
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the period of: **July 17, 2017**

PLATINUM GROUP METALS LTD.

(SEC File No. 001-33562)

Suite 788 – 550 Burrard Street, Vancouver BC, V6C 2B5, CANADA

Address of Principal Executive Office

Indicate by check mark whether the registrant files or will file annual reports under cover:

Form 20-F [] Form 40-F [X]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): []

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): []

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: **July 17, 2017**

/s/ R. Michael Jones

R. MICHAEL JONES
DIRECTOR & CEO

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
<u>99.1</u>	<u>Condensed Consolidated Financial Statements for the Period Ended May 31, 2017</u>
<u>99.2</u>	<u>Management's Discussion and Analysis for the Period Ended May 31, 2017</u>
<u>99.3</u>	<u>Form 52-109F2 – Certification of Interim Filings - CEO</u>
<u>99.4</u>	<u>Form 52-109F2 – Certification of Interim Filings - CFO</u>
<u>99.5</u>	<u>News Release dated July 17, 2017</u>
<u>99.6</u>	<u>Material Change Report dated July 17, 2017</u>



Platinum Group Metals Ltd.
(An Exploration and Development Stage Company)

Condensed Consolidated Interim Financial Statements
(Unaudited – **all amounts in thousands of United States Dollars unless otherwise noted**)

For the three and nine months ended May 31, 2017

Filed: July 17, 2017

PLATINUM GROUP METALS LTD.*(An exploration and development stage company)*

Condensed Consolidated Interim Statements of Financial Position

(in thousands of United States Dollars)

	May 31, 2017	August 31, 2016
ASSETS		
Current		
Cash and cash equivalents	\$ 12,527	\$ 16,450
Amounts receivable (Note 3)	2,979	6,087
Prepaid expenses	1,265	367
Total current assets	16,771	22,904
Performance bonds	5,934	4,912
Exploration and evaluation assets (Note 5)	25,017	22,346
Property, plant and equipment (Note 4)	317,150	469,696
Total assets	\$ 364,872	\$ 519,858
LIABILITIES		
Current		
Accounts payable and other liabilities	\$ 12,521	\$ 16,920
Loan payable (Note 6)	16,667	26,667
Total current liabilities	29,188	43,587
Loans payable (Note 6)	67,035	54,586
Other non-current liabilities	3,225	-
Asset retirement obligation	2,662	2,237
Total liabilities	102,110	100,410
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	800,894	714,190
Contributed surplus	25,786	24,003
Accumulated other comprehensive loss	(191,505)	(232,179)
Deficit	(363,843)	(125,245)
Total shareholders' equity attributable to shareholders of Platinum Group Metals Ltd.	271,332	380,769
Non-controlling interest	(8,570)	38,679
Total shareholders' equity	262,762	419,448
Total liabilities and shareholders' equity	\$ 364,872	\$ 519,858

CONTINGENCIES AND COMMITMENTS (NOTE 9)

SUBSEQUENT EVENTS (NOTE 12)

Approved by the Board of Directors and authorized for issue on July 17, 2017

"Iain McLean"

Iain McLean, Director

"Eric Carlson"

Eric Carlson, Director

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

PLATINUM GROUP METALS LTD.*(An exploration and development stage company)*

Condensed Consolidated Interim Statements of Loss (Income) and Comprehensive Loss (Income)

(in thousands of United States Dollars except share and per share data)

	Three months ended		Nine months ended	
	May 31,	May 31,	May 31,	May 31,
	2017	2016	2017	2016
EXPENSES				
General and administrative	\$ 1,610	\$ 1,465	\$ 4,171	\$ 4,494
Foreign exchange (gain) loss	1,248	(2,094)	1,768	(2,166)
Stock compensation expense (Note 7)	7	31	1,121	119
Impairment Charge (Note 4)	225,165	-	280,357	-
	228,030	(598)	287,417	2,447
Net finance income	(180)	(294)	(829)	(817)
Loss (Income) for the period	\$ 227,850	\$ (892)	\$ 286,588	\$ 1,630
Items that may be subsequently reclassified to net loss:				
Currency translation adjustment	10,441	808	(41,415)	80,102
Comprehensive loss (income) for the period	\$ 238,291	\$ (84)	\$ 245,173	\$ 81,732
Loss (Income) attributable to:				
Shareholders of Platinum Group Metals Ltd.	189,767	(893)	238,641	1,636
Non-controlling interests	38,083	1	47,947	(6)
	\$ 227,850	\$ (892)	\$ 286,588	\$ 1,630
Comprehensive loss (income) attributable to:				
Shareholders of Platinum Group Metals Ltd.	198,553	2	197,967	75,627
Non-controlling interests	39,738	(86)	47,206	6,105
	\$ 238,291	\$ (84)	\$ 245,173	\$ 81,732
Basic and diluted loss (gain) per common share	\$ 1.37	\$ (0.01)	\$ 2.01	\$ 0.02
Weighted average number of common shares outstanding:				
Basic and diluted	138,921,078	78,265,690	118,457,760	77,611,753

PLATINUM GROUP METALS LTD.

(An exploration and development stage company)

Condensed Consolidated Interim Statements of Changes in Equity

(in thousands of Shares) United States Dollars, except # of Common

	# of Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (loss)	Deficit	Attributable to Shareholders of the Parent Company	Non- Controlling Interest	Total
Balance, August 31, 2015	76,894,302	\$ 681,762	\$ 23,646	\$ (185,872)	\$ (104,570)	\$ 414,966	\$ 58,380	\$ 473,346
Share based compensation	-	-	282	-	-	282	-	282
Share issuance – financing	11,000,000	33,000	-	-	-	33,000	-	33,000
Share issuance costs	-	(2,639)	-	-	-	(2,639)	-	(2,639)
Shares issued for loan facilities (Note 6)	960,476	2,384	-	-	-	2,384	-	2,384
Shares issued upon the exercise of options	2,250	3	-	-	-	3	-	3
Transactions with non-controlling interest (Note 4)	-	-	-	2	2	4	(4)	-
Foreign currency translation adjustment	-	-	-	(73,991)	-	(73,991)	(6,111)	(80,102)
Net (loss) income for the period	-	-	-	-	(1,636)	(1,636)	6	(1,630)
Balance, May 31, 2016	88,857,028	\$ 714,510	\$ 23,928	\$ (259,861)	\$ (106,204)	\$ 372,373	\$ 52,271	\$ 424,644
Stock based compensation	-	-	75	-	-	75	-	75
Share issuance costs	-	(320)	-	-	-	(320)	-	(320)
Foreign currency translation adjustment	-	-	-	27,682	-	27,682	2,386	30,068
Net loss for the period	-	-	-	-	(19,041)	(19,041)	(15,978)	(35,019)
Balance, August 31, 2016	88,857,028	\$ 714,190	\$ 24,003	\$ (232,179)	\$ (125,245)	\$ 380,769	\$ 38,679	\$ 419,448
Stock based compensation	-	-	1,783	-	-	1,783	-	1,783
Share issuance – financing	57,313,750	88,774	-	-	-	88,774	-	88,774
Share issuance costs	-	(7,198)	-	-	-	(7,198)	-	(7,198)
Shares issued for loan facilities (Note 6)	2,285,409	5,128	-	-	-	5,128	-	5,128
Transactions with non-controlling interest (Note 4)	-	-	-	-	43	43	(43)	-
Foreign currency translation adjustment	-	-	-	40,674	-	40,674	741	41,415
Net loss for the period	-	-	-	-	(238,641)	(238,641)	(47,947)	(286,588)
Balance May 31, 2017	148,456,187	\$ 800,894	\$ 25,786	\$ (191,505)	\$ (363,843)	\$ 271,332	\$ (8,570)	\$ 262,762

PLATINUM GROUP METALS LTD.*(An exploration and development stage company)*

Condensed Consolidated Interim Statements of Cash Flows

(in thousands of United States Dollars)

	Nine months ended	
	May 31, 2017	May 31, 2016
OPERATING ACTIVITIES		
Loss for the period	\$ (286,588)	\$ (1,630)
Add items not affecting cash:		
Depreciation	361	343
Unrealized foreign exchange gain	856	(201)
Stock compensation expense	1,121	119
Impairment charge	280,357	-
Net change in non-cash working capital (Note 10)	857	(2,552)
	(3,036)	(3,921)
FINANCING ACTIVITIES		
Share issuance	\$ 88,774	\$ 33,000
Share issuance costs	(7,198)	(2,754)
Share issuance – stock options	-	3
Interest paid on debt (Note 6)	(3,244)	(2,044)
Cash proceeds from debt (Note 6)	5,000	886
Debt principal repayment	(5,000)	80,000
Costs associated with the debt (Note 6)	(194)	(1,241)
	78,138	107,850
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	\$ (93,422)	\$ (90,178)
Proceeds from the sale of concentrate	12,678	1,231
Net movement in South African VAT receivable	(355)	3,832
Performance bonds	(445)	(786)
	(81,544)	(85,901)
Net (decrease) increase in cash and cash equivalents	(6,442)	18,028
Effect of foreign exchange on cash and cash equivalents	2,519	(11,622)
Cash and cash equivalents, beginning of period	16,450	39,082
Cash and cash equivalents, end of period	\$ 12,527	\$ 45,488

1. NATURE OF OPERATIONS

Platinum Group Metals Ltd. (the “ **Company** ”) is a British Columbia, Canada, company formed by amalgamation on February 18, 2002. The Company’s shares are publicly listed on the Toronto Stock Exchange in Canada and the NYSE MKT LLC in the United States. The Company’s address is Suite 788-550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

The Company is an exploration and development company conducting work on mineral properties it has staked or acquired by way of option agreements in the Republic of South Africa. The Company is currently developing and operating the Maseve platinum and palladium mine (the “ **Maseve Mine** ”), formerly Project 1 of Western Bushveld Joint Venture (“ **WBJV** ”), located on the Western Limb of the Bushveld Complex in South Africa. The Maseve Mine is owned through the operating company Maseve Investments 11 (Pty.) Ltd. (“ **Maseve** ”), in which the Company held an 82.9% working interest as of May 31, 2017 and the Company’s Black Economic Empowerment (“ **BEE** ”) partner, Africa Wide Mineral Prospecting and Exploration (Pty) Ltd. (“ **Africa Wide** ”), a wholly owned subsidiary of Wesizwe Platinum Ltd., owned 17.1% . A formal mining right was granted for the Maseve Mine on April 4, 2012 by the Government of South Africa (the “ **Mining Right** ”).

The Maseve Mine surface infrastructure is fully constructed and the mill was commissioned in February and March of 2016. Maseve is now in the ramp up phase of production. First concentrate was produced in February 2016. Any revenues from concentrate sales realized before the asset is ready for its intended use are expected to be treated as a reduction in project capital cost.

On May 26, 2015, the Company announced an agreement whereby the Waterberg JV property and Waterberg Extension property, both located on the Northern Limb of the Bushveld Complex in South Africa, are to be combined. See details at Note 5 below. The Company published a pre-feasibility study for the combined Waterberg Project in October 2016.

These financial statements include the accounts of the Company and its subsidiaries. The Company’s subsidiaries are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held	
			May 31, 2017	August 31, 2016
Platinum Group Metals (RSA) (Pty) Ltd. ¹	Exploration	South Africa	100%	100%
Maseve Investments 11 (Pty) Ltd ²	Mining	South Africa	82.9%	82.9%
Mnombo Wethu Consultants (Pty) Limited. ³	Exploration	South Africa	49.9%	49.9%

¹ Holds the Waterberg Project until approval to transfer rights to Waterberg JV Co. is received (see Note 5 below)

² See Note 4 “Ownership of Maseve Mine”.

³ The Company controls Mnombo Wethu Consultants (Pty) Limited (“ **Mnombo** ”) for accounting purposes.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“ **IFRS** ”) as issued by the International Accounting Standards Board (“ **IASB** ”) applicable to the preparation of interim financial statements, including IAS 34, *Interim Financial Reporting* and have been prepared under the historical cost basis.

These interim condensed consolidated financial statements follow the same accounting principles as those outlined in the notes to the annual audited consolidated financial statements for the year ended August 31, 2016. These interim condensed consolidated financial statements are unaudited and condensed and do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the Company’s audited consolidated financial statements for the year ended August 31, 2016. The interim condensed consolidated financial statements are presented in United States Dollars and the Company has used United States Dollars as its presentation currency since September 1, 2015.

Liquidity

The Company reported a net loss of \$287 million for the nine months ended May 31, 2017 with \$280 million of that loss attributed to an impairment of the Maseve Mine. At May 31, 2017, including the current portion of loan balances due, the Company had negative working capital of \$12.4 million. At May 31, 2017, the Company was indebted for a principal amount of \$80 million plus accrued interest of \$7.3 million pursuant to the Amended and Restated Sprott Facility and the LMM Facility (both as defined below) to fund the development, construction and start-up working capital needs of the Maseve Mine. During the nine-month period ending May 31, 2017 the Company completed a gross amount of \$89 million in equity offerings. Subsequent to period end the Company closed a convertible note financing for a gross amount of \$20 million (see Subsequent Events - Note 12 for further details).

The Company currently has limited financial resources. The Company's ability to continue operations in the normal course of business in the foreseeable future is dependent upon, among other things, the Company establishing positive cash flow from production at the Maseve Mine. The Company has experienced delays in the rate of underground development and stopping into key mining areas at the Maseve Mine due to delayed infrastructure and poor contractor performance.

In July of 2017 the Company's engineers and mining personnel undertook a major reduction in the labour force and contractors at the Maseve Mine and implemented a new mine plan focussed on utilization of a hybrid mining method, consisting of mechanized primary heading development and conventional breasting or stopping, while reducing the use of mechanized bord and pillar mining. Focus is being applied to achieve reduced costs and achieve positive cash flow. In addition, current global market prices for the metals to be produced at the Maseve Mine have been highly volatile. Unexpected costs, problems, lower metal prices or further delays could severely impact the Company's production revenue and its ability to produce the tonnage at the Maseve Mine required to maintain positive working capital and meet its amended production covenants under the Amended and Restated Sprott Facility and the LMM Facility (both as defined below). The Maseve Mine is behind on its planned ounce ramp-up profile at this time.

There is uncertainty related to the Company's ability to secure additional funding. The Company's ability to continue operations in the normal course of business may depend upon its ability to secure additional funding by methods which could include debt refinancing, equity financing, forward sale agreements, sale of assets and strategic partnerships. However, management believes the Company will be able to secure further funding if deemed necessary.

Recently Issued Accounting Pronouncements

A number of new standards, amendments to standards and interpretations applicable to the Company are not yet effective for the current accounting period and have not been applied in preparing these interim condensed consolidated financial statements. These include:

(i) IFRS 15 *Revenue from Contracts with Customers*

IFRS 15, *Revenue from Contracts with Customers*, which will replace IAS 18, *Revenue*, is effective for fiscal years ending on or after December 31, 2018 and is available for early adoption. The standard contains a single model that applies to contracts with customers. Revenue is recognized as control is passed to the customer, either at a point in time or over time. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The Company is still in the process of assessing the impact, if any, on the financial statements of this new standard.

(ii) IFRS 9, *Financial Instruments*

IFRS 9, *Financial Instruments*, replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income, and fair value through profit or loss. The standard introduces a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. The standard is effective for accounting periods beginning on or after January 1, 2018. Early application is permitted. The Company is assessing IFRS 9's impact on its financial statements.

(iii) IFRS 16, *Leases*

The IASB has replaced IAS 17, Leases in its entirety with IFRS 16, Leases (“**IFRS 16**”), which will require lessees to recognize nearly all leases on the balance sheet to reflect their right to use an asset for a period of time and the associated liability to pay rentals. IFRS 16 is effective for annual periods commencing on or after January 1, 2019. The Company is in the process of evaluating the impact the standard is expected to have on our consolidated financial statements.

Exchange Rates

The following exchange rates were used when preparing these interim condensed consolidated interim financial statements:

Rand/USD

Period-end rate	13.1515 (May 2016: 15.7327)
August 31, 2016	14.6958
9-month period average rate	13.5925 (May 2016: 14.7967)

CAD/USD

Period-end rate	1.3512 (May 2016: 1.3110)
August 31, 2016	1.3116
9-month period average rate	1.3318 (May 2016: 1.3359)

3. AMOUNTS RECEIVABLE

	May 31, 2017	August 31, 2016
Receivable from concentrate sales	\$ 2,913	\$ 2,854
South African value added tax	2,198	1,776
Due (to) from JOGMEC ¹	(2,394)	15
Tax receivable	145	981
Other receivables	71	412
Due from related parties (Note 8)	46	49
	\$ 2,979	\$ 6,087

¹ An advance of \$2.4 million from JOGMEC has been paid to PTM in advance of work to be completed at Waterberg.

4. PROPERTY, PLANT AND EQUIPMENT

	Development Assets	Land	Buildings	Office Equipment	Mining Equipment	Total
COST						
Balance, August 31, 2015	\$ 368,660	\$ 9,527	\$ 10,652	\$ 2,135	\$ 39,605	\$ 430,579
Additions	131,893 ¹	-	943	418	9,701	142,955
Impairment Charge	(41,371)	-	-	-	-	(41,371)
Foreign exchange movement	(36,524)	(980)	(1,095)	(142)	(4,072)	(42,813)
Balance, August 31, 2016	\$ 422,658	\$ 8,547	\$ 10,500	\$ 2,411	\$ 45,234	\$ 489,350
Additions	86,217 ²	-	122	523	4,373	91,235
Impairment Charge	(280,357)	-	-	-	-	(280,357)
Foreign exchange movement	39,268	1,003	1,233	171	5,310	46,985
Balance, May 31, 2017	\$ 267,786	\$ 9,550	\$ 11,855	\$ 3,105	\$ 54,917	\$ 347,213
ACCUMULATED DEPRECIATION						
Balance, August 31, 2015	\$ -	\$ -	\$ 789	\$ 1,065	\$ 11,548	\$ 13,402
Additions	-	-	879	397	6,299	7,575
Foreign exchange movement	-	-	(81)	(55)	(1,187)	(1,323)
Balance, August 31, 2016	-	-	1,587	1,407	16,660	19,654
Additions	-	-	622	367	7,197	8,186
Foreign exchange movement	-	-	186	82	1,955	2,223
Balance, May 31, 2017	\$ -	\$ -	\$ 2,395	\$ 1,856	\$ 25,812	\$ 30,063
Net book value, August 31, 2016	\$ 422,658	\$ 8,547	\$ 8,913	\$ 1,004	\$ 28,574	\$ 469,696
Net book value, May 31, 2017	\$ 267,788	\$ 9,550	\$ 9,460	\$ 1,249	\$ 29,105	\$ 317,150

¹ Includes pre-production revenue credited of \$9.3 million and \$8.7 million of interest expense capitalized.

² Includes pre-production revenue credited of \$12.6 (see below) and \$10.6 million of interest expense (see Note 6)

Maseve Mine

The Maseve Mine is located in the Western Bushveld region of South Africa. Costs for the Maseve Mine are capitalized and classified as development assets in Property, Plant and Equipment. The local name for what was formerly the Project 1 of the WBJV is the Maseve Mine based on the holding company named Maseve Investments 11 (Pty) Ltd. that holds the legal right to the mine.

The Maseve Mine is in the production ramp up phase with first concentrate having been produced in February 2016. Proceeds from concentrate sales before commercial production are treated as a reduction in project capital cost with \$12.6 million being recognized to development costs in the nine months ended May 31, 2017.

i. Ownership of the Maseve Mine

Under the terms of a consolidation transaction completed on April 22, 2010, the Company acquired a 74% interest in Projects 1 and 3 of the former Western Bushveld Joint Venture through its holdings in Maseve, while the remaining 26% was acquired by Africa Wide.

The Company has consolidated the results of Maseve from the effective date of the reorganization. The portion of Maseve not owned by the Company, calculated at -\$8,570 at May 31, 2017 (\$34,124 – August 31, 2016), is accounted for as a non-controlling interest.

On October 18, 2013, Africa Wide elected not to fund its \$21.8 million share of a project budget and cash call unanimously approved by the board of directors of Maseve. On March 3, 2014, Africa Wide elected not to fund its \$21.52 million share of a second cash call. As a result of the missed cash calls, Africa Wide's interest in Maseve was diluted to a 17.1% holding.

Legislation and regulations in South Africa specify a 26% equity interest by a BEE entity as a prerequisite to the grant of a Mining Right. A past sale by Platinum Group Metals (RSA) (Pty) Ltd. (" **PTM RSA** ") of an 18.5% interest in the project that has become Wesizwe's platinum mine is a component of the Company's BEE profile. Because Africa Wide is the Company's BEE partner for the Maseve Mine, the Company advised the Department of Mineral Resources (the " **DMR** ") on October 19, 2013 of Africa Wide's decision to not fund an approved cash call and the associated dilution implications.

In June 2016, the DMR requested an update regarding the Company's efforts to increase the BEE equity ownership percentage in Maseve following the dilution of Africa Wide's interest in Maseve. The Company met with the DMR in early June 2016 and the DMR requested a further update by August 7, 2016. The Company made several attempts to schedule a meeting with the DMR as requested. The Company has been advised by the DMR that the matter will be discussed at a later date. The DMR has not issued a notice of non-compliance.

