

29 October 2020

Skaergaard Sale Update

Platina Resources Limited (ASX: PGM) has been advised by Canadian-listed Major Precious Metals Corp (CSE: SIZE) that the Canadian Securities Exchange (CSE) has allowed Major to close the acquisition of the Skaergaard Project in escrow pending their final approval.

In accordance with the Escrow Closing conditions, Major has deposited the cash payment to be paid to Platina in a segregated account and has issued the consideration shares to Platina. The cash payment and the consideration shares will be held in escrow and not released to Platina until such time as the CSE provides its final approval, which Major has advised is expected shortly.

Once released from escrow, the Skaergaard exploration licences will be transferred to Major and Platina will receive C\$0.5 million in cash (A\$0.52 million) and 55 million Major shares, which based on the last traded price of C\$0.25c per share, represents a further C\$ 13.75 million (A\$ 14.6 million) in value for Platina shareholders.

Platina's shareholding in Major will be subject to a 24 month time release pooling arrangement, during which time they may not be transferred, assigned, pledged or otherwise traded. The shares will be released from the pooling arrangement in four equal tranches, with the first release after six months, and each subsequent release occurring every six months thereafter. Subject to a mandatory four month period escrow period (which has now commenced), there are provisions for accelerated share releases in connection with share price performance, changes in corporate structure or the distribution of the shares to the shareholders of Platina.

Platina will become a major shareholder in Major and have a right to a seat on the company's board following completion of the transaction which will enhance Major's palladium and gold exploration and development portfolio.

Platina Managing Director Corey Nolan said completion of the sale process would be a win-win outcome.

"Completion of the transaction will allow Platina shareholders to share in Skaergaard's prospective value increase," Mr Nolan said.

"Major are already working hard to create value from the project including plans to produce a Mineral Resource Estimate and Preliminary Economic Assessment completed in accordance with Canadian NI 43-101 Standards, and a drilling program for summer 2021.

"A new senior geologist with significant expertise and experience in Greenland has been hired to help deliver the strategy," he said.

Mr Nolan said the injection of new funds would be used by Platina to advance its exploration plans in Western Australia, adding the company was seeking to significantly expand its presence in gold and was currently reviewing a number of merger and acquisition opportunities.

This announcement was authorised by Mr Corey Nolan, Managing Director of Platina Resources Limited.

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ABOUT PLATINA RESOURCES

Platina is an Australian-based company focused on returning shareholder value by advancing early-stage metals projects through exploration, feasibility, permitting and into development.

The company has interests in the following projects:

- Challa Gold Project (100% interest) – Platina has acquired a 100% interest in the Challa Gold Project located in-between the prolific Mt Magnet and Sandstone gold districts in Western Australia, 500km north-east of Perth.
- Platina Scandium Project (100%) – located in central New South Wales, the project is one of the largest and highest-grade scandium deposits in the world, which has the potential to become Australia’s first scandium producer with cobalt, platinum and nickel credits.
- Munni Munni (30% interest) – Situated in the Pilbara region of Western Australia, the project is one of Australia’s most significant Platinum Group Metal occurrences. Munni Munni also has potential for conglomerate hosted gold and is a joint venture with Artemis Resources Limited.
- Blue Moon (to earn 70% interest) – Located in California, USA, the project has a NI43-101 resource which is open at depth and along strike and has favorable metallurgy.
- Investment in Major Precious Metals (55 million shares in CSE listed SIZE) – Major is a Canadian junior mining and exploration company whose flagship Skaergaard Project hosts one of the world’s largest undeveloped gold deposits and one of the largest palladium resources outside of South Africa and Russia.