



PLATINA RESOURCES LIMITED

ABN 25 119 007 939

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

For personal use only

Contents

CORPORATE INFORMATION	1
DIRECTORS' REPORT	2
AUDITOR'S INDEPENDENCE DECLARATION.....	6
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2019.....	7
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019.....	8
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2019	9
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019.....	10
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019.....	11
DECLARATION BY DIRECTORS	19
INDEPENDENT AUDITOR'S REVIEW REPORT	20

Competent Person's Statements

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:

- Transformational Transaction – Joint Venture on a high-grade Zinc-Copper-Gold project, 29 August 2019;
- Platina Scandium Project - Positive Definitive Feasibility Study, 13 December 2018;
- Platina Scandium Project Ore Reserve, 13 December 2018; 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.

Corporate Information

DIRECTORS

Brian Moller
Corey Nolan
Chris Hartley
John Anderson

COMPANY SECRETARY

Paul Jurman

PRINCIPAL PLACE OF BUSINESS

Level 2, Suite 9,
389 Oxford Street
Mount Hawthorn, WA, 6016
Phone: +61 7 5580 9094
Fax: +61 8 9380 6761
Email: admin@platinaresources.com.au

COUNTRY OF INCORPORATION

Australia

REGISTERED OFFICE

c/- Corporate Consultants Pty Ltd
Level 2, Suite 9,
389 Oxford Street
Mount Hawthorn, WA, 6016
Phone: +61 8 9380 6789

SOLICITORS

HopgoodGanim Lawyers
Level 8, Waterfront Place
1 Eagle Street
Brisbane QLD 4000
Phone: +61 7 3024 0000

SHARE REGISTRY

Link Market Services
Level 12 QV1 Building
250 St Georges Terrace
Perth WA 6000
Phone: 1300 554 474

AUDITORS

Bentleys
Level 9, 123 Albert Street
Brisbane QLD 4000
Phone: +61 7 3222 9777

STOCK EXCHANGE LISTING

Australian Securities Exchange Ltd
ASX Code: PGM

INTERNET ADDRESS

www.platinaresources.com.au

AUSTRALIAN BUSINESS NUMBER

ABN 25 119 007 939

For personal use only

Directors' Report

Your directors present their report on the Company and its controlled entity (“the Consolidated Group” or “the Group”) for the half-year ended 31 December 2019.

Directors

The names of directors in office at any time during or since the end of the half-year:

Brian Moller	Non-Executive Chairman
Corey Nolan	Managing Director
Chris Hartley	Non-Executive Director
John Anderson	Non-Executive Director

Review of Operations

Platina controls a portfolio of precious, speciality and base metal projects at various stage of development. Shareholder value is created by advancing these projects through exploration, feasibility, permitting and towards development and realising value through either sale, joint venture or development.

The Platina board made a strategic decision in early 2019 to acquire a new project and completed the Blue Moon zinc-copper-gold acquisition in August 2019. The Blue Moon project is a zinc-copper-gold rich volcanogenic massive sulphide deposit with an existing Canadian NI43-101 mineral resource which is open at depth and along strike and has favourable metallurgy.

The objective of the acquisition was to optimise the risk-reward balance of the company’s asset portfolio by:

- diversifying the commodity mix away from specialty metals into well understood commodities with daily traded liquid markets, and the ability to secure offtake contracts to underwrite project finance; and
- leveraging into a manageable scale project for a company of Platina’s size.

The company’s existing project pipeline has matured and an earlier stage asset, like the Blue Moon project, can be progressed along the resources value curve through drilling and feasibility studies, and generate news flow and potential valuation upside.

Furthermore, the Blue Moon project will assist us to develop and/or monetise our existing assets in an orderly and structured fashion. Our existing assets still have real value and we remain focused on finding a path to generate shareholder returns, including:

- Skaergaard - the internal scoping study completed in December 2019 has defined a clearer pathway forward, demonstrating the need for a partner that can bring financial and technical expertise to what has the potential to be a very large scale, high capital, development project in a remote location without infrastructure;
- Platina Scandium Project - the economic environment for securing scandium offtake agreements and joint venture partners for the Platina Scandium Project remain very challenging. Platina is tackling this challenge by alignment with global trading firm, Traxys Europe S.A., and testing alternative smaller scale market development opportunities; and
- Munni Munni (30% interest) – the recent significant increase in the price of palladium, gold and rhodium has enhanced the number of options available to create value from the project. The company is working closely with its joint venture partner to explore these options.

