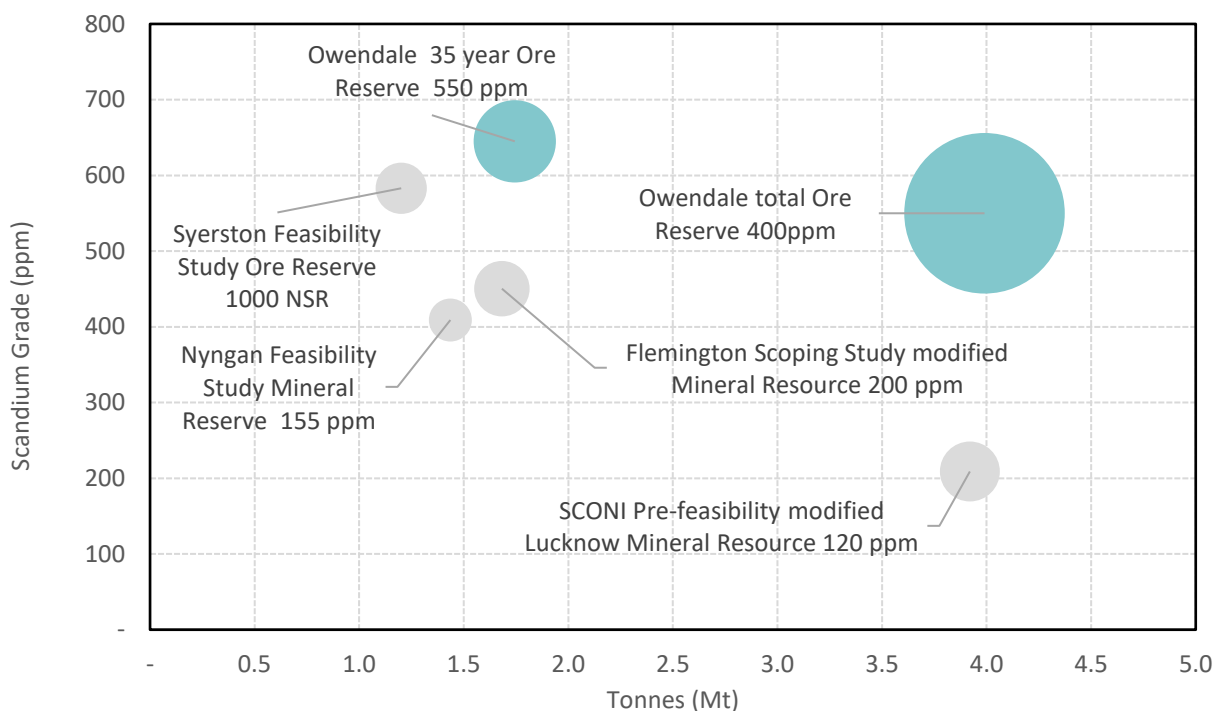
Platina Managing Director, Robert Mosig, commented:

"Releasing a maiden Ore Reserve is the final step in the Owendale PFS and highlights an optimised approach to mining our world class Owendale resource. Our focus now turns to finalising our marketing studies and evaluate the economics of a pilot plant to commence processing in 2018. The maiden Owendale Ore Reserve further demonstrates the robustness of the project which has been optimised for grade and mine life. The first 35 years of mine life will have a scandium content of over 600 ppm. Our scandium strategy over the next 6 to 12 months is to secure off-take partners which will help Platina become a major global supplier of scandium oxide to the energy and transportation industries."

Scandium benchmarking

The August 2017 reserve update for Owendale consolidates the Company's position as a leading scandium development opportunity in Australia. Compared to its Australian peers, Owendale contains the largest contained scandium study development (refer to Figure 1).

Figure 1: Australian scandium laterite development study Resource and Reserve comparison



Source: Syerston feasibility study announcement ASX: CLQ for Mineral Resources and Ore Reserves dated 30 August 2016
 Flemington Scoping Study announcement ASX:AUZ Mineral Resources dated 15 March 2017
 SCONI Pre-Feasibility Study announcement ASX:MLM Lucknow Mineral Resources dated 28 March 2013
 Nyngan NI43-101 and Mineral Reserves dated 15 April 2016 – available at www.sedar.com under Scandium International Mining Corp

Cobalt benchmarking

Owendale contains significant cobalt, allowing for viable production of cobalt as an important by-product.