All funding provided by PTM RSA to Maseve for development and construction of the Maseve Mine since the March 3, 2014 second cash call has been, and is planned to be, provided by way of an intercompany loan. At May 31, 2017 Maseve owed PTM RSA approximately R4.7billion (\$355 million). All amounts due to PTM RSA are planned to be repaid by Maseve before any distribution of dividends to shareholders.

ii. Valuation

Management is required to make significant judgements concerning the identification of potential impairment indicators. In considering whether any potential impairment indicators occurred in respect of the Company's long lived assets management takes into account a number of factors such as changes in the pricing of platinum, palladium, rhodium and gold prices (the four elements being produced together as a basket " **4E Ounce** "), foreign exchange rates, capital expenditures, operating costs, increased costs of capital, market capitalization and required ownership by historically disadvantaged South Africans and other factors that may indicate impairment. The decline in platinum prices, the decrease in the Company's market capitalization and delays in production ramp up were considered to be indicators of potential impairment. As a result, the Company assessed the recoverable amount of the Maseve Mine Cash Generating Unit (" **CGU** ") at May 31, 2017. The Company assessed the recoverable amount of the Maseve Mine CGU at May 31, 2017 and recognized an impairment charge of \$225.2 million for the three month period ending May 31, 2017. Total impairment charges for the nine month period ending May 31, 2017 are \$280.3 million.

The recoverable amount of the Maseve Mine assets was based on estimates of future discounted cash flows (“**DCF**s”) of the latest business forecasts regarding production volumes, costs of production, capital expenditure, metal prices and market forecasts for foreign exchange rates. The discount rate is a risk adjusted discount rate, taking into account specific risks where the cash flows have not been adjusted for the risk.

The assumptions used by the Company in the DCFs are subject to risk and uncertainty relating to among other factors, metal prices and exchange rates.

The key financial assumptions used in the May 31, 2017 recoverable amount calculations are:

- The future price per 4E ounce was a market consensus based on price projections of international banks and brokerages. A long-term price of \$1,200 per ounce of platinum and \$900 per ounce of palladium were used in the valuation model.
- A long-term Rand/\$USD exchange rate of 14.00:1 was used
- A long-term discount rate of 12.70% for the project was used.

The recoverable amount was derived from the Company’s financial model which is categorised as a level 3 valuation of the fair value hierarchy. The recoverable amount for Maseve is most sensitive to exchange rates, metal prices, discount rates and to a lesser extent operating costs. Sensitivity analysis has been conducted for Maseve for metal prices, exchange rates and discount rates. Lower metal prices and/or lower head grades both negatively affect the recoverable amount for Maseve. Maseve is not significantly sensitive to capital cost increases as the majority of life of mine capital has been expended as at the date of these financial statements. If the US Dollar strengthens by 5% against the Rand the recoverable amount for Maseve increases by \$16 million. If there is a 5% increase in the life of mine 4E Ounce basket price the estimated recoverable amount for Maseve is reduced by \$29 million. If an 13.7% discount rate is used the estimated recoverable amount for Maseve is reduced by \$13 million.

5. EXPLORATION AND EVALUATION ASSETS

Since mid-2015 the Company’s only active exploration project has been the Waterberg Project located on the North Limb of the Western Bushveld Complex. The Company continues to hold other immaterial mineral or prospecting rights in South Africa and Canada. Total capitalized exploration and evaluation expenditures for all exploration properties held by the Company are as follows:

Balance, August 31, 2015	\$	24,629
Additions		7,630
Recoveries		(7,321)
Foreign exchange movement		(2,592)
Balance, August 31, 2016	\$	22,346
Additions		3,445
Recoveries		(3,293)
Foreign exchange movement		2,519
Balance, May 31, 2017	\$	25,017

		May 31, 2017	August 31, 2016
Project 3 – see Note 4		\$ 2,359	\$ 2,111
Waterberg JV	Acquisition costs	21	19
	Exploration and evaluation costs	36,221	29,462
	Recoveries	(26,221)	(20,518)
		10,021	8,963
Waterberg Extension	Acquisition costs	20	17
	Exploration and evaluation costs	12,539	11,221
		12,559	11,238
Other	Acquisition costs	25	23
	Exploration and evaluation costs	812	691
	Recoveries	(759)	(680)
		78	34
Total		\$ 25,017	\$ 22,346

Waterberg Project

The Waterberg Project is comprised of the Waterberg JV property, a contiguous granted prospecting right area of approximately 255 km², and the Waterberg Extension property, an area of granted and applied-for prospecting rights with a combined area of approximately 864 km², located adjacent and to the north of the Waterberg JV property and both located on the Northern Limb of the Bushveld Complex, approximately 85 km north of the town of Mokopane (formerly Potgietersrus).

PTM RSA holds legal title to the prospecting rights underlying the Waterberg Project with Mnombo identified as the Company's 26% BEE partner for all the Company's Waterberg properties. The Company holds the Waterberg Project prospecting permits in trust for the joint venture and subject to the ownership terms and conditions of the JOGMEC Agreement and the 2nd Amendment thereto, as defined below.

In October 2009, PTM RSA, the Japan Oil, Gas and Metals National Corporation ("JOGMEC") and Mnombo entered into a joint venture agreement with regard to the Waterberg Project (the "JOGMEC Agreement"). Under the terms of the JOGMEC Agreement, in April 2012, JOGMEC completed a \$3.2 million work requirement to earn a 37% interest in the Waterberg JV property, leaving the Company with a 37% interest and Mnombo with a 26% interest. Following JOGMEC's earn-in, the Company funded Mnombo's 26% share of costs, totalling \$1.12 million, until the earn-in phase of the joint venture ended in May 2012.

On November 7, 2011, the Company entered an agreement with Mnombo to acquire 49.9% of the issued and outstanding shares of Mnombo in exchange for cash payments totalling R1.2 million and the Company's agreement to pay for Mnombo's 26% share of costs on the Waterberg JV property until the completion of a feasibility study.

The Company consolidates Mnombo. The portion of Mnombo not owned by the Company, calculated at \$4,555 at May 31, 2017 (\$4,555 – August 31, 2016), is accounted for as a non-controlling interest.

On May 26, 2015, the Company announced a second amendment (the "2nd Amendment") to the existing JOGMEC Agreement. Under the terms of the 2nd Amendment the Waterberg JV and Waterberg Extension properties, as described below, are to be combined and contributed into a newly created operating company named Waterberg JV Resources (Pty) Ltd. ("Waterberg JV Co."). The Company is to hold 45.65% of Waterberg JV Co. while JOGMEC is to own 28.35%. Mnombo will hold 26%. Through its 49.9% share of Mnombo, the Company will hold an effective 58.62% of Waterberg JV Co., post-closing. Under the 2nd Amendment, JOGMEC has committed to fund \$20 million in expenditures over a three-year period ending March 31, 2018. An amount of \$8 million was funded by JOGMEC to March 31, 2016, which is being followed by two \$6 million tranches to be spent in each of the following two 12 month periods ending March 31, 2018. Any amount in excess of \$6 million to be spent in either of years two or three is to be funded by the JV partners pro-rata to their holdings. Closing of this transaction is subject to Section 11 approval by the DMR for the transfer of title to the Waterberg prospecting rights and other project assets into the new Waterberg JV Co. The Company will continue its current accounting treatment for the Waterberg JV and Waterberg Extension properties until closing. If Section 11 approval for the transfer is not obtained the parties will default to the pre 2nd amendment JV arrangement, with any advances received from JOGMEC to be used to offset its spending commitments on the Waterberg JV property.

Since the JOGMEC earn-in period ended in May 2012, up to March 2015 (when the 2nd Amendment became effective) \$39.9 million was spent on the combined Waterberg JV and Waterberg Extension properties. JOGMEC contributed \$11.4 million while the Company contributed the remaining \$28.5 million which included Mnombo's share of expenditures on the Waterberg Extension (\$1.9 million) which are still owed to the Company.

Post March 2015, \$15.25 million has been spent through to May 31, 2017 on the Waterberg JV and Waterberg Extension properties all of which has been funded by JOGMEC per the 2nd Amendment agreement outlined above. In the first nine months of fiscal 2017 \$3.31 million was spent on the combined Waterberg JV and Waterberg Extension.

6. LOANS PAYABLE

On February 16, 2015, the Company announced it had entered a credit agreement with a syndicate of lenders (the "**Sprott Lenders**") led by Sprott Resource Lending Partnership ("**Sprott**") for a senior secured loan facility (the "**Sprott Facility**") of \$40 million. The Sprott Facility was drawn on November 20, 2015.

On November 20, 2015, the Company also drew down a \$40 million loan facility (the "**LMM Facility**") pursuant to a credit agreement (the "**LMM Credit Agreement**") entered into on November 2, 2015 with a significant shareholder, Liberty Metals & Mining Holdings, LLC ("**LMM**"), a subsidiary of Liberty Mutual Insurance. Pursuant to the LMM Credit Agreement the Company also entered into a life of mine Production Payment Agreement ("**PPA**") with LMM.

On September 19, 2016, the Company announced that Sprott and LMM had agreed to amend certain terms to their existing loan facilities with the Company. Sprott agreed to defer 12 planned monthly repayments of the original \$40 million Sprott Facility from commencing on January 31, 2017 to commencing on January 31, 2018. LMM agreed to defer 9 planned quarterly repayments of the original \$40 million LMM Facility plus capitalized interest from commencing December 31, 2018 until June 30, 2019. LMM agreed to defer the quarterly payment of interest due to LMM from commencing December 31, 2016 until December 31, 2017. Sprott and LMM both agreed to reset agreed monthly production requirements so that the production period would commence October 31, 2016. Pursuant to the LMM Credit Agreement the Company entered a life of mine PPA with LMM whereby LMM was granted a Production Payment (as defined below) right to 1.5% of net proceeds received on concentrate sales from the Maseve Mine. LMM and the Company agreed to extinguish the Company's right to buy back 1% of LMM's 1.5% Production Payment right for \$17.5 million until January 1, 2019 or for \$20 million until December 31, 2021. In consideration of the amendments, the Company issued 801,314 common shares to Sprott and 801,314 common shares to LMM. The consideration was based on the value of five percent of the initial principal balance of the LMM loan facility and the Sprott facility, in each case, such amount being \$2.0 million. The shares were priced at the five-day volume weighted average price on the TSX of \$3.66 per share, less a ten percent discount, converted to US dollars using the Bank of Canada noon spot rate.

On October 12, 2016, the Company announced that Sprott had provided a \$5.0 million second advance (the "**Second Advance**") to the Company. In consideration of the Second Advance, as a fee, the Company issued 113,963 common shares of the Company at a price of \$3.2428 per share, less a ten percent discount. The original \$40.0 million Sprott Facility was amended and restated effective October 11, 2016 to reflect the Second Advance (the "**Amended and Restated Sprott Facility**"). Interest was payable on the Second Advance at a rate of LIBOR plus 8.5%, the same rate as for the original Sprott Facility. Other terms, conditions and covenants related to the Amended and Restated Sprott Facility were substantially the same as for the original Sprott Facility. On November 2, 2016 and April 26, 2017 Sprott elected for early repayments of \$2.5 million of the Second Advance from the proceeds of equity offerings completed on November 1, 2016 and April 26, 2017, (see Equity section for further details of the offerings).

On January 13, 2017, the Company announced that Sprott and LMM had agreed to amend certain terms of their existing loan facilities with the Company. Sprott and LMM both agreed to reset agreed monthly production requirements whereby Maseve must reach and maintain a three-month rolling average of at least 60% of planned production to begin January 31, 2017 and an amendment to reach and maintain a three-month rolling average of at least 70% of planned production to begin April 30, 2017. Also, both LMM and Sprott agreed to waive the covenant until February 15, 2017 where working capital must be kept in excess of \$5 million and to postpone from January 31, 2017 to March 31, 2017 the commencement of the requirement to pay Sprott 50% of the proceeds of further debt and equity financings. In consideration of the amendments, the Company issued 275,202 common shares to Sprott and 293,616 common shares to LMM. The consideration was based on the value of one percent of the outstanding principal balance of the LMM loan facility and the Amended and Restated Sprott facility. The shares were priced at the ten-day volume weighted average price on the TSX of C\$2.253 per share, less a ten percent discount. At period end the Company was in compliance with all covenants.

On April 17, 2017, the Company announced that Sprott and LMM had agreed to further amend certain terms to their existing loan facilities with the Company. Sprott and LMM both agreed to reset agreed monthly production requirements whereby Maseve must reach and maintain a three-month rolling average of at least 60% of planned production to begin March 31, 2017 and an amendment to reach and maintain a three-month rolling average of at least 70% of planned production to begin June 30, 2017. Both LMM and Sprott also agreed to waive until May 31, 2017 the covenant to maintain at all times a working capital in excess of \$5 million and a minimum of \$5 million in unrestricted cash and cash equivalents. In the case of the Amended and Restated Sprott Facility, the Sprott Lenders agreed to amendments that postpone from March 31 2017 to June 30, 2017 the commencement of the requirement to pay Sprott 50% of the proceeds of further debt and equity financings and that require repayment of the outstanding portion of the Second Sprott Advance in full using the net proceeds of any equity or debt financings (excluding intercompany financings) that close after April 13, 2017. The remaining \$2.5 million of the Second Advance was repaid in April 2017.

On June 15, 2017 the Company announced that Sprott and LMM had agreed to further amend certain terms to their existing loan facilities with the Company. Please see the subsequent events (Note 12) for further details.

In total the Company borrowed \$85.0 million by way of the Amended and Restated Sprott Facility and the LMM facility, which are reconciled to the May 31, 2017 balance sheet as follows:

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(In thousands of United States Dollars unless otherwise noted)

Gross Sprott Facility drawn down including Second Advance	\$	45,000
Second Advance repayment		(5,000)
Drawdown Standby and Amendment fees		(7,237)
Interest paid on loan balance		(6,293)
Finance cost at effective interest rate		10,210
Carrying value - Sprott Facility	\$	36,680
LMM Facility drawn down	\$	40,000
Drawdown, Amendment, Legal and Other Fees		(4,347)
Interest finance cost at effective interest rate		10,473
Adjustment to amortized cost of LMM Production Payment Payable		523
LMM Production Payment Payable		373
Carrying value - LMM Facility	\$	47,022
LMM Production Payment Liability	\$	9,126
LMM Production Payment Payable		373
LMM Loan Facility		37,523
Total LMM Facility	\$	47,022
Carrying value - Loans Payable	\$	83,702
Current portion of loan payable	\$	16,667
Non-current portion loans payable		67,035
Carrying value - Loans Payable	\$	83,702

At May 31, 2017, the principal payable in the next twelve months on the Amended and Restated Sprott Facility of \$16,667 has been classified as a current liability.

Both loans are carried at amortized cost with the Amended and Restated Sprott Facility having an effective interest rate of 20% and the LMM Facility having an effective interest rate of 27%. The LMM Facility has a higher effective interest rate due to the existence of the related Production Payment liability and its subordination to the Amended and Restated Sprott Facility. Net interest expense of \$19.9 million from both loans has been capitalized against development assets in the Maseve mine until the asset is ready for its intended use which is expected to be aligned with the date commercial production is achieved. Adjustments and accretion to the Production Payment liability are also capitalized against the development assets in the Maseve mine until the mine is considered ready for its intended use and commercial production is achieved.

Sprott Facility

Pursuant to the terms of the original Sprott facility and the Amended and Restated Sprott Facility, the Company has made certain payments to the Sprott Lenders, including (a) a bonus payment made in February 2015 concurrently with execution and delivery of the credit agreement in the amount of \$1,500, being 3.75% of the principal amount of the Sprott Facility, paid by issuance of 283,019 common shares of the Company; (b) a draw down payment to the Sprott Lenders equal to 2% of the amount being drawn down under the Sprott Facility, which was paid by issuance of 348,584 common shares of the Company on November 20, 2015; (c) a structuring fee comprised of a cash payment in the amount of \$100, paid concurrently with the execution and delivery of the term sheet for the Sprott Facility; and (d) a standby fee paid in cash equal to 4% per annum of the un-advanced principal amount of the Sprott Facility paid in monthly instalments until draw down on November 20, 2015 totalling \$1,244. The Sprott Facility originally was to mature on December 31, 2017 with the repayment of principal due in monthly instalments during calendar 2017, however due to the amendments outlined above the principal is now due to be repaid by December 2018.

Upon drawdown, all deferred fees of \$4.0 million (\$1.8 million in cash) were netted against gross proceeds and will be recognized over the term of the agreement on an effective interest rate basis. Total interest of \$10.2 million was recognized since inception (\$5,146 in the current nine-month period) with \$6.3 million in cash interest paid since inception (\$3,244 in the current nine-month period).

The Amended and Restated Sprott Facility is in the first lien position on (i) the shares of PTM RSA held by PTM (and such other claims and rights described in the applicable pledge agreement) and (ii) all current and future personal property of PTM. Interest on the Amended and Restated Sprott Facility is compounded and payable monthly at a stated interest rate of LIBOR plus 8.50% .

LMM Facility

Loan

Pursuant to the terms of the LMM Credit Agreement, the Company paid a draw down fee of \$800 to LMM, being 2% of the amount being drawn down under the LMM Facility, paid in 348,584 common shares of the Company.

The stated interest rate on the LMM Facility is LIBOR plus 9.5% . At period end, interest payments on the LMM Facility have been accrued and added to the loan balance until March 31, 2018 and then paid to LMM quarterly thereafter. Also, the first 20% of principal was to be repaid on June 30, 2019 and then in tranches of 10% of the principal at the end of each calendar quarter beginning on September 30, 2019 and for each of the next 7 quarters of the LMM Facility.

Production Payment

Under the PPA, the Company agreed to pay to LMM a Production Payment of 1.5% of net proceeds received on concentrate sales or other minerals from the Maseve Mine (the “ **Production Payment** ”). The terms of the PPA were amended during the period. See details above in this Note 6.

The initial fair value of the Production Payment liability was valued at \$11.3 million using Level 3 valuation assumptions and bifurcated from the LMM Facility’s loan payable and will be amortized over the expected life of mine as production payments are made. The carrying value of the production payment is currently \$9.1 million with difference from the original carrying value having been recognized as interest expense and as adjustments to the fair value of the loan payable. The key valuation assumptions for the Production Payment valuation are production profile, discount rate and timing of cash flows. Any accretion to the Production Payment facility is treated as interest cost and capitalized to the project until the project is determined ready for its intended use.

LMM holds the second lien position on (i) the shares of PTM (RSA) held by PTM and (ii) all current and future assets of PTM. The PPA is secured with the second lien position of the LMM Facility until it is repaid. The PPA will be acknowledged in any subsequent debt arrangement of the Company. The Company has a right to refinance the Amended and Restated Sprott Facility or the LMM Facility, subject to certain rights granted to LMM under the PPA. The Company will be required to comply with certain covenants once first production commences (see above for details of the amended covenants).

7. SHARE CAPITAL

(a) Authorized

Unlimited common shares without par value.

(b) Issued and outstanding

At May 31, 2017, the Company had 148,456,187 shares outstanding.

On September 19, 2016, both Sprott and Liberty were each issued 801,314 shares for consideration of \$2.0 million each based on the five-day volume weighted average price on the TSX of C\$3.66 per share (less a ten percent discount), converted to US dollars in consideration for the amendment to the outstanding working capital facilities.

On October 12, 2016 upon drawdown of an additional \$5 million from the Amended and Restated Sprott Facility, Sprott was issued 113,963 shares as a drawdown fee.

On November 1, 2016, the Company announced the closing of an offering of 22,230,000 common shares at a price of \$1.80 per share resulting in gross proceeds of \$40.0 million. Net proceeds to the Company after fees, commissions and costs were approximately \$36.9 million.

On January 13, 2017 Sprott was issued 275,202 shares and Liberty was issued 293,616 shares for total consideration of \$878,440 based on the ten-day volume weighted average price on the TSX of C\$2.253 per share (less a ten percent discount), in consideration for the amendment to the outstanding working capital facilities.

On January 31, 2017, the Company announced the closing of an offering of 19,693,750 common shares at a price of \$1.46 per share resulting in gross proceeds of \$28.8 million. Net proceeds to the Company after fees, commissions and costs were approximately \$26.3 million.

On April 18, 2017, the Company announced the closing of an offering of 15,390,000 common shares at a price of \$1.30 per share resulting in gross proceeds of \$20.0 million. Net proceeds to the Company after fees, commissions and costs were approximately \$18.3 million

(c) *Incentive stock options*

The Company has entered into Incentive Stock Option Agreements (“**Agreements**”) under the terms of its stock option plan with directors, officers, consultants and employees. Under the terms of the Agreements, the exercise price of each option is set, at a minimum, at the fair value of the common shares at the date of grant. Certain stock options of the Company are subject to vesting provisions, while others vest immediately. All exercise prices are denominated in Canadian Dollars (“**C\$**”).

The following tables summarize the Company’s outstanding stock options:

	Number of Shares	Average Exercise Price
Options outstanding at August 31, 2015	2,832,450	C\$ 12.10
Granted	1,014,675	2.00
Exercised	(2,250)	2.00
Cancelled	(867,600)	16.67
Options outstanding at August 31, 2016	2,977,275	7.31
Granted	2,210,000	2.00
Cancelled	(465,400)	10.16
Options outstanding at May 31, 2017	4,721,875	C\$ 4.55

Number Outstanding at May 31, 2017	Number Exercisable at May 31, 2017	Exercise Price	Average Remaining Contractual Life (Years)
3,070,175	2,640,088	C\$ 2.00	4.29
789,500	789,500	6.50	2.72
292,200	292,200	9.60	0.27
10,000	10,000	10.50	1.00
2,500	2,500	12.00	2.30
554,000	554,000	13.00	1.66
3,500	3,500	14.00	0.80
4,721,875	4,291,788		3.37

During the nine months ended May 31, 2017 the Company granted 2,210,000 stock options (1,014,675 – May 31, 2016). The stock options granted in the current period vested immediately. The Company recorded \$1,783 (\$662 capitalized to PPE and mineral properties and \$1,121 expensed).