Blue Moon Zinc-Copper-Gold Project, United States

During the period, Platina entered into a joint venture agreement to earn up to a 70% interest in and become operator of the Blue Moon Zinc-Copper-Gold (“Blue Moon”) Project in the United States. In addition, Platina acquired a 5% equity interest in the Project owner, TSX-V listed, Blue Moon Zinc Corporation (BMZ), by subscribing to shares for CAD300,000. The Blue Moon project acquisition fits with the Platina’s core expertise and experience in advancing projects through drilling, feasibility and development.

The volcanogenic massive sulphide deposit has an existing Canadian NI43-101 mineral resource which is open at depth and along strike and has favourable metallurgy. The Blue Moon project provides significant exploration upside but with the benefits of an existing Mineral Resource based on more than 40,000m of drilling that was never developed due to low commodity prices at the time. The Blue Moon Mineral Resource Estimate was sourced from the BMZ, NI43-101 Technical Report, “Mineral Resource Estimate for the Blue Moon Massive Sulphide Occurrence”, effective date 14 November 2018. The report is available from the BMZ website (www.bluemoonmining.com) or www.sedar.com.

For personal use only

Table 1 – Blue Moon Global Mineral Resources Estimate (4.0% ZnEQ cut-off grade)

Category	Tons*	Zn %	Cu (%)	Ag (g/t)	Au (g/t)	Pb (%)
Inferred	7,790,000	4.95	0.46	41.36	1.24	0.29
Total	7,790,000	4.95	0.46	41.36	1.24	0.29

Cautionary Note: National Instrument 43-101 is a national instrument for the Standards of Disclosure for Mineral Projects within Canada. The Mineral Resources stated are foreign estimates and are not reported in accordance with JORC Code. A competent person has not done sufficient work to classify the foreign estimates as Mineral Resources in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources in accordance with the JORC Code. Please see Appendix B for the ASX listing rule Chapter 5 disclosures.

**Please note that the Mineral Resource is defined in US short tons (2,000lb) and not metric tonnes.*

During the period, Platina completed its stage 1 drilling program at the Blue Moon project comprising 1,132m in two holes, BMZ79 and BMZ80. The holes were planned to test the northern border of the resource as well as extend the zone of high-grade mineralisation near hole BMZ78 which was drilled by BMZ in 2018.

Subsequent to the end of the period, results reported from diamond drill hole BMZ79 intersected the highest zinc interval at the project to date, 1.71m at 51.9% zinc, 1.49% copper, 0.05% lead, 0.85 g/t gold and 31.9 g/t silver from 414.65m as well as the following intervals:

- 7.47m at 25.55% zinc, 0.87% copper, 0.68 g/t gold and 17 g/t silver from 412.81m, including:
- 3.05m at 49.60 % zinc, 1.39% copper, 0.91 g/t gold and 30 g/t silver from 414.65m.

A second zone of zinc mineralisation in the same hole from 450m, included:

- 10.96m at 3.11% zinc, 0.47 % copper and 0.27% lead from 450.37m, including:
- 2.08m at 4.22% zinc from 457.16m.

Diamond drill hole BMZ80 intersected the three following significant intervals:

- 19.58m at 8.41% zinc, 0.49% copper, 1.22 g/t gold and 82.75 g/t silver from 398.44m, including:
 - 1.26m at 4.57 % zinc, 0.37% copper, 6.71 g/t gold and 513 g/t silver from 398.44m
 - 2.16m at 16.49 % zinc, 0.89% copper, 0.7 g/t gold and 35 g/t silver from 405.55m
 - 3.17m at 11.47 % zinc, 0.70% copper, 2.29 g/t gold and 79 g/t silver from 411.99 m
- 6.15m at 3.60% zinc, 0.19% copper, 1.97 g/t gold and 78.6 g/t silver from 424.54m, including:
 - 0.88m at 1.63% zinc, 0.1% copper, 9.81 g/t gold and 312 g/t silver from 424.54m
 - 1.07m at 7.91% zinc, 0.37% copper, 2.44 g/t gold and 139 g/t silver from 425.42m

A third zone of zinc, lead, gold and silver mineralisation in the same hole from 450m, included:

- 3.53m at 4.27% zinc, 0.37 % copper, 2.4% lead, 3.76 g/t gold and 126 g/t silver from 448.9m, including 0.85m at 7.75% zinc, 0.66 % copper, 4.25 % lead, 14.55 g/t gold and 325 g/t silver from 448.9m.

The results provide greater confidence that the deposit not only contains a significant zinc resource but with intervals containing up to 14.55 g/t of gold and 513g/t of silver, the results indicate stronger potential for the production of precious metal by-products. Further drilling is planned in 2020 subject to establishing new funding arrangements.

Platina Scandium Project ('PSP')

The Platina Scandium Project (PSP) located in central New South Wales is one of the largest and highest-grade scandium deposits in the world. It has the potential to become Australia's first scandium producer with cobalt and nickel credits.