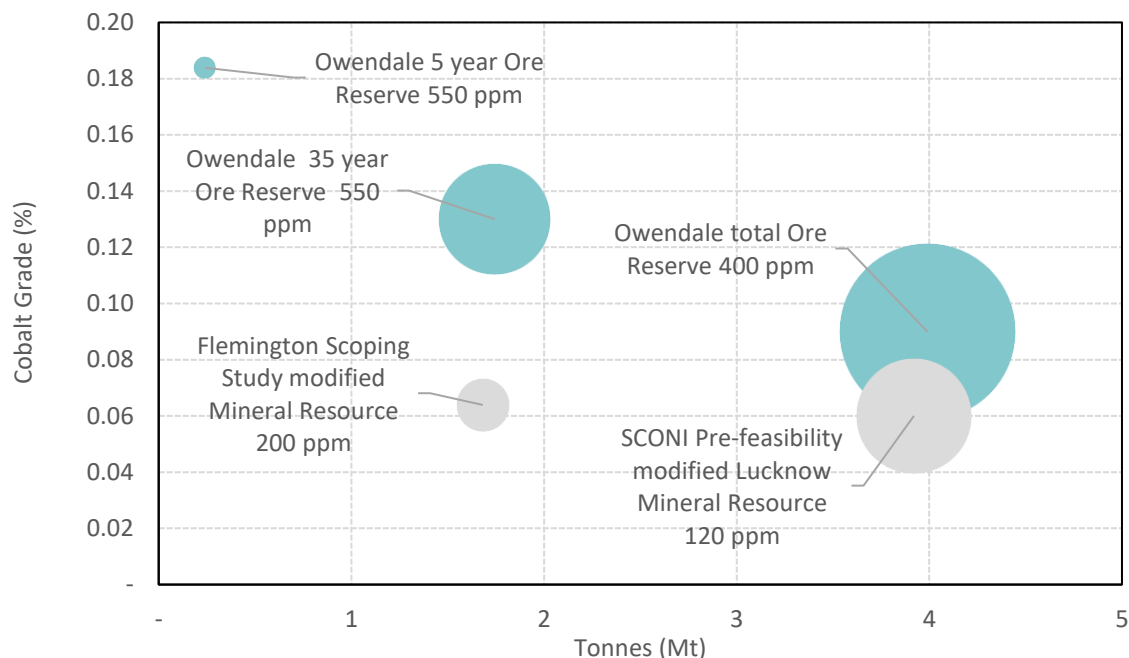
The current PFS considered the recovery of cobalt, and higher cobalt has been targeted for initial production whilst maintaining high scandium grade. Table 2 summarizes the first five years of the mine schedule with a cobalt grade of 0.18% Co. Selective mining and stockpiling can be used to further enhance initial cobalt grades but has not been considered at this stage.

Table 2: Owendale Ore Reserve subset for initial 1 to 5 year schedule

High Grade (HG) Ore >550 ppm Sc cut off	Tonnage Dry Kt	Scandium ppm	Cobalt %	Nickel %	Scandia t*	Cobalt t	Nickel t
Proven	246	640	0.18	0.18	239	433	441
Probable	17	650	0.11	0.13	17	18	21
Total	263	640	0.18	0.18	256	451	462

Currently, most scandium developments do not consider the recovery of cobalt and do not report cobalt and nickel associated with the scandium. This limits the project comparison to those provided in Figure 2, which indicates the quality of the Owendale cobalt grade against other potential scandium development studies.

Figure 1: Australian scandium-cobalt laterite development study resource and reserve comparison



Source: *Flemington Scoping Study announcement ASX:AUZ Mineral Resources dated 15 March 2017*
SCONI Pre-Feasibility Study announcement ASX:MLM Lucknow Mineral Resources dated 28 March 2013