The Company used the Black-Scholes model to determine the grant date fair value of stock options granted. The following assumptions were used in valuing stock options granted during the periods ending May 31, 2017 and May 31, 2016:

Period ended	May 31, 2017	May 31, 2016
Risk-free interest rate	1.10%	0.65%
Expected life of options	4.0 years	3.9 years
Annualized volatility	68%	64%
Forfeiture rate	0.00%	2.1% per year
Dividend rate	0.00%	0.00%

8. RELATED PARTY TRANSACTIONS

Transactions with related parties are as follows:

- (a) During the nine months ended May 31, 2017, \$175 (\$166 – May 31, 2016) was paid to independent directors for directors' fees and services.
- (b) During the nine months ended May 31, 2017, the Company accrued or received payments of \$41 (\$48 – May 31, 2016) from West Kirkland Mining Inc. (“**West Kirkland**”), a company with two directors in common, for administrative services. Amounts receivable at the end of the period include an amount of \$28 (\$15 – May 31, 2016) due from West Kirkland.
- (c) In fiscal 2016 the Company entered into a loan facility agreement with a significant shareholder LMM. The loan was negotiated and entered into at commercial terms. For full details on this transaction please refer to Note 6 above.

Except for amounts due to LMM, all amounts receivable and accounts payable owing to or from related parties are non-interest bearing with no specific terms of repayment. These transactions are in the normal course of business and are recorded at consideration established and agreed to by the parties.

9. CONTINGENCIES AND COMMITMENTS

The Company's remaining minimum payments under its office and equipment lease agreements in Canada and South Africa total approximately \$1,739 to August 31, 2020.

Maseve is party to a long term 40MVA electricity supply agreement with South African power utility, Eskom. In consideration Maseve is to pay connection fees and guarantees totaling R147 million (\$11.2 million at May 31, 2017) of which R100 million (\$7.6 million at May 31, 2017), has been paid, leaving R47 million (\$3.6 million at May 31, 2017) of the commitment outstanding. These fees are subject to possible change based on Eskom's cost to install. Eskom's delivery schedule is also subject to possible change.

From period end the Company's aggregate commitments are as follows:

Platinum Group Metals Ltd.
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For the three and nine months ended May 31, 2017
(In thousands of United States Dollars unless otherwise noted)

	< 1 Year	1 – 3 Years	4 – 5 Years	> 5 Years	Total
Lease obligations	\$ 520	\$ 1,337	-	\$ -	\$ 1,739
ESKOM – power	3,589	-	-	-	3,589
Mining Development	11,855	-	-	-	11,855
Mining Indirect and Other	6,918	-	-	-	6,918
Sprott Loan Facility	20,836	25,778	-	-	46,614
Liberty Loan Facility	1,443	36,946	29,994	-	68,383
Totals	\$ 45,161	\$ 63,943	\$ 29,994	\$ -	\$ 139,098

10. SUPPLEMENTARY CASH FLOW INFORMATION

Net change in non-cash working capital:

Nine months ended	May 31, 2017		May 31, 2016	
Amounts receivable, prepaid expenses and other assets	\$	2,917	\$	(5,162)
Accounts payable and accrued liabilities		(2,060)		2,610
	\$	857	\$	(2,552)

11. SEGMENTED REPORTING

The Company operates in one operating segment, that being exploration and development of mineral properties. Information presented on a geographic basis are as follows:

Assets

	May 31, 2017		August 31, 2016	
Canada	\$	8,406	\$	10,572
South Africa		356,466		509,286
	\$	364,872	\$	519,858

Substantially all of the Company's capital expenditures are made in South Africa.

Loss attributable to the shareholders of Platinum Group Metals Ltd.

Nine months ended	May 31, 2017		May 31, 2016	
Canada	\$	5,976	\$	(1,815)
South Africa		280,612		179
	\$	286,588	\$	(1,636)

12. SUBSEQUENT EVENTS

On June 15, 2017, the Company announced that Sprott and LMM had agreed to further amend certain terms to their existing loan facilities with the Company. Sprott and LMM both agreed to amend existing loan facilities to the Company and provide waivers, in each case, until October 31, 2017, with regard to minimum cash and working capital requirements, achievement of productions targets, certain events of default and the requirement to pay the lenders 50% of the proceeds of equity and debt financings. Sprott and LMM are each to be paid a fee of \$200,000 and \$400,000 respectively in consideration of the above amendments, both at the same time upon the maturity or repayment of the Sprott facility.

On June 30, 2017, the Company announced that a private placement of US\$20 million aggregate principal amount of convertible senior subordinated notes due 2022 had closed. The Notes will bear interest at a rate of 6 7/8% per annum, payable semi-annually on January 1 and July 1 of each year, beginning on January 1, 2018, in cash or at the election of the Company, in common shares of the Company ("Common Shares") or a combination of cash and Common Shares, and will mature on July 1, 2022, unless earlier repurchased, redeemed or converted. The Notes will be convertible at any time at the option of the holder, and may be settled, at the Company's election, in cash, Common Shares, or a combination of cash and Common Shares. If any Notes are converted on or prior to the three and one half year anniversary of the issuance date, the holder of the Notes will also be entitled to receive an amount equal to the remaining interest payments on the converted Notes to the three and one half year anniversary of the issuance date, discounted by 2%, payable in Common Shares. The initial conversion rate of the Notes will be 1,001.1112 Common Shares per US\$1,000 principal amount of Notes, which is equivalent to an initial conversion price of approximately US\$0.9989 per Common Share, representing a conversion premium of approximately 15% above the NYSE MKT closing sale price for the Company's Common Shares of US\$0.8686 per share on June 27, 2017.

On July 7, 2017 the Company announced it is taking steps to restructure its mining operations at the Maseve Mine. The restructuring involves a change in primary mining method and cost reductions to create a sustainable future for the mine. The changes are operationally driven to align costs with a more gradual ramp-up of production using more selective mining methods. As a result of the anticipated restructuring process, there are a large number of employees in the service of independent contractors and staff of Maseve who have been affected. Platinum Group Metals is working closely with all its contractors, including Redpath Mining South Africa, the largest mining contractor on site, to minimize job losses while making the operation self-sustainable. New opportunities for contractors and employees could be created as the newly planned mining method ramps up. In the long term, the hybrid method is more labour intensive offset with better planned grade compared to bord-and-pillar mining.



PLG:NYSE MKT
PTM:TSX

Platinum Group Metals Ltd.
(An Exploration and Development Stage Company)
Supplementary Information and MD&A
For the period ended May 31, 2017

This Management's Discussion and Analysis is prepared as of July 17, 2017

A copy of this report will be provided to any shareholder who requests it.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This management's discussion and analysis ("MD&A") of Platinum Group Metals Ltd. ("Platinum Group", the "Company" or "PTM") is dated as of July 17, 2017, and focuses on the Company's financial condition and results of operations for the period ended May 31, 2017. This MD&A should be read in conjunction with the Company's condensed consolidated interim financial statements for the period ended May 31, 2017 together with the notes thereto (the "Financial Statements").

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar figures included therein and in the following MD&A are quoted in United States Dollars ("USD") unless otherwise noted. All references to "U.S. Dollars" or to "US\$" are to United States Dollars. All references to "C\$" are to Canadian Dollars. All references to "R" or to "Rand" are to South African Rand. The Company uses the USD as its presentation currency.

On January 26, 2016, the Company announced a consolidation of its common shares on the basis of one new share for ten old shares (1:10). All information regarding the issued and outstanding common shares, options and weighted average number and per share information has been retrospectively restated to reflect the ten to one consolidation.

PRELIMINARY NOTES

NOTE REGARDING FORWARD-LOOKING STATEMENTS:

This MD&A and the documents incorporated by reference herein contain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "Forward-Looking Statements"). All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will, may, could or might occur in the future are Forward-Looking Statements. The words "expect", "anticipate", "estimate", "may", "could", "might", "will", "would", "should", "intend", "believe", "target", "budget", "plan", "strategy", "goals", "objectives", "projection" or the negative of any of these words and similar expressions are intended to identify Forward-Looking Statements, although these words may not be present in all Forward-Looking Statements. Forward-Looking Statements included or incorporated by reference in this MD&A may include, without limitation, statements with respect to:

- statements regarding anticipated or potential developments at the Maseve Mine (as defined below) including development and construction activities, conveyor details, improved stoping and tramming, access to Block 11, mine plans, production trends, estimates and assumptions (including production rate, grade per tonne and smelter recovery), contractor and labor developments, the potential for a strike and the potential results thereof, and production and cost efficiencies;
- ramp-up and potential achievement of commercial production at the Maseve Mine;
- capital-raising activities, compliance with terms of indebtedness and the adequacy of capital;
- revenue, cash flow (and the effects of developments on cash flow) and cost estimates and assumptions;
- statements with respect to future events or future performance;
- corporate and asset level strategic alternatives;
- anticipated exploration, development, construction, production, permitting and other activities on the Company's properties;
- the adequacy of capital, financing needs and the availability of and potential for receiving further commitments;
- project economics;
- future metal prices and exchange rates;
- mineral reserve and mineral resource estimates; and
- potential changes in the ownership structures of the Company's projects.

Forward-Looking Statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-Looking Statements in respect of capital costs, operating costs, production rate, grade per tonne and concentrator and smelter recovery are based upon the estimates in the technical reports referred to in this MD&A and in the documents incorporated by reference or otherwise referred to herein and ongoing cost estimation work, and the Forward-Looking Statements in respect of metal prices and exchange rates are based upon the three year trailing average prices and the assumptions contained in such technical reports and ongoing estimates.

Forward-Looking Statements are subject to several risks and uncertainties that may cause the actual events or results to differ materially from those discussed in the Forward-Looking Statements, and even if events or results discussed in the Forward-Looking Statements are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things:

- uncertainty of production, development plans and cost estimates for the Maseve platinum and palladium mine (“**Maseve Mine**”), formerly known as Project 1 (“**Project 1**”) and Project 3 (“**Project 3**”) of what was formerly the Western Bushveld Joint Venture (the “**WBJV**”);
- additional financing requirements to achieve the Company’s business objectives and remain in compliance with the covenants set forth in the Sprott Facility (as defined herein) and the LMM Facility (as defined herein);
- the Company’s history of losses;
- the inability of the Company to generate sufficient cash flow to make payment on its indebtedness under the Sprott Facility and the LMM Facility and comply with the restrictions imposed by such indebtedness;
- the Sprott Facility and the LMM Facility are secured and the Company has pledged its shares of Platinum Group Metals (RSA) Proprietary Limited (“**PTM RSA**”) to the Lenders (as defined herein) under the Sprott Facility and the LMM Facility which potentially could result in the loss of the Company’s interest in the Maseve Mine, the Waterberg Project and in PTM RSA (as defined herein) in the event of a default under either facility;
- the Company’s negative cash flow;
- the Company’s ability to continue as a going concern;
- delays in the production ramp-up of the Maseve Mine which could result in a default under the LMM Facility or the Sprott Facility;
- Potential disputes with current and previous contractors could result in a delay in production ramp-up at the Maseve Mine;
- there can be no assurance that underground development and production ramp-up at the Maseve Mine will meet its production ramp-up timeline or that production at the Maseve Mine will meet the Company’s expectations;
- delays in, or inability to achieve, planned commercial production;
- completion of a feasibility study for the Waterberg Project (defined below), which is subject to resource upgrade and economic analysis requirements;
- discrepancies between actual and estimated mineral reserves and mineral resources, between actual and estimated development and operating costs, between actual and estimated metallurgical recoveries and between estimated and actual production;
- fluctuations in the relative values of the U.S. Dollar, the Rand and the Canadian Dollar;
- risks of doing business in South Africa, including but not limited to, labour, economic and political instability;
- volatility in metals prices;
- the failure of the Company or its joint venture partners to fund their pro-rata share of funding obligations for Project 1 or the Waterberg Project;
- the inability of the Company to find an additional and suitable joint venture partner for Project 1 and Project 3 within such time frame as may be determined by the South African Department of Mineral Resources (“**DMR**”) in accordance with the South African Mineral and Petroleum Resources Development Act 28 of 2002;
- any disputes or disagreements with the Company’s joint venture partners;
- the ability of the Company to retain its key management employees and skilled and experienced personnel;
- contractor performance and delivery of services, including the ability of contractors to continue to perform in the event of a strike amongst their employees, changes in contractors or their scope of work or any disputes with contractors;

- conflicts of interest;
- any designation of the Company as a “passive foreign investment company” and potential adverse U.S. federal income tax consequences for U.S. shareholders;
- litigation or other legal or administrative proceedings brought against the Company;
- actual or alleged breaches of governance processes or instances of fraud, bribery or corruption;
- exploration, development and mining risks and the inherently dangerous nature of the mining industry, including environmental hazards, industrial accidents, unusual or unexpected formations, safety stoppages (whether voluntary or regulatory), pressures, mine collapses, cave ins or flooding and the risk of inadequate insurance or inability to obtain insurance to cover these risks and other risks and uncertainties;
- property and mineral title risks including defective title to mineral claims or property;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, South Africa or other countries in which the Company does or may carry out business in the future and failures to comply with legislation;
- equipment shortages and the ability of the Company to acquire the necessary access rights and infrastructure for its mineral properties;
- environmental regulations and the ability to obtain and maintain necessary permits, including environmental authorizations and water use licences;
- extreme competition in the mineral exploration industry;
- delays in obtaining, or a failure to obtain, permits necessary for current or future operations or failures to comply with the terms of such permits;
- the failure to maintain or increase equity participation by historically disadvantaged South Africans in the Company’s prospecting and mining operations and to otherwise comply with the Amended Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry;
- certain potential adverse Canadian tax consequences for foreign-controlled Canadian companies that acquire common shares of the Company; and
- the other risks disclosed under the heading “Risk Factors” in the Company’s 2016 Annual Information Form dated November 29, 2016 (the “**AIF**”).

These factors should be considered carefully, and investors should not place undue reliance on the Company’s Forward-Looking Statements. In addition, although the Company has attempted to identify important factors that could cause actual actions or results to differ materially from those described in Forward-Looking Statements, there may be other factors that cause actions or results not to be as anticipated, estimated or intended.

MINING CHARTER

The Reviewed Broad-Based Black Economic Empowerment Charter for the South African Mining Industry, commonly styled Mining Charter III, was published and became into effect on June 15, 2017. Within hours of its publication, the Chamber of Mines rejected Mining Charter III as being unilaterally imposed upon the mining industry and that the process of developing the charter was seriously flawed. The Chamber of Mines has applied for an urgent interdict to suspend the operation of Mining Charter III, pending a review thereof by the courts. The Minister of Mineral Resources has yet to file opposing papers. Only July 14, 2017 the Chamber of Mines advised that the Minister of Mineral Resources had given a written undertaking that the Minister and the DMR, will not implement or apply the provisions of the 2017 Reviewed Mining Charter in any way, pending judgment in the urgent interdict application brought by the Chamber of Mines.

The most concerning aspects of Mining Charter III, from an ownership perspective, are the requirement to have 30% black economic empowerment (“**BEE**”) shareholding for all new mining rights, to have 50% plus 1 BEE shareholding for all new prospecting rights, that holders of rights who are at less than 30% currently, have 12 months in which to increase their BEE shareholding and that the funding of such additional shareholding must come from dividends which accrue to BEE shareholders. If the dividends are insufficient, whatever balance remains due and owing in respect of the BEE shareholding must be written off. In addition, on new mining rights, a distribution of 1% of turnover must be paid to BEE shareholders before dividends are declared and paid. This is subject only to the solvency and liquidity test of the South African Companies Act, 2008. In addition, for new rights or for companies who are not yet at 26% BEE, the BEE shareholding has to be allocated as to 14% to black entrepreneurs and 8% to each of the employee and local community stakeholders. Very high targets are set for the procurement of local, and particularly BEE, goods and services. On the employment equity front, 50% of the board of a right holder and its executive management must be black persons, 25% of which must be female. At senior management level, 60% must be black persons, of which 30% must be female. These percentages increase until, at junior management level, 88% must be black persons of which 44% must be female. The Company is unable to assess the impact that Mining Charter III will have on its business, as even the Deputy President, Mr Cyril Ramaphosa, has called for the DMR and the Chamber to get around the table to negotiate a way forward in regard to this charter.

MINERAL RESERVES AND RESOURCES

The mineral resource and mineral reserve figures referred to in this MD&A and the documents incorporated herein by reference are estimates and no assurances can be given that the indicated levels of platinum (“**Pt**”), palladium (“**Pd**”), rhodium (“**Rh**”) and gold (“**Au**”) (collectively referred to as “**4E**”) will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, mineral resource and mineral reserve estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Any inaccuracy or future reduction in such estimates could have a material adverse impact on the Company.

Any Forward-Looking Statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any Forward-Looking Statement, whether because of new information, future events or results or otherwise.

NOTE TO U.S. INVESTORS REGARDING RESOURCE ESTIMATES:

Estimates of mineralization and other technical information included or incorporated by reference herein have been prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”). The definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC Industry Guide 7 of the U.S. Securities and Exchange Commission (the “**SEC**”). Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. As a result, the reserves reported by the Company in accordance with NI 43-101 may not qualify as “reserves” under SEC standards. In addition, the terms “mineral resource,” “measured mineral resource,” “indicated mineral resource” and “inferred mineral resource” are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and normally are not permitted to be used in reports and registration statements filed with the SEC. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of feasibility or prefeasibility studies, except in rare cases. Additionally, disclosure of “contained ounces” in a resource is permitted disclosure under Canadian securities laws; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measurements. Accordingly, information contained in this MD&A and the documents incorporated by reference herein containing descriptions of the Company’s mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of United States federal securities laws and the rules and regulations thereunder.

TECHNICAL AND SCIENTIFIC INFORMATION:

The technical and scientific information contained in this MD&A, including, but not limited to, all references to and descriptions of technical reports and studies included in this MD&A, has been reviewed and approved by R. Michael Jones, P.Eng, President and Chief Executive Officer and a director of the Company. Mr. Jones is a non-independent “qualified person” as defined in NI 43-101 (a “**Qualified Person**”).

NON-GAAP MEASURES:

This MD&A may include certain terms or performance measures commonly used in the mining industry that are not defined under IFRS as issued by the International Accounting Standards Board, which is incorporated in the Handbook of the Canadian Institute of Chartered Accountants. We believe that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate our performance. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These non-GAAP measures should be read in conjunction with our financial statements.

1. DESCRIPTION OF BUSINESS

OVERVIEW

Platinum Group Metals Ltd. is a British Columbia, Canada, company formed by amalgamation on February 18, 2002 pursuant to an order of the Supreme Court of British Columbia approving an amalgamation between Platinum Group Metals Ltd. and New Millennium Metals Corporation. The Company is a platinum-focused exploration and development company conducting work primarily on mineral properties it has staked or acquired by way of option agreements or applications in the Republic of South Africa.

The Company's business is currently focused on production ramp-up at the Maseve Mine and exploration and engineering on the Waterberg Project, a platinum and palladium property comprised of the 255 km² Waterberg Joint Venture Project (the "**Waterberg JV Project**") and the adjoining 864 km² Waterberg Extension Project (the "**Waterberg Extension Project**") and, both together referred to as the "**Waterberg Project**".

The Maseve Mine milling facility is fully constructed and was commissioned in February and March of 2016. The Maseve Mine is in the ramp-up phase of production. First concentrate was produced in February 2016. Initial proceeds from concentrate sales before commercial production are treated as a reduction in project capital cost with \$12.6 million being recognized to development costs in the nine month period ended May 31, 2017. The Maseve Mine is behind its planned production ramp-up profile. In July, 2017 Management of the Maseve Mine undertook a significant reduction in the mine's labour force and began a reorganization of the mine and the mining method employed, switching some sections of the mine from a bord and pillar methodology to a hybrid method, consisting of mechanized primary access development with conventional breasting into stopes and panels.

Management believes that indicators of impairment existed for the Maseve Mine as at May 31, 2017, consisting of lower platinum and palladium prices compared to previous years, delays in production ramp-up and the low market capitalization of the Company. A formal impairment analysis was performed for the Maseve Mine as of May 31, 2017, taking into account the subsequent restructuring of the Maseve Mine undertaken in July, 2017, resulting in a non-cash impairment charge of \$225 million for the three months ending May 31, 2017. The key assumptions used in determining the recoverable amount (fair value less costs to sell) for the Maseve Mine as a "cash generating unit" are estimated long-term commodity prices, discount rates, cash costs of production, capital expenditures and foreign exchange rates. Previous analysis and impairment charges for the Maseve Mine have been recorded by the Company as at August 31, 2016 (\$41.4 million) and at February 28, 2017 (\$55.2 million). The current carrying value of the Maseve Mine as at May 31, 2017 is \$317million.

PERSONNEL

The Company's current complement of managers, staff and consultants in Canada consists of approximately eight individuals. At May 31, 2017 the Company's complement of managers, staff and consultants in South Africa working for PTM RSA and the Maseve Mine consisted of approximately 85 individuals. At May 31, 2017 approximately a further 1,723 persons were employed by independent contractors at the Maseve Mine. The Waterberg Project is operated by the Company utilizing its own staff and personnel. Contract drilling, geotechnical and support services are utilized as required. At May 31, 2017 approximately 17 individuals (included as personnel for PTM RSA above) were active at the Waterberg Project and remain active at present.

On July 7, 2017 the Company announced steps to restructure its mining operations at the Maseve Mine. The restructuring involves a change in primary mining method and cost reductions to create a sustainable future for the mine. The changes are operationally driven to align costs with a more gradual ramp-up of production using more selective mining methods. As a result of the restructuring process, there are a large number of employees in the service of independent contractors and staff of Maseve who have been affected. The Company is working closely with all its contractors, including Redpath Mining South Africa ("**Redpath**"), the largest mining contractor on site, to minimize job losses while making the operation self-sustainable. New opportunities for contractors and employees could be created as the newly planned mining method ramps up. In the long term, the hybrid method is more labor intensive, offset with better planned grade compared to bord-and-pillar mining.