A Definitive Feasibility Study was completed in late 2018 demonstrating the technical and economic viability of constructing the project. The positive DFS demonstrated the opportunity to create substantial long-term sustainable shareholder value at a manageable capital cost.

For personal use only

Table 1 – Platina Scandium Project – Key Project Parameters

	USD	AUD
Stage 1 Annual Production	20 tonnes	
Stage 2 Annual Production (from Year 5)	40 tonnes	
Life-of-mine for financial model	30 years	
Net Present Value (8%), real, after-tax	166 million	234 million
Internal Rate of Return, post-tax	29%	
Payback Period (undiscounted)	5.3 years	
Stage 1 Capital Expenditure	48.1 million	67.8 million
Stage 2 Capital Expenditure	11.1 million	15.6 million
Total Life-of-Project Capital Expenditure*	104.1 million	146.5 million
Life-of-Mine Average Cash Operating Costs#	\$525/kg	\$739/kg
Life-of-Mine Scandium Oxide Price	\$1,550/kg	\$2,183/kg
USD to AUD Exchange Rate	0.71	

*Includes sustaining capital costs. # Mining, processing, general and administration costs. Excludes royalties

The next step to unlocking value in the project is to secure an offtake agreement to facilitate project financing and finalise the required permits to begin construction. The company is actively working on a scandium off-take marketing program, which is targeting potential customers in the USA, Europe, Asia and Australia.

While the solid oxide fuel cell industry has been the dominant consumer of scandium in recent years, the metal's greatest value is as an aluminium alloy targeting aerospace, marine, military and automobile industries. Scandium can produce stronger, more heat tolerant, weldable aluminium products which are being increasingly incorporated into transportation applications for electric vehicles and lowering fuel efficiency requirements. However, the market for aluminium-scandium alloys remains very small and undeveloped.

We believe the key to the development of the scandium market is the establishment of a western world supply source and lower prices for scandium oxide and alloys that can compete with other aluminium alloys in the market. Our belief is that the PSP has the potential to produce the world's lowest cost scandium oxide and create competitively priced supply. However, the ongoing challenge remains the small size of the market relative to the scale of operation required for the proposed PSP High-Pressure-Acid leach process (HPAL).

We are tackling the market entry challenge through a number of new initiatives, including aligning with Traxys Europe S.A to assess scandium product and market development, and potential funding for the PSP, and assessing the potential for smaller scale development options like VAT leaching, and testing the potential to produce other products from the project.

Skaergaard Gold and Platinum Group Metal Project, Greenland

Located on the east coast of Greenland, Skaergaard is one of the world's largest undeveloped gold and palladium resources outside of Africa and Russia, with by-product metals magnetite and vanadium.

During the period, a new internal scoping study for the Skaergaard Project was completed to define the pathway forward for the project. Independently prepared by engineering consultants, SRK Consulting, the study demonstrated that the grades of the palladium and gold ore zones are relatively low and a large-scale underground mining operation and process plant with a high initial capital outlay will be required to realise the benefits of economies of scale. The project economics are highly sensitive to changes in revenue, operating and capital costs but has demonstrated a positive outcome. The significant increase in the price of palladium and gold in 2019 and continuing into 2020 has had a positive impact on the project's economics and the outlook for palladium demand and pricing remains robust.

The scoping study showed a significant investment was required to progress the project to the next stage. Advancing the project to the feasibility stage will require drilling to convert inferred to indicated mineral resources (estimated at more than 10,000 metres), detailed metallurgical test work to determine processing characteristics and refine the process route, and quality and pricing of saleable products. In addition, further assessment of engineering, design and technology factors for the design and location of the process plant, tailings disposal and mining methods is critical in defining the project concept and the expected capital and operating costs. As such, Platina will seek to find a financial and technical partner to help develop the project.

During the period, Platina lodged applications to renew its Skaergaard licence EL2007/01 which it has held since 2006. As part of the renewal process, the company reduced the size of EL2007/01 tenement from 141 to 100 square kilometres to reduce its forward expenditure commitments.

Munni Munni PGM/Au Project (30% interest), Western Australia

Situated in the Pilbara region of Western Australia, Munni Munni is one of Australia's most significant undeveloped platinum group metal occurrences. Platina holds a 30% interest in the Munni Munni project in a joint venture with Artemis Resources who is the Operator. There were no exploration activities at Munni Munni during the period.

The company has received several approaches to acquire its 30% interest in the Joint Venture and is currently reassessing the value of its equity in the project given the significant recent increase in the prices of palladium, gold and rhodium.

Corporate

During the period, the Company completed an underwritten Shareholder Share Purchase Plan (SPP) raising \$1.25 million before costs. The SPP issue price per share was calculated as \$0.021 per share, being the price, which represents a 20% discount to the volume weighted average price of company shares traded on the ASX during the five trading days immediately prior to the issue date of 9 October 2019.

