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Platina to ramp up gold drive following Skaergaard sale completion.

Platina Resources Limited (ASX: PGM) has completed the A\$13.7 million sale of its Skaergaard gold and palladium project in Greenland to Canadian-listed Major Precious Metals Corp (CSE: SIZE).

Platina has received C\$0.5 million in cash (A\$0.52 million) and 55 million Major shares, which based on the last traded price of C\$0.23c per share, represents a further C\$12.65 million (A\$13.2 million) in value for Platina shareholders. Platina will become a major shareholder in Major and has a right to a seat on the company's board.

Platina Managing Director Corey Nolan said the funds would primarily be used to advance its projects in Western Australia.

"The deal allows us to ramp up exploration activities at our Challa Gold Project which lies in-between the prolific Mt Magnet and Sandstone gold districts in Western Australia," Mr Nolan said.

"In addition to the cash funds, our Major shares can be sold over time to fund our activities, reducing the need to raise new equity and avoiding the dilution of our share capital.

"A large reconnaissance soil geochemistry program has just been completed at Challa to identify potential targets for deeper drilling.

"The company is also reviewing a number of merger and acquisition opportunities to build its gold presence," he said.

Mr Nolan added that Platina shareholders would also participate in Major's prospective value increase.

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

"The anticipated outcomes of the studies are expected to be positively impacted by the recent strength and positive price outlooks for palladium and gold."

He noted that palladium was currently trading above US\$2,400 per ounce after reaching a high of US\$2,875/oz in February while gold was trading at US\$1,786/oz following record highs of US\$2,067/oz in August.

"When Wardell Armstrong completed the Skaergaard Mineral Resource estimate in 2013 they used a palladium price of US\$560/oz and a gold price of US\$1,400/oz," Mr Nolan said.

Level 2, Suite 9, 389 Oxford Street
Mt Hawthorn Western Australia 6016
Phone +61 (0)7 5580 9094
Email: admin@platinaresources.com.au
www.platinaresources.com.au



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 completes 28 February 2021), 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.

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

For more information:

Corey Nolan
Managing Director
Phone +61 (0)7 5580 9094
admin@platinaresources.com.au

Gareth Quinn
Corporate Affairs Manager
Mobile: 0417 711 108
gareth@republicpr.com.au

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

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 controls 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.