Maseve is operated by the Company on an “owner managed-contractor” basis. The Company has hired full time local mining specialists in South Africa while the Company works to ramp-up production at the Maseve Mine. The Company’s management team has taken over many duties and responsibilities previously assigned to contractors. Based on information gathered and disseminated by a third party, the Company believes that the Maseve Mine’s 12-month rolling average for Lost Time Injury Frequency Rate compares favourably with averages among other platinum mines in the region. The Maseve management team has frequent interaction and dialogue with the inspectorate branch of the DMR and follows the DMR’s guidance carefully.

The Company has worked closely for several years with local communities and a human resource specialist company to create a database of local persons interested in work at the Maseve Mine, including their skill and experience details. The Company has set a target of 30% local employment for the mine, including persons under the employ of contractors. The Company continues to work to achieve its local employment target as circumstances and the availability of candidates allow.

2. PROPERTIES

Under IFRS, the Company defers all acquisition, exploration and development costs related to mineral properties. The recoverability of these amounts is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the development of the property, and any future profitable production, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. The Company evaluates the carrying value of its property interests on a regular basis. Management is required to make significant judgements to identify potential impairment indicators. Any properties management deems to be impaired are written down to their estimated net recoverable amount.

For more information on mineral properties, see below and Notes 4 and 5 of the Company’s May 31, 2017 condensed consolidated interim financial statements.

SOUTH AFRICAN PROPERTIES

The Company conducts its South African exploration and development work through its wholly-owned direct subsidiary Platinum Group Metals RSA Proprietary Limited (“**PTM RSA**”). Development of the Maseve Mine is conducted through Maseve Investments 11 Proprietary Limited (“**Maseve**”), a company which is held 82.9% by PTM RSA and 17.1% by Africa Wide Mineral Prospecting and Exploration Proprietary Limited (“**Africa Wide**”), which is in turn owned 100% by Johannesburg Stock Exchange listed, Wesizwe Platinum Limited (“**Wesizwe**”). See “Maseve Mine – Africa Wide Dilution” below for details regarding the dilution of Africa Wide’s shareholding in Maseve.

The Company is the operator of the Waterberg Project, with JOGMEC and Mnombo Wethu Consultants (Pty) Ltd. (“**Mnombo**”) being joint venture partners. During 2015, the parties amended the then existing agreements between them and agreed to consolidate the Waterberg JV Project and Waterberg Extension Project into one unitized project area. See further details below at “Waterberg Projects – History of Acquisition”.

Maseve Mine

Maseve – Operations

Maseve Phase 1 underground development at the north mine declines (the “**North Declines**”) and surface preparation for mill and concentrator construction commenced in late 2010 and finished in late 2012. Phase 1 site construction and underground development transitioned into Phase 2 in late 2012 and early 2013, consisting of an additional twin decline access and development into the south mine portion of the deposit (the “**South Declines**”), milling and concentrating facilities, a tailings storage facility (“**TSF**”) and continued underground development at the north mine.

Phase 2 construction at the Maseve Mine was substantially complete in late 2015 in terms of surface plant and equipment and the cost budget estimate scope of work. Cold commissioning was carried out in December 2015 and January 2016. Hot commissioning and first production occurred in February and March of 2016. Several minor, occasional mechanical breakdowns have occurred at the mill, as per normal operating expectations, since March of 2016. Mill recoveries since commissioning have been consistent with design criteria.

Commissioning feed to the plant in February and March 2016 was primarily sourced from the low-grade development stockpiles. During April and May 2016, tonnes from underground development and mined tonnes from stoping were introduced along with the feed from the low-grade development stockpile. From May to November 2016, mill feed was primarily development material, being mostly muck from primary access headings developed on reef. During the Second and Third Quarters, access into planned mining stopes increased.

Although mined tonnes have increased from month to month since December, 2016, the tonnes mined and delivered have been less than planned, substantially due to low availability levels for trackless mobile machinery (“TMM”), such as dump trucks (“DT’s”) and load haul dump machines (“LHD’s”). Lower than required TMM availability restricted the ability to remove waste and ore from the mine. The completion of a new conveyor during the Third Quarter by Redpath towards Block 11 has improved the efficiency of moving ore from the mine.

A summary of monthly production since commissioning follows:

Month	Dry Tonnes Milled	Average Grade in gms/tonne	Recovery %	4E Ounces in Concentrate
Commissioning	138,889	0.69	65.2	2,013
April, 2016	83,866	0.86	72.7	1,682
May, 2016	97,542	0.77	67.0	1,612
June, 2016	55,945	1.11	74.6	1,488
July, 2016	54,420	1.01	76.8	1,362
August, 2016	50,306	1.48	79.1	1,893
September, 2016	55,897	1.29	78.4	1,823
October, 2016	22,316	1.59	79.3	907
November, 2016	29,945	1.58	81.4	1,237
December, 2016	39,297	1.51	79.2	1,509
January, 2017	34,661	1.53	79.2	1,351
February, 2017 (1)	36,848	1.64	82.3	1,602
March, 2017 (1)	43,961	1.88	82.3	2,189
April, 2017	41,853	2.00	83.8	2,256
May, 2017	50,484	1.81	83.4	2,480

(1) Approximately 7,825 dry tonnes of ore mined in February 2017 were milled in March 2017 due to severe weather events. This table reflects final calculations by technical personnel and adjusts the results of milling these 7,825 dry tonnes from March 2017 back into February 2017 results.

Underperforming contractors and labour have been a significant impediment to meeting development and production targets at the Maseve Mine. Equipment maintenance skills have been an important area requiring improvement. During the Second Quarter, the Company made certain changes. Underperforming contractors were terminated or given a reduced scope of work, while at the same time, Redpath’s scope of work regarding mine production tonnage was increased. The Company also replaced several senior managers. Improvements in operations during the Third Quarter ended May 31, 2017 did occur, but were not sufficient to meet plans.

The contribution of mined tonnage from Block 11 is a critical factor to achieving positive cash flow at the Maseve Mine. Block 11 is a large, well-drilled and stable mining block estimated to host 545,000 4E Merensky Reef (“MR”) ounces (3,066,512 tonnes at 5.53 gpt 4E Indicated). This block is modelled as flat dipping at an average of nine degrees, with an average seam thickness of 157 cm (as published in the technical report titled “An Independent Technical Report on the Maseve Project (WBJV Project areas 1 and 1A) located on the Western Limb of the Bushveld Igneous Complex, South Africa” dated August 28, 2015, with an effective date of July 15, 2015 (the “Project 1 Report”). The flat dip and good quality of the MR in Block 11 reef has been confirmed with approximately 250 meters of strike length exposed to date in underground development.

In addition to the production challenges discussed above, during the Third Quarter Company engineers determined that in some areas of Block 11 the bord and pillar mechanized mining method was not achieving required efficiencies. Although produced tonnes from Block 11 have been increasing, grade control was not being achieved. Based on extensive sampling, face grades in Block 11 were determined to have generally met estimates, but the fully mechanized bord and pillar mining method has resulted in excess dilution, and therefore lower than planned grades delivered to the plant. As previously reported, MR mine blocks are exhibiting rolling features where the critical zone of the Bushveld Igneous Complex is near the Transvaal Sediment floor rocks. This condition also exacerbates grade control issues when mechanized bord and pillar mining is undertaken.

As a result of the above, in July, 2017 the Company undertook a restructuring of mine operations. The restructuring aims to reduce ongoing costs and achieve positive, sustainable cash flows as soon as possible utilizing the established infrastructure currently in place at the Maseve Mine. The main mining method will transition from higher volume bord and pillar mining to a hybrid mining method, consisting of mechanized access drives using the mine's current equipment and conventional hand-held methods for stoping. Currently active mining has been temporarily suspended at the Maseve Mine while restructuring to a hybrid mining technique takes place at the mine site. Both bord and pillar and hybrid methods were included in the project feasibility study. Company management and supervisory personnel are working with mining crews to re-organize the Maseve Mine plan and reduce the labour force. Work is also underway to improve cycle times, utilization of drill jumbos, tramming and the movement of personnel to and from underground working areas.

Maseve – Underground Development

From the north box, cut underground mining has now developed the North Declines on a southwest heading for 1,423 meters of primary advance to where they reach the first infrastructure level at a vertical depth of 220 meters from surface. At the first infrastructure level, passageways and storage bins for conveyor transfers from various mining blocks at depth are under construction. Construction of a conveyor and chairlift to surface from the first infrastructure level is complete and this equipment was inspected and commissioned for use in March 2016.

From the first infrastructure level, the North Declines was split into two pairs of twin break-away declines, one of which is being developed southeast toward planned mining blocks 9 and 12, and the other which is being developed east towards planned mining blocks 10 and 11. Block 11 is the most important block in the early mining profile due to its size, high grade/thickness and stable geometry, which allows for the application of low cost mining methods. See more on Block 11 above. From the break-away, the declines to blocks 9 and 12 are developed for a further 1,163 meters of primary advance to a vertical depth of 337 meters. Further, from the break-away, the declines to blocks 10 and 11 have now been developed for a further 2,130 meters of primary system advance to a vertical depth of 524 meters and have reached their targeted mining area.

In addition to the primary decline development described above, as at May 31, 2017, the following development has approximately been completed and surveyed in the north mine area:

- i) 4,550 meters of lateral access development, including access from primary declines to mining blocks, ventilation passages, return airways, ramps, waste raises and haulages.
- ii) 5,706 meters of progressive reef development consisting of raise and diagonal development into mining blocks, reef drives, reef cubby's and reef muck bays.
- iii) 24,714 square meters bord and pillar and long hole stoping.
- iv) 1,862 meters of progressive infrastructure development for cross cuts, station drives, substations, refuge bays, workshops and water management facilities.

Four ventilation raise bore shafts have been completed and commissioned at the north mine. The N4A Vent Raise is now operational, but was late being commissioned. The pilot hole for the fifth ventilation shaft N4C is complete, but reaming has not yet commenced.

From the south box cut, underground mining has advanced the South Declines for 1,783 meters of primary system advance to a vertical depth of 271 meters (as at May 31, 2017). Development of the South Declines has now accessed Block 16. There was no material advance of development at the south mine during the Third Quarter. Primary access development at the south mine is currently scheduled to be reduced for a period of time so that crews may focus efforts at the north mine. Long hole mining in areas of Block 16 that are already developed will be long hole mined in 2017 by Redpath.

Production at the Maseve Mine is behind schedule due to challenges related to the ramp-up of stoping tonnes. Difficulties and delays have been caused in part by poor contractor performance and incomplete underground infrastructure, causing bottlenecks in the movement of waste and ore out of the mine. Recent top and bottom completions at ore silos and new conveyor installations have improved efficiencies and capacity.

The rate of underground development at the Maseve Mine continues to be an important factor with respect to mine ramp-up and production rates. Delays in underground development, stoping rates and planned tonnages have resulted in production delays. Such delays have had, and will continue to have, a negative impact on working capital requirements until sufficient mined material is produced to allow mine operations to generate positive cash flow.

Maseve Mine - Financial Overview

During the nine month period ended May 31, 2017, the Company incurred and capitalized \$91 million (May 31, 2016 - \$90 million) in operating, development, construction, equipment and other costs for the Maseve Mine. Revenue from produced concentrate sales during this nine month period amounted to \$12.6 million, which was treated as a reduction in capital costs. At period end, a total nine month impairment charge was recognized for the Maseve Mine in the amount of \$252 million, reducing the current carrying value of the Maseve Mine, based on updated mining methods and inputs to the mine's financial model. As at May 31, 2017, post impairment, the Company carried total deferred acquisition, development, construction, equipment and other costs related to the Maseve Mine of \$317 million and another \$2.4 million related to Project 3. All revenue generated from the sale of concentrate is treated as a reduction in capital costs until commercial production at the Maseve Mine is declared.

The escalation of costs, wage increases, metal price volatility, production ramp-up timing, grade variations and Rand volatility are all material risk factors for the commercial viability of the Maseve Mine. Lower metal prices, further delays in production ramp-up or a stronger South African Rand could all result in requirements for further financing being required. Since 2012, operating costs in South Africa have continued to escalate in Rand terms. The escalation of costs, metal price volatility, completion of infrastructure, advancement of underground mining, production ramp-up timing, grade variations, the availability of financing and Rand volatility are all material risk factors for the Maseve Mine which could result in the Company breaching one or more covenants under the Sprott Facility, or LMM Facility. See Section 3., item A) "Liquidity and Capital Resources" below.

Maseve Mine - Social Development and Responsibilities

Feedback from the public consultation processes for the environmental assessment and social and labour plan developed for the Maseve Mine has been constructive and positive. The mine capital development and operations plan includes a significant investment in training through the life of mine, and in conjunction with the social and labour plan, aims to achieve maximum value from the project for all stakeholders, including local residents. Based on interaction with the community, the completion of a skill and needs assessment, and the Company's training plans, the project has set a target for 30% of all jobs to be sourced with persons from the local communities. To assist the Company in achieving these goals, the Company has contracted the services of an experienced and professional South African human resources company. The Company's five year social and labour plan is nearing completion and discussions on the new plan forward have been consistent with the Company's previous work in education, procurement and training.

Maseve Mine - Africa Wide Dilution

On October 18, 2013, Africa Wide informed the Company that it would not be funding its approximate \$21.8 million share of an unanimously approved project budget and cash call for the Maseve Mine. On March 3, 2014, Africa Wide informed the Company that it would not be funding its \$21.52 million share of a second unanimously approved cash call. As a result, the Company entered arbitration proceedings against Africa Wide in accordance with the terms of the Maseve shareholders' agreement (the "**Maseve Shareholders Agreement**") to determine Africa Wide's diluted interest in Maseve, and therefore the Maseve Mine and Project 3. On August 20, 2014, an arbitrator ruled in the Company's favour on all matters and Africa Wide's shareholding in Maseve was reduced to 21.2766% based on the first missed cash call. Because of missing the second cash call, Africa Wide's ownership was further diluted to approximately 17.1% and the Company's ownership was increased to approximately 82.9%.

All funding provided by PTM RSA to Maseve for development and construction of the Maseve Mine since the second cash call missed by Africa Wide has been, and is planned to be, provided by way of intercompany loans. At May 31, 2017 Maseve owed PTM RSA approximately Rand 4.7 billion (\$357 million). All amounts due to PTM RSA are planned to be repaid by Maseve before any distribution of dividends to shareholders.

Legislation and regulation in South Africa require that a BEE entity own a 26% equity interest in mining projects that qualify for the grant of a Mining Right. Because Africa Wide is the Company's BEE partner for the Maseve Mine, the Company advised the DMR on October 19, 2013 of Africa Wide's decision to not fund the first cash call and the resulting dilution implications. On October 24, 2013, the DMR provided the Company with a letter stating that it will apply the provisions of the Mineral and Petroleum Resources Development Act, 28 of 2002 (the "MPRDA") to any administrative processes or decisions to be conducted or taken within a reasonable time and in accordance with the principles of lawfulness, reasonableness and procedural fairness in giving the Company the opportunity to remedy the effect of Africa Wide's dilution. In addition to Africa Wide's direct equity interest in Maseve, a past sale by PTM RSA of an 18.5% interest in the project that has become Wesizwe's platinum mine is a component of the Maseve's BEE profile. Under the terms of the Maseve Shareholders Agreement, if Maseve is instructed by the DMR to increase its BEE ownership, any agreed costs or dilution of interests shall be borne equally by the Company and Africa Wide. The Company may consider Mnombo as a BEE partner for the Maseve Mine.

In early June 2016, the DMR requested an update regarding the Company's efforts to increase the BEE equity ownership percentage in Maseve from 17.1% to 26%. The Company met with the DMR in early June 2016 and the DMR requested a further update by August 7, 2016, while reminding the Company of the risk of potential action under Sections 47 and 93 of the MPRDA if the Company were not to increase the historically disadvantaged South African ("HDSA") ownership percentage. The Company believes that any action in this regard is premature given that the court proceedings between the Chamber of Mines and the DMR in regard to the "once empowered, always empowered" principle and the introduction of the Reviewed Broad-Based Black-Economic Empowerment Charter for the South African Mining and Minerals Industry both remain pending. The Company has made several attempts to schedule a meeting with the DMR to further discuss this issue. To date, while the Company has been advised by the DMR that the matter will be discussed at a later date, no such meeting has taken place and the DMR has not issued a notice of non-compliance with the MPRDA.

As noted in the AIF, the DMR had obtained an exemption from applying the generic BEE Codes of Good Practice (the "Generic BEE Codes") under the Broad-Based Black Economic Empowerment Act, 2003 (the "BEE Act") until October 31, 2016 and had applied for a further extension until December 31, 2016. During such extension, when evaluating the issuance and maintenance of licenses and other authorizations, the DMR would rely upon the Amended Broad-Based Socio-Economic Empowerment Charter for the South African Mining Industry (the "Mining Charter"), rather than the more onerous provisions of the Generic BEE Codes. While this exemption was extended to December 31, 2016, no further exemption was obtained thereafter, and, as a matter of law, the Generic BEE Codes now apply to the issuance and maintenance of licenses and other authorizations. As a matter of practice, the DMR has continued to apply the provisions of the Mining Charter rather than the Generic BEE Codes, and the assessment of the Company's BEE compliance is therefore uncertain. See the risk factors in the AIF captioned "The dilution of Africa Wide may have a material adverse effect on the Company's business and results of operations" and "The failure to maintain or increase equity participation by HDSAs in the Company's prospecting and mining operations could adversely affect the Company's ability to maintain its prospecting and mining rights." On June 15, 2017 the Reviewed Broad-Based Black Economic Empowerment Charter for the South African Mining Industry, commonly styled Mining Charter III, was published and within hours of its publication, the Chamber of Mines rejected Mining Charter III as being unilaterally imposed upon the mining industry and that the process of developing the charter was seriously flawed. Please see the Mining Charter section above the Preliminary Notes for further details.

Maseve Mine - Labour Relations

In recent years, the gold and platinum mining industries in South Africa have witnessed significant labour unrest and demands for higher wages by certain labour groups. To date, the Company has seen no adverse labour action on its site at the Maseve Mine.

The primary union at the Maseve Mine, representing the workers of the project's underground mining contractors, is the National Union of Mineworkers ("NUM"). The Company maintains an active dialogue with contractors and NUM, as well as with its own employees. In October 2015, NUM agreed to a labour contract with the underground mining contractor at the Maseve Mine for a two-year period ending September 2017. In the future, should higher salaries and wages occur across the industry, the Company will likely see increased costs for labour.

Mill operating contractor TTL reported to the Company that Association of Mineworkers and Construction Union (“**AMCU**”) was recently recognized by them with approximately a 58% membership (approximately 62 people) amongst TTL’s workforce. During the period AMCU and TTL have reached a wage settlement agreement. There were no work disruptions.

Maseve Mine (Project 1) and Project 3 - Mineral Resources and Reserves

On July 15, 2015, the Company published an updated independent resource estimate for the Maseve Mine and an updated independent reserve estimate based on underground sampling and observations as well as recent infill drilling from surface in the Project 1 Report, which was prepared by Charles J Muller (B. Sc. (Hons) Geology) Pri. Sci. Nat., of CJM Consulting (Pty) Ltd.; Gert Roets (B. Eng. Mining), Pr. Eng. (ECISA), of DRA Projects; and Gordon Cunningham, B. Eng. (Chemical), Pr. Eng. (ECISA) of Turnberry Projects (Pty) Ltd. The Project 1 Report is now the current technical report for the Maseve Mine. An update to the 2015 resources and reserves based on the underground development and further surface and underground sampling is in progress at time of writing.

The 2015 updated reserve estimate in the Project 1 Report considers various mining factors, including changes in mining widths, methods and costs. Maseve Proven and Probable MR Reserves on a 100% project basis are estimated at 2.585 million ounces 4E (17.525 million tonnes grading 4.59 g/t 4E at a 2.50 g/t 4E cut-off grade and prill split of 2.94 g/t Pt, 1.24 g/t Pd, 0.18 g/t Rh, 0.23 g/t Au). Maseve Proven and Probable UG2 Reserves on a 100% project basis are estimated at 1.532 million ounces 4E (14.914 million tonnes grading 3.19 g/t 4E at a 2.50 g/t 4E cut-off grade and prill split of 2.01 g/t Pt, 0.83 g/t Pd, 0.32 g/t Rh, 0.03 g/t Au).

Total Maseve Mine measured and indicated mineral resources are 3.9 million ounces 4E on the MR (21.82 M tonnes grading 5.51 g/t 4E) and 2.8 million ounces on the UG2 Reef (22.68 M tonnes grading 3.8 g/t 4E) (100% project basis). These mineral resources have been calculated based on a resource cut of 146cm (versus 109cm in earlier estimates) and they incorporate recent detailed drilling and underground work to date. The prill splits are as previously announced at 64% Pt, 27% Pd, 4% Rh, 5% Au on the MR and 63% Pt, 26% Pd, 10% Rh, 1% Au on the UG2 Reef. The Company believes the thicker resource cut has better potential for the use of mechanized mining.

Mineral reserves are a sub-set of measured and indicated mineral resources and are not in addition to mineral resources. The total Maseve Mine MR and UG2 Reserves are as detailed above and in the current mine plan are sufficient for an updated annual production target of 250,000 ounces 4E at steady state and an overall mine life of approximately 20 years.

Mineral reserves and mineral resources reported for the Maseve Mine are from combined MR and UG2 reef tonnes. Information regarding grades, prill splits, sampling, reserve and resource calculations and risk factors may be found in the Project 1 Report, which was filed on August 28, 2015 on SEDAR at www.sedar.com and also filed on EDGAR at www.sec.gov.

A technical report dated August 31, 2010 entitled “Technical Report on Project 3 Resource Cut Estimation of the Western Bushveld Joint Venture (WBJV) Located on the Western Limb of the Bushveld Igneous Complex, South Africa” (the “**Project 3 Report**”) remains the current technical report with respect to Project 3. Project 3 hosts an estimated 1.939 million indicated 4E ounces (11.104 million tonnes @ 5.43 g/t) and 0.076 million inferred 4E ounces (0.443 million tonnes @ 1.47 g/t).