Funds raised from the SPP were used to advance the portfolio of projects, including:

- completing the Blue Moon transaction and funding the planned exploration and drilling activities for the Blue Moon zinc project;
- the ongoing scandium market development and permitting activities for the PSP;
- exploration costs for the Skaergaard gold and platinum group metal project in Greenland;
- maintenance and holding costs for Munni Munni (30% interest); and
- for ongoing working capital and corporate costs.

Results

The net loss of the Group for the period amounted to \$1,467,650 (2018: Loss \$1,531,841).

Significant Changes in State of Affairs

There were no significant changes in the nature of the Group's principal activities during the financial period.

Auditor's Independence Declaration

The lead auditor's independence declaration is set out on the next page and forms part of the Director's Report for the half-year ended 31 December 2019.

Signed in accordance with a resolution of the Board of Directors.



Corey Nolan
Managing Director
Brisbane, 12 March 2020

The information in this report that relates to Exploration Results for the Blue Moon Zinc-Copper-Gold Project, United States is based on information compiled by Dr Gustavo Delendatti, a member of the Australian Institute of Geoscientists. Dr Delendatti is an independent consultant, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which it is undertaking to qualify as a Competent Person as defined in the JORC Code (2012 Edition) of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Delendatti consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

**TO THE DIRECTORS OF
PLATINA RESOURCES LIMITED**

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2019 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.



Bentleys Brisbane Partnership
Chartered Accountants



Stewart Douglas
Partner
Brisbane
12 March 2020

For personal use only

Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2019

Note	Dec 2019 \$	Dec 2018 \$ RESTATED
Interest income	3,883	18,625
Other income	2,946	2,446
Revenue	6,829	21,071
Administration expenses	(274,497)	(199,395)
Depreciation and amortisation expense	(2,689)	(2,358)
Employee benefits expense	(174,192)	(208,914)
Foreign exchange (loss) / gain	(2,626)	-
Exploration costs expensed	(730,107)	(1,780,497)
Marketing expenses	(122,986)	(109,155)
Occupancy expenses	-	(10,896)
Professional services	(102,644)	(158,932)
Share based payments expensed	(118,307)	(191,717)
Operating Loss	(1,521,119)	(2,640,793)
Loss before income tax	(1,521,219)	(2,640,793)
Income tax (expense) / benefit	187,498	1,108,952
Profit/(Loss) for the period	(1,333,721)	(1,531,841)
Other comprehensive income		
Net fair value gain / (loss) on fair value of equity investments designated at FVOCI	(133,929)	-
Total comprehensive profit/(loss) for the period	(1,467,650)	(1,531,841)
Overall Operations		
Basic/diluted loss per share (cents per share)	(0.005)	(0.0055)

The Statement of Comprehensive Income should be read in conjunction with the notes to the financial statements

Consolidated Statement of Financial Position as at 31 December 2019

	Note	Dec 2019 \$	Jun 2019 \$ RESTATED	1 Jul-2018 \$ RESTATED
Current Assets				
Cash and cash equivalents		800,317	1,298,952	4,170,012
Trade and other receivables		197,424	10,142	199,683
Other current assets		116,374	13,117	15,833
Total Current Assets		1,114,115	1,322,211	4,385,528
Non-Current Assets				
Property, plant and equipment		16,312	19,000	12,934
Financial assets at FVOCI	3	201,226	-	-
Other non-current assets		41,609	41,337	23,293
Total Non-Current Assets		259,147	60,337	36,227
TOTAL ASSETS		1,373,262	1,382,548	4,421,755
Current Liabilities				
Trade and other payables		413,488	215,436	903,867
Total Current Liabilities		413,488	215,436	903,867
TOTAL LIABILITIES		413,488	215,436	903,867
NET ASSETS		959,774	1,167,112	3,517,888
Equity				
Issued capital		51,881,611	50,576,464	50,576,464
Share issue costs		(3,015,908)	(2,907,913)	(2,907,913)
	4	48,865,703	47,668,551	47,668,551
Share-based payments reserve	5	615,619	552,459	298,612
Retained earnings		(48,521,548)	(47,053,898)	(44,449,275)
TOTAL EQUITY		959,774	1,167,112	3,517,888

The Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity for the half-year ended 31 December 2019