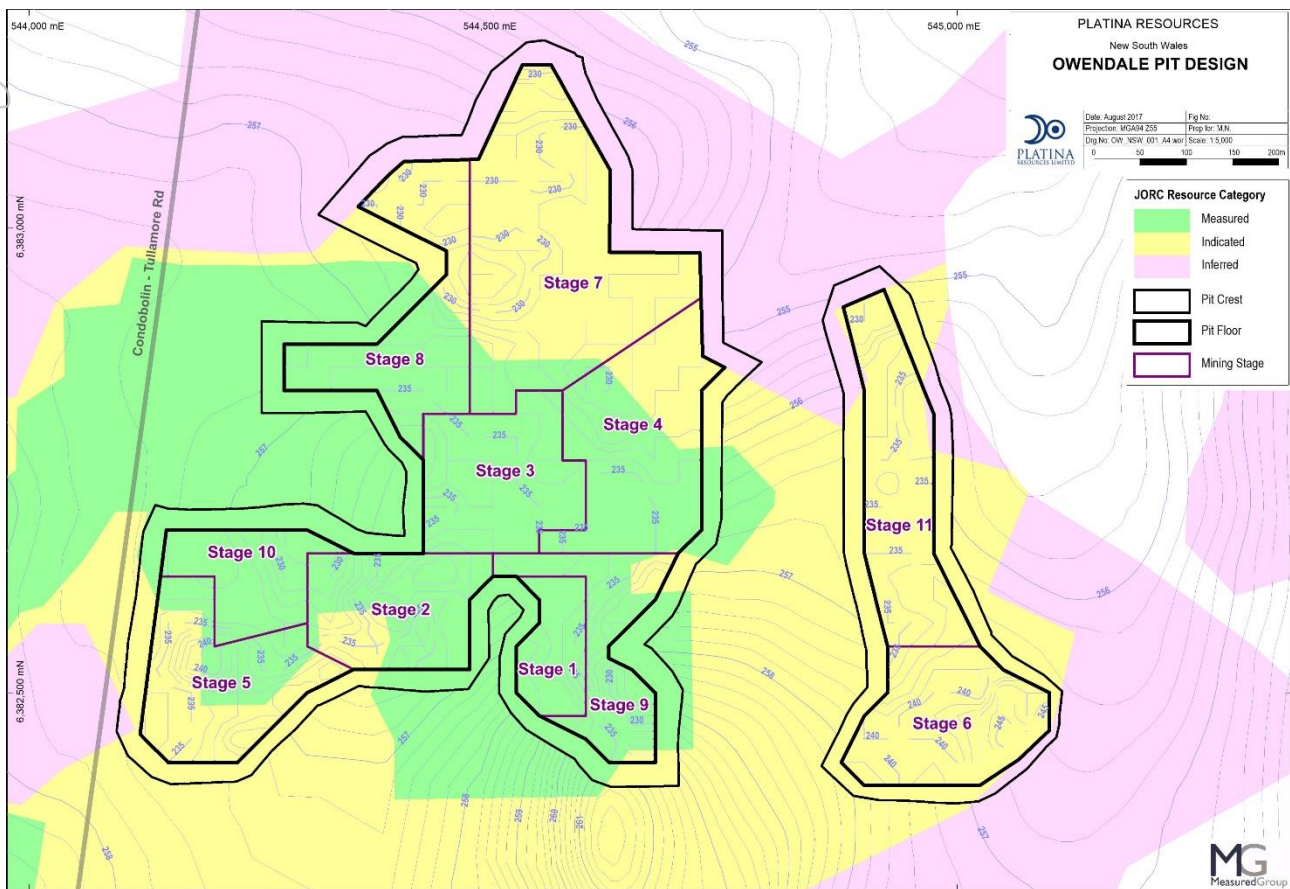
Table 3: Owendale Ore Reserve with high and medium grade breakdown

Ore Reserve Classification	Tonnage Dry Kt	Scandium Ppm	Cobalt %	Nickel %	Scandia t*	Cobalt t	Nickel t
High Grade (HG) Ore >550 ppm Sc cut off for year 1 to 35							
Proven	1,009	650	0.14	0.16	1,003	1,391	1,584
Probable	735	635	0.12	0.15	714	865	1,132
Sub-Total	1,744	645	0.13	0.16	1,717	2,256	2,715
Medium Grade (MG) Ore 400 to 550 ppm Sc cut off for year 36 to 80							
Proven	1,215	480	0.05	0.11	893	636	1,321
Probable	1,031	475	0.06	0.11	749	618	1,120
Sub-Total	2,246	475	0.06	0.11	1,642	1,254	2,441
Total HG and MG Ore >400 ppm Sc cut off							
Proven	2,225	560	0.09	0.13	1,896	2,027	2,905
Probable	1,765	540	0.08	0.13	1,463	1,483	2,252
Total	3,990	550	0.09	0.13	3,359	3,510	5,157

*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

The life of mine pit design and sequence of mining (stage 1 to 11) is shown in Figure 3. JORC resource categories, as well as surface and pit floor elevation contours are also shown.

Figure 3: Owendale Project Pit Design



Pre-feasibility study material assumptions

A PFS was completed by Platina and its consultants and released to market on 10 July 2017. The PFS was based on scheduled mineral resources available at the time of compilation. However, during the PFS, additional drilling was undertaken. An updated Mineral Resource was released to market on 9 August 2017 and is the basis for this maiden ore reserve, which now confirms and improves on the original PFS mine development schedule.

The updated work has been completed to a suitable standard to complement the existing PFS. The mine plan has been assessed using an economic ranking study to estimate ultimate pit limits and an optimum development sequence which underpins detailed pit designs, production schedule and costings. Modifying factors have been applied.

Owendale has been designed as a small surface mining operation using excavator and truck mining methods, mining ore at a plant feed rate of 50,000 dry tpa of ore. The average scandium head grade to the mill facility is 645 ppm Sc over the first 35 years of mining high grade (HG) ore and 475 ppm Sc for the following 45 years of mining medium grade (MG) ore.