Maseve Mine (Project 1) and Project 3 - History of Acquisition

On October 26, 2004, the Company entered into a joint venture agreement (the “**WBJV Agreement**”) forming the WBJV among the Company (37% interest held through PTM RSA), Amplats (37% interest held through its wholly owned subsidiary, Rustenburg Platinum Mines Ltd. (“**RPM**”), and Africa Wide (26% interest held directly) in relation to a platinum exploration and development project on combined mineral rights covering approximately 67 km² on the Western Bushveld Complex of South Africa. The WBJV was divided into three distinct project areas, namely Projects 1, 2 and 3. In April 2007, Amplats contributed an additional 5 km² area of prospecting rights into the WBJV. This additional area was adjacent to the east of Projects 1 and 3 and became a part of Project 2 once contributed into the WBJV. Africa Wide was subsequently 100% acquired by Wesizwe, a Johannesburg Stock Exchange-listed company, in September 2007. PTM RSA was the operator of the joint venture.

On December 8, 2008, the Company entered into certain agreements to consolidate and rationalize the ownership of the WBJV (the “**Consolidation Transaction**”). On April 22, 2010, the Consolidation Transaction was completed and the WBJV dissolved. As a result, Projects 1 and 3 were transferred into Maseve and Project 2 was transferred into Africa Wide. On April 22, 2010, the Company also paid the equalization amount due under the WBJV Agreement to Amplats of Rand 186.28 million (approximately \$24.83 million at the time).

Following the Consolidation Transaction, the Company held a 54.75% interest in Maseve and Wesizwe held a 45.25% initial interest in Maseve. Under the terms of the Consolidation Transaction, the Company subscribed for a further 19.25% interest in Maseve, from treasury, in exchange for Rand 408.81 million (approximately \$59 million at the time), thereby increasing its effective shareholding in Maseve to 74%. The subscription funds were placed in escrow for application towards Africa Wide’s 26% share of expenditures for Projects 1 and 3. By mid-November 2013, the escrowed Maseve funds were fully depleted.

Waterberg Project

Waterberg Project – Activities in the period ended May 31, 2017

During the nine month period ended May 31, 2017, approximately \$3.3 million was spent at the Waterberg Project for engineering and exploration activities. At period end, \$22.7 million in net costs had been capitalized to the project. Since March 31, 2015, the budget for work at Waterberg has been fully funded by joint venture partner, the Japan Oil, Gas and Metals National Corporation (“**JOGMEC**”) in accordance with the 2nd Amendment to the JOGMEC Agreement (both as defined below). Since inception to date the Company has funded both the Company’s and Mnombo’s share of expenditures on the Waterberg Project. At May 31, 2017 Mnombo owed the Company approximately \$1.9 million for funding provided.

On April 19, 2016, the Company reported an updated independent 4E resource estimate for the Waterberg Project. Later, on October 19, 2016, the Company reported positive results from an Independent Pre-Feasibility Study (“**PFS**”) on the Waterberg Project and a further updated independent 4E resource estimate for the Waterberg Project. See “*Waterberg Project – Pre-Feasibility Study and Mineral Resource and Reserve Details*” below.

The Waterberg deposit is 13 km long so far, open along strike and begins from 140 meters deep. The deposit is known to continue down dip below the arbitrary 1,250 meter cut off depth applied to the deposit for resource estimation purposes. Minimum mineralized thickness is 3 meters and the maximum is 70 meters. Drilling will continue at Waterberg and the deposit is still open for expansion.

Based on a reinterpretation of airborne gravity surveys and taking the latest drill hole results into consideration, additional drilling northward along strike is planned.

Platinum Group is currently working to advance the project to completion of a Definitive Feasibility Study (“**DFS**”) and a construction decision. Drilling to increase the confidence in certain areas of the known mineral resource to the measured category resumed in April, 2017. To June 30, 2017 approximately 12,883 meters have been drilled for this programme.

Several holes drilled in late 2016 and several holes drilled in 2017 have recently returned assays. Highlights include the following intercepts:

- North Super F Zone Borehole WE097D3 returning **45.1 meters of 4.64 g/t 3PGE** , including **16.6 meters of 7.28 g/t 3PGE** ;
- North Super F Zone Borehole WE096D0 returning **25.81 meters of 3.62 g/t 3PGE** , including **6.15 meters of 4.89 3PGE** ;
- Boundary Super F Zone Borehole WE101D1 returning **10.0 meters of 8.16 g/t 3PGE** ;
- T Zone Borehole WB211D2 returning **6.55 meters of 5.81 g/t 3PGE** ;
- T Zone Borehole WB222D1 returning **9.00 meters of 5.85 g/t 3PGE** ;
- T Zone Borehole WB224D0 returning **15.0 meters 3.48 g/t 3PGE** ;

- T Zone Borehole WB229D1 returning **5.78 meters 8.03 g/t 3PGE** ;
- T Zone Borehole WB231D1 returning **4.01 meters 13.04 g/t 3PGE** ; and
- T Zone Borehole WB233D0 returning **7.31 meters 10.93 g/t 3PGE** ;

The true width of the shallow dipping (30° to 35°) mineralized zones that were sampled are approximately 82% to 87% of the reported interval from the vertical intercept. For the efficient application of bulk mining methods and for mine planning, vertical intercepts of 3 meters or more are desirable. Increased grade thickness zones associated with minor footwall troughs or bays along the 13 km long layered complex have recently been identified. Infill drilling is confirming and adding definition to these zones, which will allow them to be prioritized in an updated mine plan for the DFS.

As a result of its shallow depth, good grade and a fully mechanized mining approach, the Waterberg Project has the opportunity to be a safe mine within the lowest quartile of the Southern Africa PGE industry cost curve. The project resources consist of 60% palladium (refer to “Independent Technical Report on the Waterberg Project Including Mineral Resource Update and Pre-Feasibility Study – Project Areas located on the Northern Limb of the Bushveld Igneous Complex, South Africa” dated effective October 17, 2016 and filed on October 19, 2016 at www.sedar.com).

A table of results for the 2016 boreholes recently assayed, including the highlight holes referred to above, follows:

BHID	DEFLECTION	Y-COORDINATE	X-COORDINATE	FROM M	TO M	ZONE	LENGTH M	Est. True Width M	3PGE g/t	Pt g/t	Pd g/t	Au g/t	CU%	NI%
WB211	D0	-2587818.668	-11767.087	233.00	239.00	TZONE	6.00	5.10	1.41	0.38	0.82	0.21	0.05	0.05
	D1			232.17	237.50	TZONE	5.33	4.53	2.42	0.65	1.50	0.27	0.09	0.07
	D2			233.45	240.00	TZONE	6.55	5.57	5.81	1.69	3.47	0.65	0.15	0.12
	D3			231.43	237.71	TZONE	6.28	5.34	3.99	0.95	2.47	0.58	0.14	0.09
WB212	D0	-2587691.981	-11642.932	208.50	211.90	TZONE	3.40	2.89	2.74	0.88	0.91	0.96	0.17	0.08
	D1			208.00	211.26	TZONE	3.26	2.77	3.83	1.20	1.22	1.42	0.14	0.06
WB213	D0	-2587690.841	-11765.289	284.00	288.57	TZONE	4.57	3.88	4.34	1.65	0.94	1.75	0.29	0.16
	D1			285.00	290.00	TZONE	5.00	4.25	1.40	0.50	0.26	0.65	0.13	0.08
	D2			282.50	287.86	TZONE	5.36	4.56	4.32	1.64	0.90	1.78	0.32	0.15
WB214	D0	-2587941.564	-11891.021	252.00	260.50	TZONE	8.50	7.23	0.36	0.13	0.13	0.10	0.02	0.02
	D1			253.00	261.50	TZONE	8.50	7.23	2.47	0.68	1.14	0.65	0.10	0.05
	D2			251.62	260.50	TZONE	8.88	7.55	1.78	0.65	0.89	0.24	0.05	0.04
WB215	D0	-2587564.993	-11641.336	239.00	245.00	TZONE	6.00	5.10	2.44	0.73	1.06	0.65	0.08	0.03
	D1			239.00	245.00	TZONE	6.00	5.10	3.71	1.32	1.78	0.61	0.10	0.03
	D2			239.00	245.00	TZONE	6.00	5.10	4.47	1.33	1.93	1.20	0.13	0.06
WB216	D0	-2588192.079	-12015.406	231.00	235.50	TZONE	4.50	3.83	2.08	0.53	0.50	1.06	0.25	0.11
	D1			231.00	235.50	TZONE	4.50	3.83	2.49	0.59	0.49	1.41	0.31	0.12
	D2			231.00	235.50	TZONE	4.50	3.83	2.51	0.59	0.46	1.45	0.30	0.12
WB217	D0	-2588310.841	-12235.078	224.50	227.50	TZONE	3.00	2.55	4.74	1.62	0.46	2.67	0.73	0.24
	D1			223.50	226.50	TZONE	3.00	2.55	3.05	1.01	0.31	1.73	0.41	0.17
	D2			223.00	225.97	TZONE	2.97	2.52	2.42	0.82	0.24	1.36	0.36	0.14
WB218	D0	-2588317.59	-12154.427	Replaced by dyke										
WB219	D0	-2588181.779	-12127.883	267.97	270.94	TZONE	2.97	2.52	3.36	0.86	0.47	2.04	0.43	0.17
	D1			267.95	271.00	TZONE	3.05	2.59	2.84	0.73	0.57	1.53	0.32	0.13

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WB220	D2	-2587816.74	-11892.07	268.00	271.15	TZONE	3.15	2.68	3.69	0.89	0.99	1.80	0.46	0.20
	D0			178.00	182.20	TZONE	4.20	3.57	4.67	1.37	2.83	0.47	0.07	0.03
WB221	D0	-2587754.852	-11830.463	297.00	298.50	TZONE	1.50	1.28	2.24	0.67	1.15	0.42	0.08	0.06
	D1			296.50	298.50	TZONE	2.00	1.70	1.68	0.49	0.82	0.38	0.07	0.07
	D2			297.00	299.00	TZONE	2.00	1.70	1.91	0.57	0.96	0.38	0.08	0.07
WB222	D0	-2587816.74	-11892.07	295.33	305.50	TZONE	10.17	8.64	4.27	1.08	2.42	0.76	0.24	0.13
	D1			295.50	304.50	TZONE	9.00	7.65	5.85	1.17	3.15	1.53	0.30	0.17
	D2			298.38	308.00	TZONE	9.62	8.18	4.54	1.11	2.73	0.70	0.48	0.23
WB223	D0			Faulted out										
WB224	D0	-2587832.088	-12018.586	370.50	385.50	TZONE	15.00	12.75	3.48	1.07	1.69	0.72	0.11	0.06
	D1			376.50	385.00	TZONE	8.50	7.23	2.92	0.73	0.93	1.26	0.34	0.16
	D2			375.50	384.00	TZONE	8.50	7.23	1.28	0.36	0.42	0.50	0.15	0.09
WB225	D0	-2588248.04	-12243.027	284.11	285.50	TZONE	1.39	1.18	0.54	0.14	0.27	0.12	0.02	0.04
	D1			284.00	285.50	TZONE	1.50	1.28	2.75	0.88	1.51	0.36	0.08	0.06
	D2			284.00	285.50	TZONE	1.50	1.28	0.41	0.12	0.25	0.04	0.02	0.04
WB226	D0	-2587563.818	-11768.588	322.50	329.76	TZONE	7.26	6.17	3.15	0.82	2.07	0.26	0.04	0.02
	D1			323.00	330.00	TZONE	7.00	5.95	0.97	0.28	0.50	0.18	0.03	0.02
WB227	D0	-2587437.448	-11768.404	321.50	324.00	TZONE	2.50	2.13	2.66	0.81	1.51	0.34	0.07	0.06
	D1			365.00	370.00	TZONE	5.00	4.25	5.05	1.73	3.15	0.17	0.03	0.02
WB228	D1	-2587692.211	-12015.877	431.00	436.15	TZONE	5.15	4.38	2.40	0.83	1.34	0.23	0.03	0.02
	D2			430.48	435.50	TZONE	5.02	4.27	5.76	1.47	3.29	1.00	0.12	0.06
WB229	D0	-2587440.518	-11889.915	450.00	455.50	TZONE	5.50	4.68	4.13	1.23	2.03	0.88	0.07	0.04
	D1			452.00	457.78	TZONE	5.78	4.91	8.03	2.28	4.49	1.25	0.13	0.08
	D2			453.61	459.00	TZONE	5.39	4.58	4.26	1.59	1.47	1.20	0.12	0.07
WB230	D0	-2587691.814	-11888.762	350.50	353.77	TZONE	3.27	2.78	6.17	1.47	3.82	0.89	0.21	0.12
	D1			350.00	353.47	TZONE	3.47	2.95	8.65	2.62	5.04	0.99	0.26	0.14
	D2			349.00	352.40	TZONE	3.40	2.89	7.12	2.26	4.03	0.83	0.18	0.09
WB231	D0	-2587379.131	-11827.591	428.00	430.50	TZONE	2.50	2.13	4.97	1.49	3.03	0.46	0.04	0.04
	D1			430.18	434.19	TZONE	4.01	3.41	14.88	4.20	7.25	3.44	0.45	0.21
	D2			429.81	434.00	TZONE	4.19	3.56	10.65	2.93	5.19	2.54	0.36	0.17
WB233	D0	-2587315.508	-11891.433	503.00	510.31	TZONE	7.31	6.21	10.93	2.94	5.65	2.34	0.23	0.13
	D1			501.72	507.00	TZONE	5.28	4.49	11.12	2.67	4.84	3.61	0.20	0.10
	D2			501.10	508.50	TZONE	7.40	6.29	5.50	1.48	3.04	0.98	0.10	0.05
WE096	D0	-2582883.21	-7705.062	245.15	270.96	NSF	25.81	21.94	3.62	0.78	2.67	0.17	0.12	0.21
	D1			245	270.96	NSF	25.96	22.07	2.59	0.72	1.74	0.14	0.11	0.18
	D2			245	269	NSF	24	20.40	2.60	0.71	1.76	0.14	0.11	0.20
WE097	D0	-2582945.441	-7698.841	208	253.9	NSF	45.9	39.02	4.48	1.08	3.16	0.23	0.14	0.29
	D1			207.5	253.4	NSF	45.9	39.02	4.32	1.15	2.94	0.22	0.14	0.28
	D2			208	253.5	NSF	45.5	38.68	4.20	1.06	2.93	0.21	-	-
	D3			208	253.1	NSF	45.1	38.34	4.64	1.21	3.20	0.23	0.15	0.29
WE098	D0	-2583066.11	-7755.273	183	205.5	NSF	22.5	19.13	0.51	0.18	0.32	0.02	0.03	0.09

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WE096	D0	-2582883.21	-7705.062	245.15	251.3	NSF_IN	6.15	5.23	4.89	1.29	3.32	0.28	0.17	0.30
	D1			245	250.48	NSF_IN	5.48	4.66	3.65	1.00	2.46	0.19	0.13	0.24
	D2			246.14	252	NSF_IN	5.86	4.98	1.55	0.41	1.04	0.09	0.08	0.19
WE097	D0	-2582945.441	-7698.841	208	224.2	NSF_IN	16.2	13.77	7.30	1.88	5.01	0.41	0.23	0.41
	D1			207.5	223.6	NSF_IN	16.1	13.69	6.31	1.67	4.30	0.34	0.20	0.38
	D2			208	223.7	NSF_IN	15.7	13.35	6.31	1.56	4.43	0.32	-	-
	D3			208	224.6	NSF_IN	16.6	14.11	7.28	1.87	5.07	0.35	0.21	0.40
WE100	D0	-2583753.729	-8454.253	Replaced by Dyke										
WE101	D1	-2583815.801	-8515.829	353.00	363.00	BSF	10.00	8.50	8.16	2.58	5.26	0.33	-	-
WE102	D0	-2583690.808	-8638.921	454.00	461.50	BSF	7.50	6.38	2.99	0.82	2.03	0.14	-	-
	D1			453.93	460.50	BSF	6.57	5.58	3.09	0.93	1.99	0.17	0.12	0.27
	D2			454.00	462.00	BSF	8.00	6.80	2.50	0.70	1.63	0.17	-	-
WE104	D0	-2583818.547	-8392.446	LOW GRADE										
	D1			LOW GRADE										
WE105	D0	-2583690.891	-8265.732	263.00	291.21	BSF	28.21	23.98	3.59	1.04	2.33	0.22	0.08	0.18
	D2			264.00	291.00	BSF	27.00	22.95	3.80	1.11	2.44	0.24	-	-
WE107	D0	-8580.504	-2583877.91	373.00	388.00	BSF	15.00	12.75	1.05	0.29	0.70	0.06	-	-
	D1			373.00	386.90	BSF	13.90	11.82	1.41	0.40	0.93	0.08	-	-
	D2			373.00	387.00	BSF	14.00	11.90	1.35	0.37	0.89	0.10	-	-
WE110	D0	-8640.6863	-2583816.183	418.50	427.50	BSF	9.00	7.65	3.56	0.98	2.37	0.21	-	-

In the table above “BSF” refers to Boundary Super F Zone, “NSF” refers to North Super F Zone, “NSF_IN” refers to a higher-grade North Super Zone intercept within a borehole reported above and “TZ” refers to T Zone. All of the above holes were drilled vertical or near vertical.

During May, 2017 SFA Oxford Ltd. (“SFA”) was selected to assess potential offtake options and commercial terms for the Waterberg Project. SFA is an internationally recognized consultancy focused on the PGM metals and markets. SFA’s work will assist in determining smelter offtake assumptions for the DFS.

Important detailed infrastructure planning has commenced for the Waterberg Project, including power line environmental and servitude work by Eskom and detailed hydrogeological work to source ground water. Eskom has progressed electrical power connection planning for a 65 km, 140MW line to the project.

Detailed hydrological work is now underway to study the possible utilization of known sources for significant volumes of ground water. Another instance where groundwater sources currently supply a large-scale mine in the Limpopo region has stimulated this research. Several boreholes proximal to Waterberg have already identified large volumes of ground water that because of mineral content, is not potable or suitable for agriculture. Hydrological and mill process specialists are investigating the use of this water as mine process water. Hydrological work so far has also identified several large-scale water basins that are likely able to provide mine process and potable water for the Waterberg Project and local communities. Test drilling of these water basins has commenced. The Waterberg Project team is examining the possibility of assisting with regional infrastructure to source potable water for municipal use while also sourcing and providing mine process water. Meetings with local municipalities have been positive and co-operative in tone and are encouraging for future development.

Planned DFS engineering work on the Waterberg Project includes resource modelling, metallurgical work, optimization of the metallurgical flow sheet using South African and Japanese expertise, bulk services design and mechanized mine planning. Optimization of the mine plan and working on reducing underground sustaining development capital will be part of the upcoming DFS. The Company also plans to file a mining right application, with Joint Venture approval, based substantially on the results of the PFS.

Waterberg Project – Pre-Feasibility Study and Mineral Resource and Reserve Details

On October 19, 2016, the Company announced positive results from a PFS on the Waterberg Project completed by international and South African engineering firm WorleyParsons RSA (Pty) Ltd. trading as Advisian. Technical information in this MD&A regarding the Waterberg Project is derived from the NI 43-101 technical report filed entitled “Independent Technical Report on the Waterberg Project Including Mineral Resource Update and Pre-Feasibility Study” dated October 19, 2016, with an effective date of October 17, 2016 for the estimate of mineral reserves and resources (the “**October 2016 Waterberg Report**”), prepared by (i) Independent Engineering Qualified Person Mr. Robert L Goosen (B.Eng. (Mining, Engineering)) Pr. Eng. (ECSA), Advisian/WorleyParsons Group, (ii) Independent Geological Qualified Person Mr. Charles J Muller (B.Sc. (Hons) Geology) Pri. Sci. Nat., CJM Consulting (Pty) Ltd., and (iii) Independent Engineering Qualified Person Mr. Gordon I. Cunningham, B. Eng. (Chemical), Pr. Eng. (ECSA), Professional association to FSAIMM, Turnberry Projects (Pty) Ltd.

Readers are directed to review the full text of the October 2016 Waterberg Report, available for review under the Company’s profile on SEDAR at www.sedar.com and on EDGAR at www.sec.gov for additional information.

The October 2016 Waterberg Report estimated that mineral resources in the “T” and “F” zones (100% project basis) increased to an estimated 24.886 million ounces 4E in the indicated category plus 10.802 million ounces 4E in the inferred category:

- Indicated 218.265 million tonnes grading 3.55 g/t 4E (1.06 g/t Pt, 2.18 g/t Pd, 0.26 g/t Au, 0.04 g/t Rh, 2.5 g/t cut-off), plus 0.08% Cu and 0.15% Ni.
- Inferred 97.212 million tonnes grading 3.46 g/t 4E (1.03 g/t Pt, 2.10 g/t Pd, 0.30 g/t Au, 0.03 g/t Rh, 2.5 g/t cut-off), plus 0.06% Cu and 0.11% Ni.

The October 2016 Waterberg Report also estimated probable mineral reserves in the “T” and “F” zones (100% project basis) estimated at 12.32 million ounces 4E plus 191.18 million pounds of copper and 333.04 million pounds of nickel:

- 102.7 million tonnes grading 3.73 g/t 4E (1.11 g/t Pt, 2.29 g/t Pd, 0.29 g/t Au, 0.04 g/t Rh, 2.5 g/t cut-off), plus 0.08% Cu and 0.15% Ni.

Only Indicated resources have been incorporated into the mine plan and financial model. The mineable reserve represents the portion of the indicated resource that can be economically mined as delivered to the mill, and as demonstrated in the PFS. The reader is cautioned to note that the mineral reserves are included within the indicated mineral resources, and are not in addition to them. As compared to earlier resource estimates, the increased F zone grade in the latest updated resource estimate combined with improved deposit definition allowed for the targeting of best grade thickness in early mine scheduling for the PFS.