	Share Capital Ordinary	Share-based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$
Balance at 1 July 2018				
Consolidated balance previously reported at 30 June 2018	47,668,551	298,612	(18,785,593)	29,181,570
Adjustments to balances for change in accounting policy	-	-	(25,663,682)	(25,663,682)
Restated Balance at 1 July 2018	47,668,551	298,612	(44,449,275)	3,517,888
Performance rights and options expensed / issued	-	191,717	-	191,717
Sub total	47,668,551	490,329	(44,449,275)	3,709,605
Profit / (Loss) for the period attributable to members	-	-	(1,531,841)	(1,531,841)
Balance at 31 December 2018	47,668,551	490,329	(45,981,116)	2,177,764
Balance at 1 July 2019				
Consolidated balance previously reported at 30 June 2019	47,668,551	552,459	(19,144,053)	29,076,957
Adjustments to balances for change in accounting policy	-	-	(27,909,845)	(27,909,845)
Restated Balance at 1 July 2019	47,668,551	552,459	(47,053,898)	1,167,112
Issue of shares	1,305,147	-	-	1,305,147
Shares issue costs	(107,995)	-	-	(107,995)
Performance rights and options expensed / issued	-	63,160	-	63,160
Sub total	48,865,703	615,619	(47,053,898)	2,427,424
Profit / (Loss) for the period attributable to members	-	-	(1,467,650)	(1,467,650)
Balance at 31 December 2019	48,865,703	615,619	(48,521,548)	959,774

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows for the half-year ended 31 December 2019

Note	Dec 2019 \$	Dec 2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(749,159)	(763,818)
Interest received	5,403	20,914
Other Income	-	1,108,952
Net cash provided by / (used in) operating activities	(743,756)	366,048
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	-	(11,126)
Payments for purchase of investments	(334,821)	-
Cash held as credit card deposit	-	(20,000)
Exploration and evaluation expenditure	(559,104)	(2,056,906)
Net cash used in investing activities	(893,925)	(2,088,032)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares & options	1,250,000	-
Share issue costs	(107,995)	-
Net cash provided by financing activities	1,142,005	-
Net decrease in cash held	(495,676)	(1,721,984)
Cash at beginning of period	1,298,952	4,170,012
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies	(2,959)	-
Cash at end of financial period	800,317	2,448,028

The Statement of Cash flows should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements for the half-year ended 31 December 2019

NOTE 1 BASIS OF PREPARATION

The interim financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134 Interim Financial Reporting and other authoritative pronouncements of the Australian Accounting Standards Board including Australian Accounting Interpretations.

It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Platina Resources Limited during the period in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the Group, apart from any changes in accounting policy noted below, and are consistent with those applied in the 30 June 2019 annual report.

The interim financial report does not include full disclosures of the type normally included in an annual financial report.

Reporting Basis and Conventions

The interim report has been prepared on an accruals basis and is based on historical costs.

Change in Accounting Policy – Exploration & evaluation expenditure

The Group previously recognised costs of acquiring mineral exploration interests as an asset with subsequent exploration and evaluation costs capitalised as incurred. The Group is changing this policy to fully expense mineral exploration expenditure, including acquisition costs. The directors believe this change would result in financial information that is more relevant to the needs of users, and more reliable in that:

- the financial statements would more faithfully represent the financial position and financial performance of the Group;
- the financial statements would more accurately reflect the economic substance of transactions and other events; and
- the financial statements would be more prudent and less subject to bias.

Comparatives have been restated to both reflect this change in accounting policy and to reclassify the appropriate balances as they were classified in the 30 June 2018 report.

	RESTATED 31 December 2018	Change	Previously Reported 31 December 2018
	\$	\$	\$

Condensed Consolidated Statement of Comprehensive Income

Exploration Expenditure	(1,780,497)	(1,742,537)	(37,960)
Operating Loss	(2,640,793)	(1,742,537)	(898,256)
Income tax (expense) / benefit	1,108,952	(75,043)	1,183,995
Basic Loss per Share	-	-	0.0011
Diluted earnings per share	(0.0055)	(0.0045)	(0.001)

	RESTATED 30 June 2018	Change	Previously Reported 30 June 2018
	\$	\$	\$

Condensed Consolidated Statement of Financial Position

Exploration and Evaluation Expenditure	-	(27,393,532)	27,393,532
Deferred Tax Liabilities	-	1,729,850	(1,729,850)
Accumulated Losses	(44,449,275)	(25,663,682)	(18,785,593)

NOTE 1 BASIS OF PREPARATION - continued

	RESTATED 30 June 2019	Change	Previously Reported 30 June 2019
	\$	\$	\$
Condensed Consolidated Statement of Financial Position			
Exploration and Evaluation Expenditure	-	(29,537,519)	29,537,519
Deferred Tax Liabilities	-	1,627,674	(1,627,674)
Accumulated Losses	(44,449,275)	(27,909,845)	(19,144,053)

Going Concern

The interim financial report for the half year ended 31 December 2019 is prepared on a going concern basis, which contemplates the continuity of normal business activity and the commercial realisation of the Group's assets and the settlement of liabilities in the normal course of business.