The updated PFS is based on just a portion of the Owendale North deposit. The long mine life and additional mineral resources not included in the PFS offer both a long term mining proposition and scope to expand annual production as the global scandium market develops.

The PFS has considered several off-site processing locations in towns nearby to the Owendale Project. All these locations remain confidential at this stage, however, all of the processing locations offer existing infrastructure which satisfy water, power and housing supply requirements that are not immediately available at the Owendale site. Infrastructure and process engineering aspects of the PFS remain unchanged.

Financial analysis indicates a significant improvement in the project economics due to a number of aspects:

- The much larger Mineral Resource allows a longer mine schedule from the same area considered for the PFS.
- Higher grades returned in the recent drilling have provided a higher expected process grade using the same cut-off and Mineral Resource estimation method.
- Expected mine strip ratio has reduced significantly due to recent drilling that has resulted in both thicker scandium intersections and the definition of Measured and Indicated Mineral Resources in shallower areas.

Since the completion of the PFS some updated information is available and has been used for estimation of the maiden Ore Reserve. This information includes:

- Resource drilling and sampling leading to an updated Mineral Resource
- Geotechnical drilling, sampling and analysis
- Environmental sampling and analysis.

A simplified economic model was used to consider the change in economics from that presented for the PFS. Key aspects include the doubling of the mine life, 6% higher scandium grade, targeting of high cobalt areas and a significant reduction in the mining cost. Provisional analysis for 35 years of HG ore mining indicates a NPV, at 10% discount rate, of USD 298M and an IRR of 52%. Platina intends to update the PFS with further project optimisations that are in progress.

Classification

The Ore Reserve is based on the Mineral Resource classified as 'Measured' and 'Indicated' after consideration of all mining, metallurgical, social, environmental and financial aspects of the project. All Proved Ore Reserves were derived from the Measured Mineral Resources and all Probable Ore Reserves were derived from the Indicated Mineral Resources. The Ore Reserve classifications reflect the Competent Person's view of the deposit.

The accuracy and confidence levels of the study are suitable for the reporting of Ore Reserves in a PFS as defined in the JORC Code 2012. There is a high degree of confidence in the stated Ore Reserves quoted. This process uses validation checks throughout the construction of the Ore Reserve designs and schedules.

A significant area of uncertainty is the development and size of the scandium market. This may not directly impact the size of the Ore Reserve but could impact the rate at which it can be produced or the final project development scale and staging.

Mining method

The HG ore varies in thickness between approximately 4 m and 10 m. Ore mining is planned to be undertaken on 1 m bench height, using a 40 t excavator in backhoe configuration, free digging the profile. Grade control will be achieved from GPS level control sourced from grade control drilling and assaying in advance of mining to supplement the accuracy of the geological model. It is considered that with experience, pit staff will be able to recognise the various ore grades by colour and texture of the lateritic profile.

Processing method

The mill facility defined in the PFS will size the input material, heat the material, and feed the ore into a continuous autoclave (HPAL) system into which sulphuric acid will be injected to effect leaching. Downstream systems will then recover scandium from the autoclave leachate, using solvent extraction (SX), impurity removal, scandium precipitation, and calcination, to generate a finished Scandium Oxide product, grading at least 99.9% Sc₂O₃. Nickel and cobalt are also recovered as mixed sulphide precipitate (MSP).

The Project development and commissioning schedule includes a 2 year construction period. A 2 year ramp-up period is assumed, to nameplate capacity of 50,000 dry tpa and Scandium Oxide production of 45 tpa and initial cobalt production of 75 tpa.

The production targets referred to in the preceding paragraph are based solely on the estimated Ore Reserves, which have been prepared by a competent person in accordance with the requirements in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

Process recoveries, payables and prices allowed are shown in Table 4. This is based on average expected chemistry. Small scale piloting is proposed in order to understand risks arising from changes in the expected chemistry, deleterious elements and other issues for the Owendale project, and to determine appropriate design considerations.

Table 4: Forecast Recoveries, Payables and Prices

Parameter	Units	Quantity
Recovery – Scandium	%	90.3%
Recovery – Nickel	%	83.1%
Recovery – Cobalt	%	85.7%
Recovery – Platinum	%	0.0%
Payable – Scandia	%	100%
Payable – Nickel	%	75%
Payable – Cobalt	%	80%
Price – Scandia	USD /kg	1,500
Price – Nickel	USD /lb	4
Price – Cobalt	USD /lb	25
Royalties and licence fees	%	5%

Cut-offs

The primary parameters for the cut-off include Scandia price, Scandium recovery, reagent and consumable cost, fixed processing costs, mining costs and royalties. Based on this and contribution to capital and corporate overheads, the breakeven cut-off grade is approximately 300 ppm Scandium.