Highlights of the PFS

- Validation of the 2014 Waterberg Preliminary Economic Assessment (“**PEA**”) results for a large scale, shallow, decline accessible, mechanized platinum, palladium, rhodium and gold mine.
- Annual steady state production rate of 744,000 4E ounces in concentrate.
- A 3.5-year construction period.
- Onsite life-of-mine average cash cost of \$248 per 4E ounce including by-product credits and exclusive of smelter discounts.
- After-tax Net Present Value (“**NPV**”) of \$320 million, at an 8% discount rate, using three-year trailing average metal prices.
- After-tax NPV of \$507 million, at an 8% discount rate, using investment bank consensus average metal prices.
- Estimated capital to full production of approximately \$1.06 billion including \$67 million in contingencies. Peak project funding estimated at \$914 million. Capital costs to full production and peak funding of the project are estimated in Rand 2016 terms at 15R/1USD with a flat exchange rate. Escalation of costs in Rand terms are

estimated to be mostly offset over time by future Rand devaluation.

- After-tax Internal Rate of Return (“**IRR**”) of 13.5% using three-year trailing average price deck.
- After-tax IRR of 16.3% at investment bank consensus average metal prices.
- Probable reserves of 12.3 million 4E ounces (2.5 g/t 4E cut-off).
- Indicated resources updated to 24.9 million 4E ounces (2.5 g/t 4E cut-off) and deposit remains open on strike to the north and below a 1,250 meter arbitrary depth cut-off.

As a result of the shallow depth, good grades and a fully mechanized mining approach, the Waterberg Project has the opportunity to be a safe mine within the lowest quartile of the Southern Africa 4E industry cost curve. The project resources consist of 60% palladium and the PFS estimates that Waterberg will produce approximately 744,000 4E ounces per year at full production, of which 472,000 ounces would be palladium annually.

It is estimated that Waterberg will create approximately 3,361 new primary highly trained jobs with transferable skills. The increased safety, improved working conditions, low costs and decline access for rapid development all provide attractive features compared to traditional platinum and palladium mines in South Africa. The project is in an area prioritized for economic development. Relations with the small rural community in the area have been business like and positive.

The estimates for the scope of work, within the given battery limits, and subject to the qualifications, assumptions and exclusions contained in the PFS, are considered to be within the accuracy range required for a PFS of $\pm 25\%$. Monte Carlo simulation was used to provide a 12% contingency that was used in the estimates. A minimum mining width has been set at three meters so that all mining can be fully mechanized, safe and efficient

Waterberg Projects – History of Acquisition

The Waterberg JV Project is comprised of a contiguous granted prospecting right area of approximately 255 km² located on the Northern Limb of the Bushveld Complex, approximately 70 km north of the town of Mokopane (formerly Potgietersrus). The adjacent Waterberg Extension property includes contiguous granted and applied-for prospecting rights with a combined area of approximately 864 km². The Company has the exclusive right to apply for renewals of the prospecting rights for periods not exceeding three years each and the exclusive right to apply for a mining right over these prospecting right areas.

On September 28, 2009, PTM RSA, JOGMEC and Mnombo entered into a joint venture agreement, as later amended on May 20, 2013 (the “**JOGMEC Agreement**”) whereby JOGMEC could earn up to a 37% participating interest in the Waterberg JV Project for an optional work commitment of \$3.2 million over four years, while at the same time Mnombo could earn a 26% participating interest in exchange for matching JOGMEC’s expenditures on a 26/74 basis (\$1.12 million).

On November 7, 2011, the Company entered into an agreement with Mnombo whereby the Company acquired 49.9% of the issued and outstanding shares of Mnombo in exchange for cash payments totaling R1.2 million and an agreement that the Company would pay for Mnombo’s 26% share of costs on the Waterberg JV Project until the completion of a DFS.

On May 26, 2015, the Company announced a second amendment (the “**2nd Amendment**”) to the JOGMEC Agreement. Under the terms of the 2nd Amendment, the Waterberg JV Project and Waterberg Extension Project are to be consolidated and contributed into a newly created operating company named Waterberg JV Resources (Pty) Ltd. (“**Waterberg JV Co.**”). The Company is to hold 45.65% of Waterberg JV Co. while JOGMEC is to hold 28.35% and Mnombo is to hold 26%. Through its 49.9% share of Mnombo, the Company will hold an effective 58.62% of Waterberg JV Co., post-closing. Under the 2nd Amendment, JOGMEC has committed to fund \$20 million in expenditures over a three-year period ending March 31, 2018, of which approximately \$17.66 million was funded by JOGMEC to May 31, 2017. The Company remains the Project operator under the 2nd Amendment. Closing of this transaction is subject to MPRDA Section 11 approval by the DMR to transfer title of the prospecting rights. If Section 11 transfer approval is not obtained, the parties will default to the pre-amendment JV arrangement, with any advances received from JOGMEC to be used to offset its spending commitments on the Waterberg JV Project.

The Company carried Mnombo’s 26% share of expenses in the Waterberg project until March 31, 2015, after which time JOGMEC has been funding expenses under the terms of the 2nd Amendment.

NON-MATERIAL MINERAL PROPERTY INTERESTS

The non-material mineral property interests of the Company include the War Springs and Tweespalk projects located in South Africa and various Canadian mineral property interests in Ontario, the Northwest Territories and Newfoundland and Labrador. These non-material property interests are not, individually or collectively, material to the Company. All non-material properties have been written off and are also described in the Company's audited annual consolidated financial statements for the year ended August 31, 2016 and the AIF, copies of which may be obtained online on SEDAR at www.sedar.com and on EDGAR at www.sec.gov

3. DISCUSSION OF OPERATIONS AND FINANCIAL CONDITION

A) Liquidity and Capital Resources

Equity Financings

On November 1, 2016, the Company announced the closing of an offering of 22,230,000 common shares at a price of \$1.80 per share resulting in gross proceeds of \$40 million. Details of this offering may be found in the Company's October 25, 2016 Prospectus Supplement to a Short Form Base Shelf Prospectus dated October 14, 2016. Net proceeds to the Company after fees, commissions and costs were approximately \$37 million.

On January 31, 2017, the Company announced the closing of an offering of 19,693,750 common shares at a price of \$1.46 per share resulting in gross proceeds of \$29 million. Details of this offering may be found in the Company's January 24, 2017 Prospectus Supplement to a Short Form Base Shelf Prospectus dated October 14, 2016. Net proceeds to the Company after fees, commissions and costs were approximately \$26 million.

On April 26, 2017, the Company announced the closing of an offering of 15,390,000 common shares at a price of US\$1.30 per share, for aggregate gross proceeds of \$20 million. Details of this offering may be found in the Company's April 19, 2017 Prospectus Supplement to a Short Form Base Shelf Prospectus dated October 14, 2016. Net proceeds to the Company after fees, commissions and costs were approximately \$18.4 million.

The following is a reconciliation for the use of proceeds from the November 1, 2016, January 31, 2017 and April 26, 2017 offerings:

Use of Proceeds (In millions of dollars)	As Estimated in the October 25, 2016 Prospectus Supplement	As Estimated in the January 24, 2017 Prospectus Supplement	As Estimated in the April 19, 2017 Prospectus Supplement	Aggregate Amount	Actual to May 31, 2017 ⁽¹⁾
Project 1 underground development and production ramp-up costs (100% basis) ⁽²⁾	\$ 22.0	\$ 8.50	\$ 11.7	\$ 42.2	\$58.0
Working capital during start-up ⁽³⁾	\$ 9.4	\$ 4.0	\$ 3.5	\$ 16.9	\$6.1
Repayment of Second Spratt Advance ⁽⁴⁾	\$ 5.0	\$ -	\$ 2.5	\$ 7.5	\$5.0
General corporate purposes	\$ 0.56	\$ 13.88	\$ 0.66	\$ 15.1	\$ -
Total	\$ 36.96	\$ 26.38	\$ 18.36	\$ 81.7	\$69.1

Explanatory Notes:

- (1) This column shows only the portion of the net proceeds of the November 1, 2016 and January 31, 2017 offerings that were spent during the period of November 1, 2016 to May 31, 2017.
- (2) Assumed that Africa Wide would elect not to contribute to Maseve in order to match its pro rata share of Project 1 funding. Any funding from Africa Wide or a new joint venture partner would reduce the Company's funding requirements.
- (3) May be used for interest payable under the Sprott Facility, wages and salaries and other estimated general and administrative costs.
- (4) The proceeds from the Second Sprott Advance (as defined below) were used to fund underground development and production ramp-up at Project 1. The Sprott Lenders (as defined below) elected for earlier repayment of one half of the Second Sprott Advance from the proceeds of the November 1, 2016 offering. The balance of the Second Sprott Advance was repaid from the net proceeds of the April 26, 2017 offering.

Convertible Senior Subordinated Notes

On June 27, 2017 the Company announced it had entered purchase agreements with certain institutional investors to issue and sell \$20 million aggregate principal amount of 6 7/8% convertible senior subordinated notes due 2022. The Notes will bear interest at a rate of 6 7/8% per annum, payable semi-annually on January 1 and July 1 of each year, beginning on January 1, 2018, in cash or at the election of the Company, in common shares of the Company or a combination of cash and common shares, and will mature on July 1, 2022, unless earlier repurchased, redeemed or converted. The Notes will be convertible at any time at the option of the holder, and may be settled, at the Company's election, in cash, common shares, or a combination of cash and common shares. If any Notes are converted on or prior to the three and one-half year anniversary of the issuance date, the holder of the Notes will also be entitled to receive an amount equal to the remaining interest payments on the converted Notes to the three and one-half year anniversary of the issuance date, discounted by 2%, payable in Common Shares. The transaction closed June 30, 2017.

Sprott Facility

On February 13, 2015, the Company entered into a secured credit agreement with a syndicate of lenders (the “**Sprott Lenders**”) led by Sprott Resource Lending Partnership (“**Sprott**”) for a senior secured loan facility (the “**Original Sprott Facility**”) of up to \$40 million. On November 20, 2015, the Company drew down \$40 million under the Original Sprott Facility. The Original Sprott Facility was amended on November 19, 2015, May 3, 2016, September 19, 2016, January 13, 2017, April 13, 2017 and June 15, 2017.

On October 12, 2016 a further \$5 million (the “**Second Sprott Advance**”) with half of this amount repaid at the request of Sprott in November 2016 and the remaining \$2.5 million repaid in April 2017. The maturity date of the Sprott Facility is December 31, 2018. The outstanding principal under the Sprott Facility is payable in 12 monthly instalments during calendar 2018, subject to certain mandatory prepayment provisions under the Sprott Facility. Interest is compounded and payable monthly at an interest rate of LIBOR plus 8.50%. The Sprott Lenders have a first priority lien on (i) the issued shares of PTM RSA held by the Company (and such other claims and rights described in the applicable pledge agreement) and (ii) all present and after-acquired personal property of the Company. The Sprott Facility is also guaranteed by PTM RSA.

The Company has made certain payments to the Sprott Lenders in connection with the Original Sprott Facility and the Sprott Facility, including (a) the issuance of 348,584 common shares in connection with the November 2015 draw down of the Original Sprott Facility; (b) a structuring fee comprised of a cash payment in the amount of \$100,000, paid concurrently with the execution and delivery of the term sheet for the Original Sprott Facility; (c) a bonus payment in the amount of \$1,500,000, payable in the form of 283,019 common shares issued concurrently with the execution of the Original Sprott Facility, (d) a standby fee in cash equal to 4% per annum of the daily unadvanced principal amount of the Sprott Facility payable in monthly instalments until December 31, 2015; (e) the issuance of 131,654 common shares in connection with the May 2016 amendment; (f) the issuance of 801,314 common shares in connection with the September 2016 amendment (g) the issuance of 113,963 common shares in connection with the Second Sprott Advance; and (h) the issuance of 275,202 shares in connection with the January 2017 amendment (j) the payment of a fee of \$200,000 due upon the maturity or repayment of the facility in connection with the June 2017 amendment.

LMM Facility

On November 20, 2015, the Company also drew down \$40 million from its secured loan facility (the “**LMM Facility**”) pursuant to the second lien credit agreement entered into on November 2, 2015, which was later amended on May 3, 2016, September 19, 2016, January 13, 2017, April 13, 2017 and June 15, 2017 (as so amended, the “**LMM Credit Agreement**”), with a major shareholder, Liberty Metals & Mining Holdings, LLC (“**LMM**”).

The interest rate on the LMM Facility is LIBOR plus 9.5% . Interest payments on the LMM Facility were to be accrued and capitalized until December 31, 2016, and then paid to LMM quarterly thereafter. On September 19, 2016, the LMM Facility was amended so interest payments will now be due starting December 31, 2017, while the first 20% of principal is to now be repaid on June 30, 2019 and then in tranches of 10% of the principal at the end of each calendar quarter beginning on September 30, 2019 and for each of the next seven quarters of the LMM Facility. Under the LMM Credit Agreement and subject to the conditions therein, LMM has a right of first offer in the event the Company, PTM RSA, or certain subsidiaries of the Company and PTM RSA wish to undertake a debt financing.

LMM has a second priority lien on (i) the issued shares of PTM RSA held by the Company (and such other claims and rights described in the applicable pledge agreement) and (ii) all present and after-acquired personal property of the Company. The LMM Facility is also guaranteed by PTM RSA. LMM and Sprott entered into an intercreditor agreement under which, among other things, LMM agreed to subordinate certain rights and to be bound by certain restrictions in favor of Sprott.

Pursuant to the LMM Credit Agreement the Company entered into a life of mine Production Payment Agreement (“ PPA ”) with LMM. Under the PPA, the Company agreed to pay to LMM a production payment of 1.5% of net proceeds received on concentrate sales or other minerals from the Maseve Mine and Project 3 (the “ **Liberty Production Payment** ”). Under the September 2016 amendment the Company no longer has the right to buy back 1% of the 1.5% Liberty Production Payment.

An event of default under the PPA triggers the payment of a termination fee based on a net present value of the Liberty Production Payments to be made under the PPA at a 5% discount rate. An event of default under the Sprott Facility or the LMM Facility is also treated as an event of default under the PPA. The Company holds the right to terminate the PPA upon payment of the termination fee.

The PPA is secured with the second lien position of the LMM Facility until it is repaid. The PPA will be acknowledged in any subsequent debt arrangement of the Company. The Company has a right to refinance the Sprott Facility or the LMM Facility, subject to certain rights granted to LMM under the PPA.

The Company has made certain payments to LMM in connection with the LMM Facility, including (a) the issuance of 348,584 common shares in connection with the November 2015 draw down of the LMM Facility; (b) the issuance of 131,654 common shares in connection with the May 2016 amendments; (c) the issuance of 801,314 common shares in connection with the September 2016 amendments; (d) the issuance of 293,616 common shares in connection with the January 2017 amendments; and (e) the payment of a fee of \$400,000 due upon the maturity or repayment of the Sprott facility in connection with the June 2017 amendment.

Additional Terms of Facilities

Under the Sprott Facility and the LMM Facility the Company has agreed to covenants that are customary and usual for facilities and agreements of this nature, including:

- Subject to the June 2017 amendments to the Sprott Facility and the LMM Facility, the maintenance of working capital in excess of \$5,000,000;
- Subject to the June 2017 amendments to the Sprott Facility and the LMM Facility, maintaining a minimum of \$5,000,000 in unrestricted cash and cash equivalents;
- In the case of the LMM Facility, maintenance of a debt service coverage ratio on a rolling four quarter basis of at least 1.20:1;
- Compliance in all material respects with all applicable securities legislation and continuous disclosure obligations;
- Compliance in all material respects with all applicable law, including environmental laws;
- Diligent pursuit of construction completion of the Maseve Mine and the achievement of production targets;
- Restrictions on the incurrence of debt and liens and the making of investments and restricted payments, except as set forth in the Sprott Facility and the LMM Facility; and
- In the case of the LMM Facility, an agreement to pay LMM cash sweep amounts equal to 50% of excess cash flow on a quarterly basis.

January 2017 Amendments

Based on delays to the ramp-up of production (as described above), the Sprott Facility and the LMM Facility were amended in January 2017 to revise certain production target provisions, to update the planned production figures, and to waive the application of a working capital requirement. The Sprott Facility was also amended in January 2017 to postpone the commencement of the requirement to pay the Sprott Lenders 50% of the proceeds of equity and debt financings (excluding intercompany financings) of the Company or its subsidiaries having a value exceeding \$1,000,000 in the aggregate, in partial repayment of the Sprott Facility.

In consideration of the above amendments, the Company paid an amount equal to \$425,000 to the Sprott Lenders and an amount equal to \$453,440 to LMM (collectively, the “ **Amendment Fee** ”), in each case representing 1% of the outstanding principal amount of the applicable facility, payable by the issuance of 275,202 Company common shares to the Sprott Lenders and 293,616 Company common shares to LMM (collectively, the “ **Amendment Fee Shares** ”). The Amendment Fee Shares were issued at a deemed price of C\$2.0277, equal to the volume weighted average trading price of the Company’s common shares on the Toronto Stock Exchange for the 10 trading days immediately prior to the date of the amendments, less a 10% discount, converted into Canadian dollars using the Bank of Canada noon spot rate for the purchase of Canadian dollars on the first business day immediately preceding the date of the amendments.

April 2017 Amendments

Based on delays to the ramp-up of production (as described above), the Sprott Facility and the LMM Facility were further amended, with no amendment fee payable to Sprott or LMM, in April 2017 to:

- revise production target provisions, to require the Maseve Mine to reach and maintain a three-month rolling average of (i) at least 60% of planned production for a three-month period commencing March 31, 2017 (instead of January 31, 2017) and (ii) at least 70% of planned production after June 30, 2017 (instead of April 30, 2017), and to update the planned production figures; and
- waive until May 31, 2017, the covenant to maintain at all times a working capital in excess of \$5,000,000 and a minimum of \$5,000,000 in unrestricted cash and cash equivalents.

The Sprott Facility was also amended to:

- postpone from March 31, 2017 to June 30, 2017 the commencement of the requirement to pay the Sprott Lenders 50% of the proceeds of equity and debt financings (excluding intercompany financings) of the Company or its subsidiaries having a value exceeding \$1,000,000 in the aggregate, in partial repayment of the Sprott Facility; and
- require repayment of the outstanding portion of the Second Sprott Advance in full using the net proceeds of any equity or debt financings (excluding intercompany financings) that close after April 13, 2017 (otherwise to be paid in six equal installments commencing July 31, 2017).

June 2017 Amendments

To accommodate the Company for continued delays to production ramp-up at the Maseve Mine, (as described above), the Sprott Facility and the LMM Facility were further amended in June, 2017 to waive until October 31, 2017 minimum cash and working capital requirements, achievement of production targets, certain events of default and the requirement to pay the lenders 50% of the proceeds of equity and debt financings. Sprott and LMM are each to be paid a fee of US \$200,000 and US \$400,000 respectively in consideration of the above amendments, both at the same time upon the maturity or repayment of the Sprott facility. The Liberty facility is in second secured position and is scheduled for repayment subsequent to the Sprott facility.

Additional Commentary

Production to date is significantly behind plan due to delays in underground development and other factors as discussed above at “ *PROPERTIES - SOUTH AFRICAN PROPERTIES - Maseve Mine - Maseve – Operations* ”. The Company’s engineers and mining personnel are working to rectify these operational issues. The rate of underground development at the Maseve Mine is an important factor with respect to mine ramp-up and production rates. Further delays in underground development, stoping rates and planned tonnages may result in further production delays that will negatively impact on working capital requirements until mine operations generate positive cash flow. As development reaches planned mine blocks, the successful execution of stoping will be critical to meeting planned production rates and ramp-up. If the Company is not able to achieve its aggressive ramp-up of production targets in the months ahead, metals prices deteriorate, or further delays are experienced in ramp-up production the Company may not have sufficient working capital for operations and planned debt repayments. Current working capital is below planned levels until positive cashflow is scheduled to be achieved.

As described above, changes in mine operations, mining methods and a reduction of labour was undertaken in July, 2017. Delays in production ramp-up combined with a strengthening Rand has resulted in lower than planned working capital balances. In order to achieve positive cash flow and to maintain its financial covenants under the Sprott Facility and the LMM Facility the Company estimates that it will need to source \$10 million to \$20 million of additional funding by way of refinancing its existing debt, the issuance of new debt, private or public offerings of equity or the sale of project or property interests. Metal prices and Rand exchange rates may have material effects on the Company and its requirements for further financing. Recent credit rating agency downgrades of South Africa's sovereign credit to junk status has weakened the Rand and may continue to influence the Rand to US Dollar exchange rate in future periods. Any failure by the Company to obtain required financing on acceptable terms could cause the Company to delay development of its material projects or could result in the Company being forced to sell some or all of its assets on an untimely or unfavourable basis.

Contractual Obligations

The following table discloses the Company's contractual obligations as at May 31, 2017:

Payments Due By Period (In thousands of dollars)					
	< 1 Year	1 – 3 Years	4 – 5 Years	> 5 Years	Total
Lease obligations	\$ 520	\$ 1,219	\$ -	\$ -	\$ 1,739
ESKOM – power	3,589	-	-	-	3,589
Mining Development	11,855	-	-	-	11,855
Mining Indirect and Other	6,918	-	-	-	6,918
Sprott Facility	20,836	25,778	-	-	46,614
Liberty Facility	1,443	36,946	29,994	-	68,383
Totals	\$ 45,161	\$ 63,943	\$ 29,994	\$ -	\$ 139,098

Accounts Receivable and Payable

Accounts receivable at May 31, 2017 totaled \$2.9 million (August 31, 2016 - \$6.1 million) being comprised mainly of preproduction proceeds of \$2.9 million in the current period (\$2.8 million at August 31, 2016) and value added taxes refundable in South Africa of \$2.2 million (\$1.8 million at August 31, 2016). Accounts payable and accrued liabilities at May 31, 2017 totaled \$12.5 million (August 31, 2016 - \$16.9 million).