The Group recorded a loss after tax of \$1,467,650 for the half year ended 31 December 2019 (2018: Loss: 1,531,841) and has experienced net operating and investing cash outflows of \$1,637,681 (2018: \$1,721,984) and continues to incur expenditure on its exploration projects drawing on its cash balances. As at 31 December 2019, the Group had \$800,317 (30 June 2019: \$1,298,952) in cash and cash equivalents.

During the period, the Company completed an underwritten Share Purchase Plan raising \$1.25 million before costs. The Directors consider that additional funding will be required to enable the Group to continue as a going concern for a period of at least twelve months from the date of signing this financial report.

Such additional funding is potentially available from a number of sources including further capital raisings, sale of projects and managing cash flow in line with available funds. The Group's operations require the raising of capital on an on-going basis to fund its planned exploration program and to commercialize its projects.

However, due to the existence of the above financial conditions, there exists a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe the Group will obtain sufficient funding from one or more of the funding opportunities detailed above to enable it to continue as a going concern and therefore that it is appropriate to prepare the financial statements on a going concern basis.

New, Revised or Amending Accounting Standards and Interpretations Adopted

In the half-year ended 31 December 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2019.

As a result of this review, the Directors have applied AASB 9 and AASB 15 from 1 July 2019.

AASB 9 Financial Instruments

AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement* and makes changes to a number of areas including classification of financial instruments, measurement, impairment of financial assets and hedge accounting model.

Financial instruments are classified as either held at amortised cost or fair value.

Financial instruments are carried at amortised cost if the business model concept can be satisfied.

All equity instruments are carried at fair value and the cost exemption under AASB 139 which was used where it was not possible to reliably measure the fair value of an unlisted entity has been removed.

Equity instruments which are non-derivative and not held for trading may be designated as fair value through other comprehensive income (FVOCI). Previously classified available-for-sale investments, now carried at fair value are exempt from impairment testing and gains or loss on sale are no longer recognised in profit or loss.

NOTE 1 BASIS OF PREPARATION - continued

The AASB 9 impairment model is based on expected loss at day 1 rather than needing evidence of an incurred loss, this is likely to cause earlier recognition of bad debt expenses. Most financial instruments held at fair value are exempt from impairment testing.

The Group has applied AASB 9 retrospectively with the effect of initially applying this standard recognised at the date of initial application, being 1 July 2019 and has elected not to restate comparative information. Accordingly, the information presented for 31 December 2018 and 30 June 2019 has not been restated.

There is no material impact to profit or loss or net assets on the adoption of this new standard in the current or comparative years.

AASB 15 Revenue from contracts with Customers

AASB 15 replaces AASB 118 *Revenue* and AASB 111 *Construction Contracts* and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards.

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised, including in respect of multiple element arrangements. The core principle of AASB 15 is that it requires identification of discrete performance obligations within a transaction and associated transaction price allocation to these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of goods or services is transferred, rather than on transfer of risks or rewards. Revenue received for a contract that includes a variable amount is subject to revised conditions for recognition, whereby it must be highly probable that no significant reversal of the variable component may occur when the uncertainties around its measurement are removed.

There is no material impact to profit or loss or net assets on the adoption of this new standard in the current or comparative years.

The Directors have also reviewed all of the new and revised Standards and Interpretations on issue not yet adopted that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 January 2019.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Group and therefore no material change is necessary to Group accounting policies.

NOTE 2 PROFIT/LOSS FOR THE PERIOD

Included in the statement of comprehensive income is an amount of \$187,498 which relates to a tax refund for Research & Development (2018: \$1,108,952).

NOTE 3 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 Dec 2019 \$	30 Jun 2019 \$
<i>Financial assets at fair value through other comprehensive income</i>		
Listed equity securities – Investment in Blue Moon Zinc Corp.	201,226	-

(i) Classification of financial assets at fair value through other comprehensive income

The Group classifies its equity based financial assets at fair value through other comprehensive income upon adoption of AASB 9. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. Changes in the fair value of financial assets are recognised in other comprehensive income in the statement of profit or loss as applicable.

(ii) Amounts recognised in other comprehensive income

Changes in the fair values of financial assets at fair value have been recorded through other comprehensive income, representing a net loss of \$133,929 for the period.