The project assessment is not based on marginal economics as is common practise for low grade mining operations. The cut-off grade for HG ore is 550 ppm Sc and for MG ore is 400 ppm Sc. These are selected as to present an improved payback period and provide a robust project development target. All material above 300 ppm and below 400 ppm Sc will also be stockpiled as additional low grade.

Estimation methodology

The Mineral Resource was estimated using Ordinary Kriging of geological zones within a block model with block 12.5 m by 12.5 m by 1 m. For mine planning, these were regularised to a block size of 25 m E by 25 m N by 2 m RL and dilution and loss factors applied. This was used for economic ranking, pit design and scheduling. Pit geotechnical advice was favourable but a more conservative design criteria was used to ensure allowance for ramps. Mine schedules and reports were verified against independent reports from the pit designs.

Mining factors

Ore Reserves are selected from only a portion of the available Mineral Resource for just one prospect, targeting areas defined as Measured and Indicated Mineral Resource. Single seam mining has been applied for selecting the material types down a selectivity of 1 m bench height. This incorporates some interburden but which is minimal due to the grade profile of the deposit.

The Mineral Resource estimate includes smoothing from block estimation that only has hard boundaries for geology. An additional 5% factor is allowed for ore mining loss and dilution is included in the geological model.

Project Status

The Owendale deposit falls within Exploration Licence EL7644. This licence is 100% owned by Platina and was granted on the 2 December 2010. Renewal has been offered for a further term of 5 years expiring in 2020.

As part of the PFS, a preliminary environmental impact study was undertaken by RW Corkery & Co Pty Limited, considering the mine site, the transportation route between the Mine Site and the Processing Site, and the Processing Site. 24 mine samples were tested geochemically. The limited sulphur in the mineral matrix would indicate limited ARD formation potential. No other material environmental impacts are noted.

Environmental baseline studies have been initiated at Owendale in preparation for the commencement of an environmental and social impact assessment (ESIA) and mining lease application. No significant issues at Owendale have been identified to date.

Mining operations in NSW require a range of environment-related and other approvals, including a development consent, a mining lease, environmental protection licence, water approvals and permits under the roads act. Requirements and timeline to achieve these approvals was assessed at PFS and the work program is well advanced. Processing is planned to be off-site and will require additional approvals under the NSW Mining Act.

No other material matters which could affect achievement of the proposed PFS timelines have been identified to date.

Competent Person Statement

The information in this report that relates to Ore Reserves, is based on, and fairly represents, information and supporting documentation prepared by Mr. Gary Benson, who is a Member of the Australasian Institute of Mining and Metallurgy and is a Principal Mining Engineer employed by Measured Group Pty Ltd. Gary Benson holds a Bachelor of Engineering (Mining) from the University of Queensland and has over 30 years' experience in the mining industry with much of this experience in Open cut metalliferous mining. Mr Benson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Benson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Previously Reported Information

This report includes information that relates to Mineral Resources and Pre-Feasibility Study results which were prepared and first disclosed under the JORC Code 2012. The information was extracted from the Company's previous ASX:PGM announcements as follows

1. Prefeasibility study announced 10 July 2017
2. Mineral Resource update announced 9 August 2017

Forward Looking and Cautionary Statements

Some statements in this report regarding estimates or future events are forward-looking statements. They involve risk and uncertainties that could cause actual results to differ from estimated results. Forward-looking statements include, but are not limited to, statements concerning the Company's exploration programme, outlook, mineralised material estimates, production targets, forecast financial information, and income-based valuations. They include statements preceded by words such as "anticipated", "expected", "targeting", "likely", "scheduled", "intends", "potential", "prospective" and similar expressions.

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Appendix A - JORC 2012 Checklist of Assessment and Reporting Criteria

Section 1 Sampling Techniques and Data

This Ore Reserve is based entirely on previously released Mineral Resources (announced 9 August 2017 and available at www.platinaresources.com.au). No new Mineral Resources or exploration results are being released.

Section 2 Reporting of Exploration Results

This Ore Reserve is based entirely on previously released Mineral Resources (announced 9 August 2017 and available at www.platinaresources.com.au). No new Mineral Resources or exploration results are being released.

Section 3 Estimation and Reporting of Mineral Resources

This Ore Reserve is based entirely on previously released Mineral Resources (announced 9 August 2017 and available at www.platinaresources.com.au). No new Mineral Resources or exploration results are being released.

Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
<i>Mineral Resource estimate for conversion to Ore Reserves</i>	<ul style="list-style-type: none"> <i>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</i> <i>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</i> 	The JORC Mineral Resource for Owendale (announced 9 August 2017) was prepared by Competent person, Mr John Horton, an employee of ResEval Pty Ltd. The previously announced Mineral Resources are inclusive of the Ore Reserves the subject of this report.
<i>Site visits</i>	<ul style="list-style-type: none"> <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> <i>If no site visits have been undertaken indicate why this is the case.</i> 	A site visit has been undertaken on 25 August 2017. The objective was to inspect the site and surrounding environment including local towns and proposed off lease process plant site. Discussions were held with a local mining contractor. Open excavations, core and chip samples were inspected.
<i>Study status</i>	<ul style="list-style-type: none"> <i>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</i> <i>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</i> 	<p>A Prefeasibility study was completed by Platina and its consultants and announced on 10 July 2017.</p> <p>Subsequent to the Mineral Resource used for the PFS a drilling campaign was completed to upgrade and define the proposed development area identified in the PFS. The Ore Reserve is based on an updated Mineral Resource using all available drilling up to August 2017.</p> <p>This Ore Reserve updates the mine engineering aspects of the PFS study for the updated geological model and resource estimate. Infrastructure and process engineering aspects of the PFS remain unchanged. The updated work has been completed to a PFS standard. The mine plan is based on pit designs and modifying factors have been applied.</p>

Criteria	JORC Code explanation	Commentary
Cut-off parameters	<ul style="list-style-type: none"> The basis of the cut-off grade(s) or quality parameters applied. 	<p>The primary parameters for the cut-off include Scandia price, Scandium recovery, reagent and consumable cost, fixed processing costs, mining costs and royalties. Based on this and contribution to capital and corporate overheads, the breakeven cut-off grade is approximately 300 ppm Scandium.</p> <p>The project assessment is not based on marginal economics as is common practise for low grade mining operations. The cut-off grade for HG ore is 550 ppm Sc and for MG ore is 400 ppm Sc. These are selected as to present an improved payback period and provide a robust project development target. All material above 300 ppm and below 400 ppm Sc will also be stockpiled as additional low grade.</p>
Mining factors or assumptions	<ul style="list-style-type: none"> The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling. The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). The mining dilution factors used. The mining recovery factors used. Any minimum mining widths used. The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. The infrastructure requirements of the selected mining methods. 	<p>The Mineral Resource model was regularised to a block size of 25 m E by 25 m N by 2 m RL and relevant dilution and loss applied. This was used for economic ranking with consideration of the PFS revenues and mining and process costs and updated geotechnical. Life of mine pit stages and an appropriate optimum mining sequence was developed, which formed the basis of pit designs and the mine production schedule.</p> <p>The Ore Reserve is based on Measured and Indicated Mineral Resources. Inferred Mineral Resources were not assessed. The HG ore zone varies in thickness between approximately 4 m and 10 m. Ore mining is planned to be undertaken on a 1 m bench height, using a 40 t excavator in backhoe configuration, free digging the profile. Grade control will be achieved from GPS level control sourced from grade control drilling and assaying in advance of mining to supplement the accuracy of the geological model. It is considered that with experience pit staff will be able to recognise the various ore grades by colour and texture of the lateritic profile. 5% is allowed for ore mining loss and dilution is included in the geological model.</p> <p>The Owendale PFS considered infrastructure requirements associated with the conventional excavator and truck mining operation including pre-beneficiation, crushing and conveying systems, dump & stockpile locations, plant and maintenance facilities, access routes, fuel, water and power.</p>
Metallurgical factors or assumptions	<ul style="list-style-type: none"> The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. Whether the metallurgical process is well-tested technology or novel in nature. The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied 	<p>Processing of the ore includes ore comminution, High Pressure Acid Leaching, Solvent Extraction for scandium extraction, Sulphide precipitation of nickel and cobalt from partially neutralised liquor followed by thickening and filtration to produce Mixed Sulphide Precipitate (MSP), thickening of the neutralised barren slurry to produce tailings for transport back to the mine for placement in waste dumps.</p> <p>Scandium oxide production from a laterite ore has not</p>