B) Results of Operations

Nine Months Ended May 31, 2017

For the nine months ended May 31, 2017, the Company had a net loss of \$287 million (May 31, 2016 – net loss of \$1.6 million). This difference is predominantly due to an impairment of the Maseve property of \$280 million during the period. Also, stock compensation expense of \$1.1 million was recognized in the current period (May 31, 2016 – \$0.1 million) with the difference due to more rapid vesting of share based compensation issued in the current period. General and administrative costs dropped from \$4.5 million in the previous comparable period to \$4.2 million in the current period. The currency translation adjustment recognized in the period is a gain of \$41 million (May 31, 2016 - \$80 million loss) due to an 9.5% increase in value of the Rand against the US Dollar in the current period as compared to a 19% decrease in the value of the Rand in the previous comparable period.

Three Months Ended May 31, 2017

For the three months ended May 31, 2017, the Company had a net loss of \$228 million (May 31, 2016 – net income of \$0.9 million). This difference is predominantly due to an impairment of the Maseve property of \$225 million during the period. Comprehensive loss for the quarter was \$238 million (May 31, 2016 – \$.08 million gain). During the current quarter, the Rand decreased in value slightly relative to the US Dollar while for the nine month period, the Rand has increased in value relative to the US Dollar.

C) Quarterly Financial Information

The following tables set forth selected quarterly financial data for each of the last eight quarters:

(In thousands of dollars, except for share data)

Quarter ended (\$000's, except per share data)	May 31, 2017	Feb. 28, 2017	Nov. 30, 2016	Aug. 31 2016
Interest income (1)	\$ 180	\$ 349	\$ 300	\$ 316
Net income (loss) (2)	(227,850)	(56,288)	(2,450)	(35,021)
Basic earnings(loss) per share (3)	(1.37)	(0.39)	(0.03)	(0.21)
Total assets (4)	364,872	587,326	576,842	519,858

Quarter ended (\$000's, except share data)	May 31, 2016	Feb. 29, 2016	Nov. 30, 2015	Aug. 31, 2015
Interest income (1)	\$ 294	\$ 240	\$ 283	\$ 763
Net income (loss) (2)	892	(1,810)	(712)	(191)
Basic earnings(loss) per share (3)	0.01	(0.02)	(0.01)	(0.00)
Total assets (4)	517,799	482,264	525,864	498,342

Explanatory Notes:

- (1) The Company earns income from interest bearing accounts and deposits. Rand balances earn significantly higher rates of interest than can be earned at present in Canadian or U.S. Dollars. Interest income varies relative to cash on hand.
- (2) Net (loss) income by quarter is affected by the timing and recognition of large non-cash items. In the quarters ended May 31, 2017, February 28, 2017 and August 31, 2016 impairment charges of \$152 million, \$55 million and \$41.4 million respectively were recognized relating to the Maseve Mine. In the quarter ended February 28, 2017 there were material share-based compensation expenses. Net (loss) income can also be impacted by the value of the Rand and the U.S. Dollar relative to the Canadian Dollar as the Company currently and in the past has held significant portions of its cash in each currency. At the end of each reporting period Rand and U.S. Dollar cash balances are translated to Canadian Dollars at period end exchange rates.
- (3) Basic loss per share is calculated using the weighted average number of common shares outstanding. The Company uses the treasury stock method to calculate diluted earnings per share. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. In periods when a loss is incurred, the effect of share issuances under options would be anti-dilutive, resulting in basic and diluted loss per share being the same.
- (4) At May 31, 2017, February 28, 2017, November 30, 2016 and May 31, 2016 the Company's assets increased compared to prior periods as a result of equity offerings.

D) Dividends

The Company has never declared nor paid dividends on its common shares. The Company has no present intention of paying dividends on its common shares, as it anticipates that all available funds will be invested to finance its business.

E) Related Party Transactions

Transactions with related parties are as follows *(in thousands of dollars)* :

- i. During the nine months ended May 31, 2017, \$175 (\$166 – May 31, 2016) was paid to independent directors for directors' fees and services.

- ii. During the Second Quarter, the Company accrued or received payments of \$41 (\$48 – May 31, 2016) from West Kirkland Mining Inc. (“**West Kirkland**”), a company with two directors in common, for administrative services. Amounts receivable at the end of the year include an amount of \$28 (\$15 – May 31, 2016) due from West Kirkland.
- iii. In fiscal 2016, the Company entered into a loan facility agreement with LMM, a significant shareholder. The loan was negotiated and entered into on commercial terms. For full details on this transaction please see note 6 in the Company’s condensed consolidated interim financial statements.

All amounts receivable and accounts payable owing to or from related parties (excluding the LMM Facility) are non-interest bearing with no specific terms of repayment. These transactions are in the normal course of business and are recorded at consideration established and agreed to by the parties.

F) Off-Balance Sheet Arrangements

The Company does not have any special purpose entities nor is it party to any off-balance sheet arrangements.

G) Outstanding Share Data

The Company has an unlimited number of common shares authorized for issuance without par value. At May 31, 2017, there were 148,456,187 common shares outstanding and 4,721,875 incentive stock options outstanding at exercise prices of C\$2.00 to C\$14.00. During the Third Quarter, the Company made no changes to the exercise price of outstanding options through cancellation and re-grant. Outstanding options were adjusted to conform with the Company’s announced consolidation of its common shares effective January 2016.

H) Annual General Meeting

At the Company’s Annual General Meeting held on February 23, 2017 in Vancouver, BC, shareholders representing over 75% of its issued shares voted. The number of directors was fixed at seven and the shareholders elected management’s seven nominees for directors. The Board of Directors is unchanged from the previous year.

Shareholders voted 98.56% in favour of re-appointing PricewaterhouseCoopers LLP as auditors, and to authorize the directors to fix the auditor’s remuneration for the ensuing year.

Shareholders voted 80.07% in favour of a new Share Compensation Plan. The plan was closely modelled on another approved plan for a major mining company. Subsequent to approval, the Company made an administrative amendment to the Share Compensation Plan to add a “Claw Back” provision. Under the Claw Back provision, if there is a restatement of the financial results of the Company, other than due to a change in applicable accounting methods, rules, or interpretations, and the result of such restatement is that any performance-based compensation issued, paid, granted, or awarded to any executive officer of the Company would have been lower had it been calculated based on such restated results, then the Company may, in certain circumstances, cancel, rescind, or otherwise seek to recover from such executive officer the excess performance-based compensation paid, for the benefit of the Company.

4. OUTLOOK

The Company’s key business objectives are to improve operational efficiency and advance underground development and production ramp-up at the Maseve Mine with the objective of achieving positive cash flow and to advance the Waterberg Project. As the Company develops and implements a new hybrid mining production ramp-up plan (as described above), it will assess its forward production guidance. Earlier production guidance provided by the Company is no longer valid and should not be relied upon. In the coming months, Platinum Group will provide operational updates on the results of the hybrid mining plan ramp-up and will provide forward production guidance.

In the near term, the Company’s liquidity will be constrained as development at the Maseve Mine will continue to utilize a majority of the Company’s cash on hand until positive cash flow is achieved. Lower metal prices, delays in production ramp-up or a stronger Rand could all result in requirements for further financing. Successful transition to more hybrid mining (as described above), with a smaller labour force, at the Maseve Mine will be key to achieving positive cash flow.

Development work in Blocks 12, 11, 10 and 9 in the north mine are critical to current underground mining plans for the Maseve Mine. To meet production targets at the Maseve Mine, a significant performance improvement is required in grade control as well as development and stoping rates. The Company has a history over the past year of not achieving its plan and further delays in the planned production will increase the Company's working capital needs which are further described above. Adverse developments such as contractor under-performance, Section 54 delays or labour disputes could have a negative impact on planned production and working capital. As described above at "*PROPERTIES - SOUTH AFRICAN PROPERTIES - Maseve Mine - Maseve – Operations*", changes are being made to operations, contracts and contractors to achieve these improvements. The execution of these changes may also create a risk of disruption to operations.

The Company plans to advance the Waterberg Project to completion of a DFS and a construction decision. Drilling to increase the confidence in certain areas of the known mineral resource to the measured category resumed with JOGMEC funding in April 2017. Engagement with utilities for the delivery of bulk services is in process. Engineering work on the Waterberg Project includes resource modelling, metallurgical work, optimization of the metallurgical flow sheet using South African and Japanese expertise, bulk services design and mechanized mine planning. Optimization of the mine plan and working on reducing underground sustaining development capital will be part of the upcoming DFS. The Company also plans to file a mining right application, with joint venture approval, based substantially on the results of the PFS.

The Company is currently working with BMO Capital Markets and Macquarie Capital to review and assess corporate and asset level strategic alternatives.

As well as the discussions within this MD&A, the reader is encouraged to also see the Company's disclosure made under the heading "Risk Factors" in the AIF.

5. CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's condensed consolidated interim financial statements in conformity with IFRS requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities, as well as income and expenses. The Company's accounting policies are described in Note 2 of the Company's audited annual consolidated financial statements for the year ended August 31, 2016.

Review of asset carrying values and impairment

In accordance with the Company's accounting policy, each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is performed and an impairment loss is recognised to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

The determination of fair value less costs to sell and value in use requires management to make estimates and assumptions about expected production, commodity prices, reserves, operating costs, closure and rehabilitation costs and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in the income statement.

Asset Retirement Obligations

The amounts recorded for asset retirement costs are based on estimates included in closure and remediation plans. These estimates are based on engineering studies of the work that is required by environmental laws. These estimates include an assumption on the rate at which costs may inflate in future periods. Actual costs and the timing of expenditures could differ from these estimates.

Deferred tax assets, liabilities and resource taxes

The determination of the Company's future tax liabilities and assets involves significant management estimation and judgment involving a number of assumptions. In determining these amounts the Company interprets tax legislation in a variety of jurisdictions and make estimates of the expected timing of the reversal of future tax assets and liabilities. The Company also makes estimates of the Company's future earnings which affect the extent to which potential future tax benefits may be used. The Company is subject to assessment by various taxation authorities, which may interpret tax legislation in a manner different from the Company's view. These differences may affect the final amount or the timing of the payment of taxes. When such differences arise, the Company makes provision for such items based on the Company's best estimate of the outcome of these matters.

Achievement of commercial production

Once a mine reaches the operating levels intended by management, the recognition of mining revenues as well as depreciation of capitalized costs begins. Significant judgement is required to determine when certain of the Company's assets reach this level; management must consider several factors including:

- completion of a reasonable period of commissioning;
- consistent operating results are being achieved at a pre-determined level of design capacity and indications exist that this level will continue;
- mineral recoveries are at or near expected production level, and;
- the transfer of operations from development personnel to operational personnel has been completed.

Commercial production will be declared on the first day of the month following achievement of the above milestones. Once in commercial production, the capitalization of certain mine development and construction costs cease. Subsequent costs are either regarded as forming part of the costs of inventory or expensed. Any costs relating to mining asset additions or improvements or mineable reserve development will be assessed to determine whether capitalization is appropriate.

Classification of Liberty Production Payment

Significant judgement is required in determining the appropriate accounting for the Liberty Production Payment. Based on the specific facts and circumstances, judgement is required to assess whether the arrangement is a commodity agreement, a financial liability or a sale of a mineral interest. Management has determined that based on covenants that connect the Liberty Production Payment to the LMM Credit Agreement, management has not transferred the risk of ownership of the ounces to LMM and the Liberty Production Payment will be treated as a financial liability at fair value through profit or loss. This treatment will be re-visited in the future if terms of the loan or production payment are changed or if the loan is extinguished.

Fair Value of the Liberty Production Payment

Management has assessed the value of the Liberty Production Payment at the net present value of future production payments over the life of the Maseve Mine. The Company will continue to evaluate on an ongoing basis whether there are material changes to the inputs in the valuation and adjust the valuation of the Liberty Production Payment accordingly.

Determination of ore reserve and mineral resource estimates

The Company estimates its ore reserves and mineral resources based on information compiled by Qualified Persons as defined by NI 43-101. Reserves determined in this way are used in the calculation of depreciation, amortization and impairment charges, and for forecasting the timing of the payment of closing and restoration costs. In assessing the life of a mine for accounting purposes, mineral resources are only taken into account where there is a high degree of confidence of economic extraction. There are numerous uncertainties inherent in estimating ore reserves. Assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in reserves being restated. Such changes in reserves could impact on depreciation and amortization rates, asset carrying values and provisions for closure and restoration costs.

6. DISCLOSURE CONTROLS AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed in filings made pursuant to both SEC and Canadian Securities Administrators requirements are recorded, processed, summarized and reported in the manner specified by the relevant securities laws applicable to the Company. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the applicable securities legislation is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls Over Financial Reporting

No change in the Company's internal control over financial reporting occurred during the period ended May 31, 2017 that has, or is reasonably likely to, materially affect the Company's internal control over financial reporting.

7. OTHER INFORMATION

Additional information relating to the Company for the Second Quarter may be found on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. Readers are encouraged to review the Company's audited annual consolidated financial statements for the year ended August 31, 2016 together with the notes thereto as well as the AIF.

8. LIST OF DIRECTORS AND OFFICERS

a) Directors:

R. Michael Jones
Frank R. Hallam
Iain McLean
Eric Carlson

Barry W. Smee
Timothy Marlow
Diana Walters

b) Officers:

R. Michael Jones (CEO)
Frank R. Hallam (CFO & Corporate Secretary)
Kris Begic (VP, Corporate Development)

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Frank R. Hallam, Chief Financial Officer of Platinum Group Metals Ltd.**, certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of **Platinum Group Metals Ltd.** (the “issuer”) for the interim period ended **May 31, 2017**.
 2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
 3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
 4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
 5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
 - 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is the Internal Control – Integrated Framework (COSO Framework) prepared by the **Committee of Sponsoring Organizations of the Treadway Commission (“COSO”)**.
-

5.2 **ICFR - material weakness relating to design** : N/A

5.3 **Limitation on scope of design**: N/A

6. **Reporting changes in ICFR**: The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on **March 1, 2017** and ended on **May 31, 2017** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: **July 17, 2017**

"Frank R. Hallam"

Frank R. Hallam
Chief Financial Officer

**FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE**

I, R. Michael Jones, President and Chief Executive Officer of Platinum Group Metals Ltd. , certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of **Platinum Group Metals Ltd.** (the “issuer”) for the interim period ended **May 31, 2017**.
 2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
 3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
 4. **Responsibility:** The issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* , for the issuer.
 5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer(s) and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
 - 5.1 **Control framework:** The control framework the issuer’s other certifying officer(s) and I used to design the issuer’s ICFR is the Internal Control – Integrated Framework (COSO Framework) prepared by the **Committee of Sponsoring Organizations of the Treadway Commission (“COSO”)** .
-

5.2 **ICFR - material weakness relating to design** : N/A

5.3 **Limitation on scope of design**: N/A

6. **Reporting changes in ICFR**: The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on **March 1, 2017** and ended on **May 31, 2017** that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: **July 17, 2017**

"R. Michael Jones"

R. Michael Jones

President and Chief Executive Officer

News Release

No. 17-349
July 17, 2017

Platinum Group Metals Reports Third Quarter 2017 Results

(Vancouver/Johannesburg) **Platinum Group Metals Ltd.** (PTM-TSX; PLG-NYSE MKT) (“Platinum Group” or the “Company”) reports the Company’s operating and financial results for the three and nine months ended May 31, 2017 and provides an operational update and outlook. For details of the condensed consolidated interim financial statements for the three and nine months ended May 31, 2017 (the “Financial Statements”) and Management’s Discussion and Analysis for the period ended May 31, 2017 (the “MDA”), please see the Company’s filings on SEDAR (www.sedar.com) or on EDGAR (www.sec.gov). Shareholders are encouraged to visit the Company’s website at www.platinumgroupmetals.net . Shareholders may receive a hard copy of the complete Financial Statements from the Company free of charge upon request.

All amounts herein are reported in United States Dollars unless otherwise specified. Some of the operating results and forecasts detailed below were reported in earlier news releases by the Company dated June 9 and July 7, 2017.

Operations at Maseve Mine

The Maseve Mine delivered 6,925 ounces of platinum, palladium, rhodium and gold (“4E”) in concentrate during the three month period ended May 31, 2017. However, during the period Company engineers determined that in some areas of the Maseve Mine (specifically Block 11) the bord and pillar mechanized mining method was not achieving required efficiencies. Although produced tonnes have been increasing, grade control was not being achieved. Based on extensive sampling, face grades were determined to have generally met estimates, but the fully mechanized bord and pillar mining method had resulted in excess dilution, and therefore lower than planned grades delivered to the plant. As previously reported, exposed portions of Merensky Reef mine blocks are exhibiting gentle rolling features. This condition creates grade control issues when mechanized bord and pillar mining is undertaken.

As a result of the above, in July, 2017 the Company undertook a restructuring of mine operations. The restructuring aims to reduce ongoing costs and achieve positive, sustainable cash flows as soon as possible utilizing the established infrastructure currently in place at the Maseve Mine. The main mining method will transition from higher volume bord and pillar mining to a hybrid mining method, consisting of mechanized access drives using the mine’s current equipment and conventional hand-held methods for stoping. Currently, active mining has been temporarily suspended, while contractor activity and labour is restructured. Negotiations and consultation have been going well. A significant number of the mine workforce will be affected by the restructuring. Final numbers will be determined in the next few weeks. Equipment and mobile machinery maintenance and underground infrastructure improvements are being undertaken during this period. Both bord and pillar and hybrid methods were included in the project feasibility study. Mining is expected to resume within the next few weeks. A recently completed second segment of the underground conveyor toward Block 11 is expected to reduce trucking requirements and improve performance of the underground mine in the months ahead.

Mining and Milling Overview

A summary of monthly production for the nine months ended May 31, 2017 follows:

Month	Dry Tonnes Milled	Average Grade gms/tonne	Recovery %	4E Ounces in Concentrate
September, 2016	55,897	1.29	78.4	1,823
October, 2016	22,316	1.59	79.3	907
November, 2016	29,945	1.58	81.4	1,237
December, 2016	39,297	1.51	79.2	1,509
January, 2017	34,661	1.53	79.2	1,351
February, 2017 (1)	36,848	1.64	82.3	1,602
March, 2017 (1)	43,961	1.88	82.3	2,189
April, 2017	41,853	2.00	83.8	2,256
May, 2017	50,484	1.81	83.4	2,480

(1) Approximately 7,825 dry tonnes of ore mined in February 2017 were milled in March 2017.

In addition to primary decline development to the first infrastructure level, at May 31, 2017, approximately the following development has been completed and surveyed in the north mine area:

- i) 4,550 meters of lateral access development, including access from primary declines to mining blocks, ventilation passages, return airways, ramps, waste raises and haulages;
- ii) 5,706 meters of progressive reef development consisting of raise and diagonal development into mining blocks, reef drives, reef cubby's and reef muck bays;
- iii) 24,714 square meters bord and pillar and long hole stoping; and
- iv) 1,862 meters of progressive infrastructure development for cross cuts, station drives, substations, refuge bays, workshops and water management facilities.

The contribution of mined tonnage from Block 11 is a critical factor to achieving positive cash flow at the Maseve Mine. The overall geological confidence in this block has not changed. Block 11 is a large, well-drilled and stable mining block estimated to host 545,000 4E Merensky Reef ounces (3,066,512 tonnes at 5.53 gpt 4E Indicated). This block is modelled as on average as flat dipping at an average of nine degrees, with an average seam thickness of 157 cm (as published in the technical report titled "An Independent Technical Report on the Maseve Project (WBJV Project areas 1 and 1A) located on the Western Limb of the Bushveld Igneous Complex, South Africa" dated August 28, 2015, with an effective date of July 15, 2015). Increasing the proportion of hybrid mining is expected to improve the grade to the mill.

Results For The Nine Months Ended May 31, 2017

During the nine months ended May 31, 2017, the Company incurred a net loss of \$287 million (nine months ended May 31, 2016 – net loss of \$1.6 million). During the nine month period, the Company recorded a \$280 million impairment of the Maseve Mine (of which \$225 million was recognized in the three months ended May 31, 2017), which was taken primarily to recognize the effect of missed production targets and the transition to a more gradual production rate from the hybrid mining method. A stock compensation expense of \$1.1 million was also recognized in the current period (May 31, 2016 – \$0.09 million). General and administrative costs dropped from \$4.5 million in the previous comparable period to \$4.2 million in the current period, principally from cost cutting measures. The currency translation adjustment recognized in the period is a gain of \$41 million (May 31, 2016 - \$80 million loss) due to an 9.5% increase in value of the Rand against the US Dollar in the current period as compared to a 19% decrease in the value of the Rand in the comparable period.

Accounts receivable at May 31, 2017 totalled \$2.9 million while accounts payable and accrued liabilities amounted to \$12.5 million. Accounts receivable were principally comprised of amounts receivable on sale of concentrate, value added taxes repayable to the Company in South Africa, amounts receivable from partners and tax and other receivables. Accounts payable and other current liabilities included contract development and mining fees, drilling expenses, engineering fees, accrued professional fees and regular trade payables for ongoing exploration, development and administration costs.

During the nine month period ended May 31, 2017 the Company incurred and capitalized approximately \$91 million (May 31, 2016 - \$90 million) in development, construction, equipment and other costs for the Maseve Mine. Initial proceeds from concentrate sales before commercial production are treated as a reduction in project capital cost with \$12.6 million being recognized to development costs in the period ended May 31, 2017. As at May 31, 2017, post impairment, the Company carried total deferred acquisition, development, construction, equipment and other costs related to the Maseve Mine of \$317 million.