(iii) Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three (3) levels of a fair value hierarchy. The three (3) levels are defined based on the observability of significant inputs to the measurement, as follows:

For personal use only

NOTE 3 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - continued

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
December 2019	\$		\$	\$
Listed equity securities	201,226	-	-	201,226
Fair value at 31 December 2019	201,226	-	-	201,226

NOTE 4 ISSUED CAPITAL

	31 Dec 2019	30 Jun 2019
	\$	\$
(a) Ordinary Shares		
Issued and fully paid		
326,276,016 (30 June 2019: 264,126,235)	48,865,703	47,668,551

(a) Ordinary Shares	Number of Shares	\$
Movements in Ordinary Shares		
Balance at 1 July 2019	264,126,235	47,668,551
- In October 2019, shares were issued pursuant to a Share Purchase Plan	55,166,602	1,158,500
- In October 2019, shares were issued pursuant to the Share Purchase Plan Underwriting agreement	4,357,129	91,500
- In October 2019, shares were issued to a consultant for services provided.	2,626,050	55,147
Less: Share issue costs	-	(107,995)
Balance at 31 December 2019	326,276,016	48,865,703

(b) Unlisted Options

Options to subscribe for ordinary shares in the capital of the Company as at 31 December 2019 and 30 June 2019 are as follow:

Exercise Period	Note	Exercise Price	Opening Balance 1 July 2019 Number	Options Issued Number	Options Exercised/ Cancelled Number	Closing Balance 31 Dec 2019 Number	Vested / Exercisable 31 Dec 2019 Number
Options expiring 31 December 2019	(i)	\$0.20	11,000,000	-	(11,000,000)	-	-
			11,000,000	-	(11,000,000)	-	-
Weighted average exercise price (\$)			0.20	-	0.20	-	-

(i) 11 million options expired unexercised on 31 December 2019.

NOTE 4 ISSUED CAPITAL - continued

Exercise Period	Note	Exercise Price	Opening Balance	Options Issued	Options Exercised/Cancelled	Closing Balance	Vested / Exercisable
			1 July 2018	Number	Number	Number	30 June 2019
			Number	Number	Number	Number	Number
Options expiring 31 December 2019	(i)	\$0.20	5,000,000	6,000,000	-	11,000,000	6,000,000
Options expiring 28 April 2019	(ii)	\$0.20	6,000,000	-	(6,000,000)	-	-
			11,000,000	6,000,000	(6,000,000)	11,000,000	6,000,000
Weighted average exercise price (\$)			0.20	0.20	0.20	0.20	0.20

- (i) 6 million options were issued to directors, Corey Nolan and John Anderson as part of their remuneration package.
- (ii) 6 million options expired unexercised on 28 April 2019.

(c) Performance Rights

Performance Rights to subscribe for ordinary shares in the capital of the Company as at 31 December 2019 and 30 June 2019 are as follow:

Grant date	Expiry Date	Note	Opening Balance	Rights Issued	Exercised/Cancelled	Closing Balance	Vested / Exercisable
			1 July 2019	Number	Number	Number	31 Dec 2019
			Number	Number	Number	Number	Number
20 August 2018	20 August 2020	(i)	2,000,000	-	-	2,000,000	-
			2,000,000	-	-	2,000,000	-

Grant date	Expiry Date	Note	Opening Balance	Rights Issued	Exercised/Cancelled	Closing Balance	Vested / Exercisable
			1 July 2018	Number	Number	Number	30 June 2019
			Number	Number	Number	Number	Number
20 August 2018	20 August 2020	(i)	-	2,000,000	-	2,000,000	-
			-	2,000,000	-	2,000,000	-

- (i) On 20 August 2018, 2 million performance rights were granted to Corey Nolan and vest subject to meeting specific performance conditions as follows.
- Tranche 1 - 800,000 Performance Rights in total vest upon satisfaction of a number of key performance indicators relating to the Platina Scandium Project. The Test Date for these 800,000 Performance Rights is 20 August 2020. The Performance Rights remain unvested at balance date.
 - Tranche 2 - 200,000 Performance Rights vest and convert into ordinary shares in the event that the Company's Shares trade at a daily VWAP of at least \$0.25 for a consecutive period of at least 30 trading days commencing on 1 January 2019. The Performance Rights remain unvested at balance date.
 - Tranche 3 - 200,000 Performance Rights vest and convert into ordinary shares in the event that the Company's Shares trade at a daily VWAP of at least \$0.50 for a consecutive period of at least 30 trading days commencing on 1 January 2020. The Performance Rights remain unvested at balance date.
 - Tranche 4 - 200,000 Performance Rights vest and convert into ordinary shares in the event that the Company acquires new projects into the portfolio. The Test Date for these 200,000 Performance Rights is 20 August 2020. The Performance Rights remain unvested at balance date.
 - Tranche 5 - 200,000 Performance Rights vest and convert into ordinary shares in the event that the Company unlocks value for the Skaergaard Project in Greenland. The Test Date for these 200,000 Performance Rights is 20 August 2020. The Performance Rights remain unvested at balance date.
 - Tranche 6 - 400,000 Performance Rights vest and convert into ordinary shares in the event that there is a change of control transaction which results in a value of not less than \$150 million. The Test Date for these 400,000 Performance Rights is 20 August 2020. The Performance Rights remain unvested at balance date.