Criteria	JORC Code explanation	Commentary
	<p><i>and the corresponding metallurgical recovery factors applied.</i></p> <ul style="list-style-type: none"> • <i>Any assumptions or allowances made for deleterious elements.</i> • <i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i> • <i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i> 	<p>been practised at commercial scale. The process flowsheet incorporates HPAL, which today is considered to be established technology, followed by an innovative solvent extraction (SX) process to recover scandium. Although SX is widely practised in commercial operations for the recovery of nickel, cobalt and other base metals, it has not been applied to scandium recovery from a lateritic leach solution. The only commercialised direct SX processes treating laterites were Bulong Nickel and Goro Nickel (Vale Nouvelle Caledonia). Both of these projects encountered significant technical issues in their SX circuits, one related to process chemistry (Bulong) and one related to mechanical plant design (Goro).</p> <p>It is quite possible that, without extensive, well planned process development and piloting, the project could perform below expectations more than 3 years after commissioning. It should however be highlighted that the Owendale Project is small scale with 50,000 dry tpa of ROM feed which reduces the scale-up risk compared to larger scale projects.</p> <p>Test work to date is based on limited samples to derive the optimal leaching conditions. By its nature the small scale of the bench scale test work cannot be considered representative. To minimise variation the majority of samples used are based on composite samples that provided a chemistry consistent with the high grade Mineral Resource average chemistry. Platina has compiled a representative metallurgical bulk sample from percussion drill samples from the latest drilling program in preparation for the pilot test program and variability study. The design of the pilot test program is in progress.</p> <p>Based on the results of the metallurgical testing, a processing plant recovery of 90.3% was assumed. This includes a 94% HPAL extraction and 98% for solvent extraction. Testwork also concludes overall recoveries to product are 83.1% for nickel and 85.7% for cobalt. A 24-month ramp up period was assumed.</p>
<p><i>Environmental</i></p>	<p><i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i></p>	<p>As part of the PFS, a preliminary environmental impact study was undertaken by RW Corkery & Co Pty Limited, considering the mine site, the transportation route between the Mine Site and the Processing Site, and the Processing Site. No material impacts are noted.</p> <p>Environmental baseline studies have been initiated at Owendale in preparation for the commencement of an environmental and social impact assessment (ESIA) and mining lease application. No significant issues at Owendale have been identified.</p> <p>Twenty-four samples were subjected to geochemical analysis to evaluate the potential of excavated</p>

Criteria	JORC Code explanation	Commentary
		<p>materials to impact environmental values at the site. It includes static tests (AMIRA, 2002), X-Ray diffraction, X-Ray fluorescence, synthetic precipitation leachate protocol (SPLP) and chromium reducible sulphur to assess the acid rock drainage (ARD) potential of the material. The twenty-four test points included six alluvium, twelve limonite, and six saprolite samples. Total sulphur (oxidised sulphur and sulphide sulphur) ranged from 0.005 to 0.02% with a median value of 0.01% while sulphide sulphur was below the detection limit of 0.005% at the site. The limited sulphur in the mineral matrix would indicate limited ARD formation potential.</p> <p>In-waste dump tailings disposal is positively impacted by limited local ground water and suitable in-pit clay construction materials. The tailings in-pit disposal and continuous site rehabilitation plan are integrated into the mining process and costs, and incorporate a best practice approach that should allow permitting and approvals.</p>
Infrastructure	<p><i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i></p>	<p>The PFS demonstrates that sufficient land space is available for the required onsite mining infrastructure including waste and LG dumps, MG stockpiles, multiple run of mine (ROM) stockpiles, ore haulage truck loading area, tailing temporary surge capacity stockpile, and site infrastructure including offices, crib rooms, change rooms and car parks.</p> <p>For the mining operation, site power will require a short spur line. Water supply is available from groundwater bores. Labour is available from farming, contracting and mining experienced personal. Housing will be available within local small towns including Tullamore, Fifield and Condobolin.</p> <p>Ore will be hauled to a nearby town where it will be processed. The proposed site has good access for truck haulage, has appropriate water and electricity supplies, as well as close rail access for supply of equipment and raw materials, and export of products. Infrastructure requirements for the project have been assessed and costed as part of the PFS study.</p>
Costs	<ul style="list-style-type: none"> • <i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i> • <i>The methodology used to estimate operating costs.</i> • <i>Allowances made for the content of deleterious elements.</i> • <i>The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.</i> • <i>The source of exchange rates used in the study.</i> • <i>Derivation of transportation charges.</i> 	<p>Mining costs are based on an owner operator basis and worked up from first principles. Replacement capital is allowed. The plant capital cost was estimated by Prudentia, based on budgetary quotations provided by vendors (63%). 11% was estimated using internal estimating procedures based on plate steel pricing, 11% from the Prudentia in-house database, 9% allowances, 3% from the internet and 1% factored. Contingency is based on 20% of the direct costs. Given the long project life, an allowance of 2.5% of initial capital is allowed each year for sustaining capital.</p> <p>A net total royalty allowance of 5% was incorporated</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private. 	and includes both government royalties and process licencing fees.
Revenue factors	<ul style="list-style-type: none"> The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products. 	<p>The base case metal prices used for the PFS and this reserve estimate include:</p> <ul style="list-style-type: none"> USD 1500 /kg Scandia (Sc₂O₃) Nickel contained in MSP of USD 4/lb with 75% payable Cobalt contained in MSP of USD 25/lb with 80% payable
Market assessment	<ul style="list-style-type: none"> The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. A customer and competitor analysis along with the identification of likely market windows for the product. Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract. 	<p>Scandium oxide is not commonly traded on any Metals or Futures Exchanges. The prices paid for large tonnages of scandium oxide are not available, nor are the terms and prices for any off-take agreements for the purchase of scandium oxide via a long term sales contract. Scandia sale quantity and price forecasts are based on Platina market studies including customer and competitor analysis. The price forecast can be confirmed by comparing publicly available market forecasts available from laterite competitors. This comparison shows that Platina's long run pricing assumption of USD 1500/kg compares directly to Syerston (USD 1500/kg) and Flemington projects (\$US1500/kg) and is conservative against the Nyngan (USD 2000/kg).</p> <p>Platina will produce a small quantity of mixed nickel-cobalt sulphide product (MSP) as a by-product. Annual production will be approximately 220 dry tonnes, containing approximately 26% cobalt, 34% nickel and 35% sulphur. Price forecasts are based on deductions from LME traded prices for contained metal.</p>
Economic	<ul style="list-style-type: none"> The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. NPV ranges and sensitivity to variations in the significant assumptions and inputs. 	<p>For the purpose of the mining study only a simplified DCF analysis has been prepared based on the LOM schedule and allowance for sales revenue, royalties and reasonable levels of productivity, labour costs and operating and capital costs. This approximates the previous PFS analysis for the earlier mine schedule and is updated for the current study.</p> <p>The base case assumes a discount rate of 10% and has an NPV10 of USD 298M. No inflation or escalation allowances were made. All NPV calculations are pre-tax. Sensitivity analysis of +20% and -10% was performed on capital and operating costs, with NPV10 ranging from USD 280M to USD 312M.</p> <p>Key sensitivities are scandia price and scandium</p>

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		<p>recovery. Scandia price was varied from USD 750/kg to USD 2000/kg showing NPV10 change from USD 6M to USD 412M. An NPV of zero is achieved at approx. USD 730/kg.</p> <p>Note that these valuations are provided only to provide indicative values for the change in the mining schedule. An update to the PFS is planned and may include other optimisations as well as the more detailed economic model.</p>
<i>Social</i>	<ul style="list-style-type: none"> <i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i> 	<p>The Owendale deposit falls within Exploration Licence EL7644. This licence is 100% owned by Platina and was granted on the 2 December 2010. Renewal has been offered for a further term of 5 years expiring in 2020. Platina is currently negotiating with the landowner with regard to purchasing the freehold title over the project area. Community involvement has been sought from an early stage and community and government support seems positive.</p> <p>The competent person is not aware of any other material matters affecting social licence to operate.</p>
<i>Other</i>	<ul style="list-style-type: none"> <i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i> <i>Any identified material naturally occurring risks.</i> <i>The status of material legal agreements and marketing arrangements.</i> <i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i> 	<p>Sufficient Mineral Resources and Ore Reserves have been identified for the project life. Mining operations in NSW require a range of environment-related and other approvals, including a development consent, a mining lease, environmental protection licence, water approvals and permits under the roads act. Requirements and timeline to achieve these approvals was assessed at PFS and the work program is well advanced. The competent person is not aware of any material matters which could affect achievement of the proposed PFS timelines.</p>
<i>Classification</i>	<ul style="list-style-type: none"> <i>The basis for the classification of the Ore Reserves into varying confidence categories.</i> <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> <i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i> 	<p>The Ore Reserve estimates are based on the Mineral Resource estimates classified as 'Measured' and 'Indicated' after consideration of all mining, metallurgical, social, environmental and financial aspects of the project. All Proved Ore Reserves were derived from the Measured Mineral Resources and all Probable Ore Reserves were derived from the Indicated Mineral Resources. The Ore Reserve classifications reflect the Competent Person's view of</p>

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		the deposit.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of Ore Reserve estimates. 	<p>This is a maiden ore reserve estimate.</p> <p>The study has been the subject of internal review by Measured Group and Platina prior to completion. No external audits of the PFS or Ore Reserve estimate has been undertaken at the date of publishing.</p>
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available. 	<p>The accuracy and confidence levels of the study are suitable for the reporting of Ore Reserves in a PFS as defined in the JORC Code 2012. There is a high degree of confidence in the stated ore reserves quoted. This process utilises validation processes throughout the construction of the ore Reserve designs and schedules.</p> <p>A significant area of uncertainty is the development and size of the scandium market. This may not directly impact the size of the Ore Reserve but could impact the rate at which it can be produced.</p>