NOTE 5 SHARE BASED PAYMENTS RESERVE

	31 Dec 2019	30 Jun 2019
	\$	\$
Share-based payments reserve	615,619	552,459
	615,619	552,459
Movement during the period:		
Opening balance	552,459	298,612
- Issue of options and performance rights to directors and key management personnel	63,160	253,847
Closing balance	615,619	552,459

The share-based payments reserve records items recognised as expenses on valuation of share options and performance rights.

NOTE 6 SEGMENT REPORTING

The Group operates predominately in mineral exploration with a focus on platinum group metals.

Segment Information**Identification of reportable segments**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of geographical locations as these locations have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are similar with respect to any external regulatory requirements.

Basis of accounting for purposes of reporting by operating segments**(a) Accounting policies adopted**

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statement of the Group.

Segment Information**Identification of reportable segments**

	Greenland	Australia	USA	All Other Segments	Total
	\$	\$	\$	\$	\$
31 December 2019					
REVENUE					
Interest revenue	-	-	-	3,883	3,883
Other revenue	-	-	-	2,946	2,946
Total segment revenue	-	-	-	6,829	6,829

For personal use only

NOTE 6 SEGMENT REPORTING - continued

	Greenland	Australia	USA	All Other Segments	Total
	\$	\$	\$	\$	\$
Segment expenses	(50,005)	(102,457)	(517,197)	-	(669,659)
<i>Reconciliation of segment result to company net profit before tax</i>					
Amounts not included in segment result but reviewed by Board					
- Corporate charges				(855,700)	(855,700)
- Depreciation and amortisation				(2,689)	(2,689)
Net Profit / (Loss) before tax from continuing operations					(1,521,219)
Income tax benefit	-	187,498	-	-	187,498
Net Loss after tax from continuing operations					(1,333,721)

	Greenland	Australia	All Other Segments	Total
	\$	\$	\$	\$
31 December 2018				
REVENUE				
Interest revenue		-	-	18,625
Other revenue		-	-	2,446
Total segment revenue		-	-	21,071
Segment expenses	(63,010)	(1,724,487)	-	(1,787,497)
<i>Reconciliation of segment result to company net profit before tax</i>				
Amounts not included in segment result but reviewed by Board				
- Corporate charges			(872,009)	(872,009)
- Depreciation and amortisation			(2,358)	(2,358)
Net Loss before tax from continuing operations				(2,640,793)
Income tax benefit	-	1,108,952	-	1,108,952
Net Loss after tax from continuing operations				(1,531,841)

NOTE 7 COMMITMENTS AND CONTINGENT LIABILITIES

There has been no change in the commitments and contingent liabilities since the last annual reporting date other than below:

In August 2019, the Company announced it will acquire up to a 70% interest in the Blue Moon Project by spending CAD 3.25 million over 18 months to earn 50% and CAD3.75 million over another 18 months to earn an additional 20%. Once the Company has earned a 70% interest, expenditure is based on a contribute/dilute basis subject to Platina funding the first CAD5 million for both parties as a fully-refundable financing loan.

NOTE 8 EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since 31 December 2019, which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

For personal use only

Declaration by Directors

The directors of the Group declare that:

1. the financial statements and notes, as set out on pages 7 to 18 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standard AASB 134 and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 31 December 2019 and of the performance for the period ended on that date of the Group.
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Corey Nolan
Managing Director
Brisbane, 12 March 2020

For personal use only

**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF
PLATINA RESOURCES LIMITED**



Report on the half-year financial report

We have reviewed the accompanying interim financial report of Platina Resources Limited and controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 Going Concern in the financial report, which indicates that the Company incurred loss after tax of \$1,467,650 for the half year ended 31 December 2019 (2018: Loss: 1,531,841) and has experienced net operating and investing cash outflows of \$1,637,681 (2018: \$1,721,984) and continues to incur expenditure on its exploration projects drawing on its cash balances. As at 31 December 2019, the Group had \$800,317 (30 June 2019: \$1,298,952) in cash and cash equivalents. As stated in Note 1 Going Concern, the events or conditions, along with other matters as set forth in Note 1 Going Concern, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Directors' Responsibility for the Financial Report

The directors of the Group are responsible for the preparation and fair presentation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Platina Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

For personal use only

**INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF
PLATINA RESOURCES LIMITED**



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Platina Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year period ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in blue ink that reads "Bentleys".

Bentleys Brisbane Partnership
Chartered Accountants

A handwritten signature in blue ink that reads "Stewart Douglas".

Stewart Douglas
Partner
Brisbane
12 March 2020

For personal use only