During the period ended May 31, 2017, approximately \$3.3 million was spent at the Waterberg Project for engineering and exploration activities. This work was fully funded by the Company's joint venture partner the Japan Oil, Gas and Metals National Corporation ("JOGMEC"). At period end, \$22.7 million in net costs had been capitalized to the Waterberg Project. In fill drilling at Waterberg as part of an ongoing Definitive Feasibility Study ("DFS") has confirmed good grades and thicknesses for fully mechanized bulk underground mining. Work on power, water and other infrastructure planning has continued with positive results.

For more information on mineral properties, see Notes 4 and 5 of the Financial Statements and the MDA

Recent Financing

On April 26, 2017, the Company announced the closing of an offering of 15,390,000 common shares at a price of US\$1.30 per share, for aggregate gross proceeds of \$20 million. Details of this offering may be found in the Company's April 19, 2017 Prospectus Supplement to a Short Form Base Shelf Prospectus dated October 14, 2016. Net proceeds to the Company after fees, commissions and costs were approximately \$18.4 million.

Subsequent to period end, on June 30, 2017, the Company closed an offering of \$20 million aggregate principal amount of convertible senior subordinated notes to certain institutional investors. The Notes will bear interest at a rate of 6 7/8% per annum, payable semi-annually on January 1 and July 1 of each year, beginning on January 1, 2018, in cash or at the election of the Company, in common shares of the Company or a combination of cash and common shares, and will mature on July 1, 2022, unless earlier repurchased, redeemed or converted. The Notes will be convertible at any time at the option of the holder, and may be settled, at the Company's election, in cash, common shares, or a combination of cash and common shares. If any Notes are converted on or prior to the three and one-half year anniversary of the issuance date, the holder of the Notes will also be entitled to receive an amount equal to the remaining interest payments on the converted Notes to the three and one-half year anniversary of the issuance date, discounted by 2%, payable in Common Shares.

Loan Facilities Amended

As reported in a news release dated June 15, 2017 to accommodate the Company for delayed production ramp-up at the Maseve Mine, a syndicate of lenders led by Sprott Resource Lending Partnership ("Sprott") and Liberty Metals & Mining Holdings, LLC ("LMM") have agreed to amend their existing loan facilities to the Company and provide waivers, in each case, until October 31, 2017, with regard to minimum cash and working capital requirements, achievement of production targets, certain events of default and the requirement to pay the lenders 50% of the proceeds of equity and debt financings. Sprott and LMM are each to be paid a fee of US \$200,000 and US \$400,000 respectively in consideration of the above amendments, both at the same time upon the maturity or repayment of the Sprott facility. The Liberty facility is in second secured position and is scheduled for repayment subsequent to the Sprott facility.

Outlook

The Company's key business objectives are to improve operational efficiency and advance underground development and production ramp-up at the Maseve Mine with the objective of achieving positive cash flow and to advance the Waterberg Project. As the Company develops and implements a new hybrid mining production ramp-up plan it will assess its forward production guidance. Earlier production guidance provided by the Company is no longer valid and should not be relied upon. In the coming months, Platinum Group will provide operational updates on the results of the hybrid mining plan ramp-up and will provide forward production guidance. The objective of the restructured mine will be on reducing costs and achieving positive cash flow as quickly as possible with reduced focus on the rapid ramp-up of ounce production.

In the near term, the Company's liquidity will be constrained as development at the Maseve Mine will continue to utilize a majority of the Company's cash on hand until positive cash flow is achieved. Lower metal prices, delays in production ramp-up or a stronger Rand could all result in requirements for further financing. Successful transition to more hybrid mining (as described above), with a smaller labour force, at the Maseve Mine will be key to achieving positive cash flow.

The Company is currently working with BMO Capital Markets and Macquarie Capital to review and assess corporate and asset level strategic alternatives.

Currently the Company has \$20 million in cash. In order to achieve positive cash flow and to maintain its working capital covenants in 2017 under existing loan facilities, the Company estimates that it will need to source \$10 million to \$20 million of additional funding by way of refinancing its existing debt, the issuance of new debt, private or public offerings of equity or the sale of project or property interests. The Company has active discussions in all areas of additional funding with several parties.

Ongoing advancement of the Waterberg Project towards a DFS in 2017 is currently funded by JOGMEC.

About Platinum Group Metals Ltd.

Platinum Group, based in Johannesburg, South Africa and Vancouver, Canada, has a successful track record with more than 20 years of experience in exploration, mine discovery, mine construction and mine operations.

Formed in 2002, Platinum Group holds significant mineral rights and large scale reserves of platinum and palladium in the Bushveld Igneous Complex of South Africa, which is host to over 70% of the world's primary platinum production. The Company is currently focused on ramping up the Maseve Mine, its first near-surface platinum mine, to commercial production and on expanding reserves.

Platinum Group has delineated new low cost, near surface reserves on the North Limb of the Bushveld Complex on the Waterberg Project. Waterberg represents a new bulk type of large scale, shallow, low cost platinum, palladium and gold deposit. Waterberg is one of the only large scale dominantly palladium deposits in the world.

Qualified Person

R. Michael Jones, P.Eng., the Company's President, Chief Executive Officer and a significant shareholder of the Company, is a non-independent qualified person as defined in National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and is responsible for preparing the technical information contained in this news release. He has verified the data by reviewing the detailed information of the geological and engineering staff and the Independent Qualified Person reports as well as visiting the site regularly.

**On behalf of the Board of
Platinum Group Metals Ltd.**

"Frank R. Hallam"
CFO and Director

For further information contact:

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or Kris Begic, VP, Corporate Development
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Tel: (604) 899-5450 / Toll Free: (866) 899-5450
www.platinumgroupmetals.net

Disclosure

The Toronto Stock Exchange and the NYSE MKT LLC have not reviewed and do not accept responsibility for the accuracy or adequacy of this news release, which has been prepared by management.

This press release contains forward-looking information within the meaning of Canadian securities laws and forward-looking statements within the meaning of U.S. securities laws (collectively "forward-looking statements"). Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, plans, postulate and similar expressions, or are those, which, by their nature, refer to future events. All statements that are not statements of historical fact are forward-looking statements. Forward-looking statements in this press release include, without limitation, statements regarding the Company's restructuring of operations; financing requirements and the adequacy of capital, including, but not limited to, the amount of additional funding required to achieve positive cash flow and to maintain the Company's working capital covenants in 2017 under existing loan facilities; anticipated or potential developments at the Maseve Mine including the date of expected resumption of mining, changes to the primary mining method and the expected improvement of grade of material delivered to the mill, development and construction activities, conveyor details (including but not limited to the potential impact of the second segment of the underground conveyor toward Block 11), improved stoping and trammig, access to Block 11, mine plans, production trends, estimates and assumptions, cost estimates, contractor and labour developments, and production and cost efficiencies; the impact of the restructuring plans on the Company's financial condition and any future benefits of implementing the restructuring plans; future cash flow and the effects of developments on cash flow; corporate and asset level strategic alternatives; the potential for expanding reserves; the potential economics of the Waterberg Project, if developed; ramp-up and potential achievement of commercial production at the Maseve Mine; the Company's key objectives; and the Company's plans and estimates regarding exploration, studies, development, construction, production, cash flows and other activities and developments. Statements of mineral resources and mineral reserves also constitute forward-looking statements to the extent they represent estimates of mineralization that will be encountered on a property and/or estimates regarding future costs, revenues and other matters. Although the Company believes the forward-looking statements in this press release are reasonable, it can give no assurance that the expectations and assumptions in such statements will prove to be correct. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including risks related to indebtedness; the Company's capital requirements may exceed its current expectations; the uncertainty of cost, operational and economic projections; the ability of the Company to negotiate and complete future funding transactions; variations in market conditions; the nature, quality and quantity of any mineral deposits that may be located; metal prices; other prices and costs; currency exchange rates; the Company's ability to obtain any necessary permits, consents or authorizations required for its activities; the Company's ability to produce minerals from its properties successfully or profitably, to continue its projected growth, or to be fully able to implement its business strategies; risks related to contractor performance and labour disruptions; and other risk factors described in the Company's Form 40-F annual report, annual information form and other filings with the U.S. Securities and Exchange Commission (the "SEC") and Canadian securities regulators, which may be viewed at www.sec.gov and www.sedar.com, respectively. The Company does not assume any obligation to update forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

Cautionary Note to U.S. and other Investors

Estimates of mineralization and other technical information included or referenced in this press release have been prepared in accordance with NI 43-101. The definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC Industry Guide 7. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority. As a result, the reserves reported by the Company in accordance with NI 43-101 may not qualify as "reserves" under SEC standards. In addition, the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are defined in and required to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and normally are not permitted to be used in reports and registration statements filed with the SEC. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. "inferred mineral resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Additionally, disclosure of "contained ounces" in a resource is permitted disclosure under Canadian securities laws; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in place tonnage and grade without reference to unit measurements. Accordingly, information contained or referenced in this press release containing descriptions of the Company's mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of United States federal securities laws and the rules and regulations thereunder.

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1. NAME AND ADDRESS OF COMPANY

PLATINUM GROUP METALS LTD. (the “Company” or “Platinum Group”)
788 – 550 Burrard Street Vancouver BC, V6C 2B5
Telephone: (604) 899-5450 Facsimile: (604) 484-4710

ITEM 2. DATE OF MATERIAL CHANGE

July 17, 2017

ITEM 3. NEWS RELEASE

A news release was disseminated on July 17, 2017 to the TSX as well as through various other approved public media and was SEDAR filed with the British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland Securities Commissions.

ITEM 4. SUMMARY OF MATERIAL CHANGE

(Vancouver, British Columbia) Platinum Group Metals Ltd. (PTM-TSX; PLG- NYSE MKT) (“Platinum Group” or the “Company”) reports the Company’s operating and financial results for the three and nine months ended May 31, 2017 and provides an operational update and outlook. For details of the condensed consolidated interim financial statements for the three and nine months ended May 31, 2017 (the “Financial Statements”) and Management’s Discussion and Analysis for the period ended May 31, 2017 (the “MDA”), please see the Company’s filings on SEDAR (www.sedar.com) or on EDGAR (www.sec.gov). Shareholders are encouraged to visit the Company’s website at www.platinumgroupmetals.net. Shareholders may receive a hard copy of the complete Financial Statements from the Company free of charge upon request.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

(Vancouver/Johannesburg) Platinum Group Metals Ltd. (PTM-TSX; PLG-NYSE MKT) (“Platinum Group” or the “Company”) reports the Company’s operating and financial results for the three and nine months ended May 31, 2017 and provides an operational update and outlook. For details of the condensed consolidated interim financial statements for the three and nine months ended May 31, 2017 (the “Financial Statements”) and Management’s Discussion and Analysis for the period ended May 31, 2017 (the “MDA”), please see the Company’s filings on SEDAR (www.sedar.com) or on EDGAR (www.sec.gov). Shareholders are encouraged to visit the Company’s website at www.platinumgroupmetals.net. Shareholders may receive a hard copy of the complete Financial Statements from the Company free of charge upon request.

All amounts herein are reported in United States Dollars unless otherwise specified. Some of the operating results and forecasts detailed below were reported in earlier news releases by the Company dated June 9 and July 7, 2017.

Operations at Maseve Mine

The Maseve Mine delivered 6,925 ounces of platinum, palladium, rhodium and gold (“4E”) in concentrate during the three month period ended May 31, 2017. However, during the period Company engineers determined that in some areas of the Maseve Mine (specifically Block 11) the bord and pillar mechanized mining method was not achieving required efficiencies. Although produced tonnes have been increasing, grade control was not being achieved. Based on extensive sampling, face grades were determined to have generally met estimates, but the fully mechanized bord and pillar mining method had resulted in excess dilution, and therefore lower than planned grades delivered to the plant. As previously reported, exposed portions of Merensky Reef mine blocks are exhibiting gentle rolling features. This condition creates grade control issues when mechanized bord and pillar mining is undertaken.

As a result of the above, in July, 2017 the Company undertook a restructuring of mine operations. The restructuring aims to reduce ongoing costs and achieve positive, sustainable cash flows as soon as possible utilizing the established infrastructure currently in place at the Maseve Mine. The main mining method will transition from higher volume bord and pillar mining to a hybrid mining method, consisting of mechanized access drives using the mine's current equipment and conventional hand-held methods for stoping. Currently, active mining has been temporarily suspended, while contractor activity and labour is restructured. Negotiations and consultation have been going well. A significant number of the mine workforce will be affected by the restructuring. Final numbers will be determined in the next few weeks. Equipment and mobile machinery maintenance and underground infrastructure improvements are being undertaken during this period. Both bord and pillar and hybrid methods were included in the project feasibility study. Mining is expected to resume within the next few weeks. A recently completed second segment of the underground conveyor toward Block 11 is expected to reduce trucking requirements and improve performance of the underground mine in the months ahead.

Mining and Milling Overview

A summary of monthly production for the nine months ended May 31, 2017 follows:

Month	Dry Tonnes Milled	Average Grade gms/tonne	Recovery %	4E Ounces in Concentrate
September, 2016	55,897	1.29	78.4	1,823
October, 2016	22,316	1.59	79.3	907
November, 2016	29,945	1.58	81.4	1,237
December, 2016	39,297	1.51	79.2	1,509
January, 2017	34,661	1.53	79.2	1,351
February, 2017 (1)	36,848	1.64	82.3	1,602
March, 2017 (1)	43,961	1.88	82.3	2,189
April, 2017	41,853	2.00	83.8	2,256
May, 2017	50,484	1.81	83.4	2,480

(1) Approximately 7,825 dry tonnes of ore mined in February 2017 were milled in March 2017.

In addition to primary decline development to the first infrastructure level, at May 31, 2017, approximately the following development has been completed and surveyed in the north mine area:

- i) 4,550 meters of lateral access development, including access from primary declines to mining blocks, ventilation passages, return airways, ramps, waste raises and haulages;
- ii) 5,706 meters of progressive reef development consisting of raise and diagonal development into mining blocks, reef drives, reef cubby's and reef muck bays;
- iii) 24,714 square meters bord and pillar and long hole stoping; and
- iv) 1,862 meters of progressive infrastructure development for cross cuts, station drives, substations, refuge bays, workshops and water management facilities.

The contribution of mined tonnage from Block 11 is a critical factor to achieving positive cash flow at the Maseve Mine. The overall geological confidence in this block has not changed. Block 11 is a large, well-drilled and stable mining block estimated to host 545,000 4E Merensky Reef ounces (3,066,512 tonnes at 5.53 gpt 4E Indicated). This block is modelled as on average as flat dipping at an average of nine degrees, with an average seam thickness of 157 cm (as published in the technical report titled "An Independent Technical Report on the Maseve Project (WBJV Project areas 1 and 1A) located on the Western Limb of the Bushveld Igneous Complex, South Africa" dated August 28, 2015, with an effective date of July 15, 2015). Increasing the proportion of hybrid mining is expected to improve the grade to the mill.

Results For The Nine Months Ended May 31, 2017

During the nine months ended May 31, 2017, the Company incurred a net loss of \$287 million (nine months ended May 31, 2016 – net loss of \$1.6 million). During the nine month period, the Company recorded a \$280 million impairment of the Maseve Mine (of which \$225 million was recognized in the three months ended May 31, 2017), which was taken primarily to recognize the effect of missed production targets and the transition to a more gradual production rate from the hybrid mining method. A stock compensation expense of \$1.1 million was also recognized in the current period (May 31, 2016 – \$0.09 million). General and administrative costs dropped from \$4.5 million in the previous comparable period to \$4.2 million in the current period, principally from cost cutting measures. The currency translation adjustment recognized in the period is a gain of \$41 million (May 31, 2016 - \$80 million loss) due to an 9.5% increase in value of the Rand against the US Dollar in the current period as compared to a 19% decrease in the value of the Rand in the comparable period.

Accounts receivable at May 31, 2017 totalled \$2.9 million while accounts payable and accrued liabilities amounted to \$12.5 million. Accounts receivable were principally comprised of amounts receivable on sale of concentrate, value added taxes repayable to the Company in South Africa, amounts receivable from partners and tax and other receivables. Accounts payable and other current liabilities included contract development and mining fees, drilling expenses, engineering fees, accrued professional fees and regular trade payables for ongoing exploration, development and administration costs.

During the nine month period ended May 31, 2017 the Company incurred and capitalized approximately \$91 million (May 31, 2016 - \$90 million) in development, construction, equipment and other costs for the Maseve Mine. Initial proceeds from concentrate sales before commercial production are treated as a reduction in project capital cost with \$12.6 million being recognized to development costs in the period ended May 31, 2017. As at May 31, 2017, post impairment, the Company carried total deferred acquisition, development, construction, equipment and other costs related to the Maseve Mine of \$317 million.

During the period ended May 31, 2017, approximately \$3.3 million was spent at the Waterberg Project for engineering and exploration activities. This work was fully funded by the Company's joint venture partner the Japan Oil, Gas and Metals National Corporation ("JOGMEC"). At period end, \$22.7 million in net costs had been capitalized to the Waterberg Project. In fill drilling at Waterberg as part of an ongoing Definitive Feasibility Study ("DFS") has confirmed good grades and thicknesses for fully mechanized bulk underground mining. Work on power, water and other infrastructure planning has continued with positive results. For more information on mineral properties, see Notes 4 and 5 of the Financial Statements and the MDA

Recent Financing

On April 26, 2017, the Company announced the closing of an offering of 15,390,000 common shares at a price of US\$1.30 per share, for aggregate gross proceeds of \$20 million. Details of this offering may be found in the Company's April 19, 2017 Prospectus Supplement to a Short Form Base Shelf Prospectus dated October 14, 2016. Net proceeds to the Company after fees, commissions and costs were approximately \$18.4 million.

Subsequent to period end, on June 30, 2017, the Company closed an offering of \$20 million aggregate principal amount of convertible senior subordinated notes to certain institutional investors. The Notes will bear interest at a rate of 6 7/8% per annum, payable semi-annually on January 1 and July 1 of each year, beginning on January 1, 2018, in cash or at the election of the Company, in common shares of the Company or a combination of cash and common shares, and will mature on July 1, 2022, unless earlier repurchased, redeemed or converted. The Notes will be convertible at any time at the option of the holder, and may be settled, at the Company's election, in cash, common shares, or a combination of cash and common shares. If any Notes are converted on or prior to the three and one-half year anniversary of the issuance date, the holder of the Notes will also be entitled to receive an amount equal to the remaining interest payments on the converted Notes to the three and one-half year anniversary of the issuance date, discounted by 2%, payable in Common Shares.

Loan Facilities Amended

As reported in a news release dated June 15, 2017 to accommodate the Company for delayed production ramp-up at the Maseve Mine, a syndicate of lenders led by Sprott Resource Lending Partnership ("Sprott") and Liberty Metals & Mining Holdings, LLC ("LMM") have agreed to amend their existing loan facilities to the Company and provide waivers, in each case, until October 31, 2017, with regard to minimum cash and working capital requirements, achievement of production targets, certain events of default and the requirement to pay the lenders 50% of the proceeds of equity and debt financings. Sprott and LMM are each to be paid a fee of US \$200,000 and US \$400,000 respectively in consideration of the above amendments, both at the same time upon the maturity or repayment of the Sprott facility. The Liberty facility is in second secured position and is scheduled for repayment subsequent to the Sprott facility.

Outlook

The Company's key business objectives are to improve operational efficiency and advance underground development and production ramp-up at the Maseve Mine with the objective of achieving positive cash flow and to advance the Waterberg Project. As the Company develops and implements a new hybrid mining production ramp-up plan it will assess its forward production guidance. Earlier production guidance provided by the Company is no longer valid and should not be relied upon. In the coming months, Platinum Group will provide operational updates on the results of the hybrid mining plan ramp-up and will provide forward production guidance. The objective of the restructured mine will be on reducing costs and achieving positive cash flow as quickly as possible with reduced focus on the rapid ramp-up of ounce production.

In the near term, the Company's liquidity will be constrained as development at the Maseve Mine will continue to utilize a majority of the Company's cash on hand until positive cash flow is achieved. Lower metal prices, delays in production ramp-up or a stronger Rand could all result in requirements for further financing. Successful transition to more hybrid mining (as described above), with a smaller labour force, at the Maseve Mine will be key to achieving positive cash flow.

The Company is currently working with BMO Capital Markets and Macquarie Capital to review and assess corporate and asset level strategic alternatives.

Currently the Company has \$20 million in cash. In order to achieve positive cash flow and to maintain its working capital covenants in 2017 under existing loan facilities, the Company estimates that it will need to source \$10 million to \$20 million of additional funding by way of refinancing its existing debt, the issuance of new debt, private or public offerings of equity or the sale of project or property interests. The Company has active discussions in all areas of additional funding with several parties.

Ongoing advancement of the Waterberg Project towards a DFS in 2017 is currently funded by JOGMEC.

About Platinum Group Metals Ltd.

Platinum Group, based in Johannesburg, South Africa and Vancouver, Canada, has a successful track record with more than 20 years of experience in exploration, mine discovery, mine construction and mine operations.

Formed in 2002, Platinum Group holds significant mineral rights and large scale reserves of platinum and palladium in the Bushveld Igneous Complex of South Africa, which is host to over 70% of the world's primary platinum production. The Company is currently focused on ramping up the Maseve Mine, its first near-surface platinum mine, to commercial production and on expanding reserves. Platinum Group has delineated new low cost, near surface reserves on the North Limb of the Bushveld Complex on the Waterberg Project. Waterberg represents a new bulk type of large scale, shallow, low cost platinum, palladium and gold deposit. Waterberg is one of the only large scale dominantly palladium deposits in the world.

Qualified Person

R. Michael Jones, P.Eng., the Company's President, Chief Executive Officer and a significant shareholder of the Company, is a non-independent qualified person as defined in National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and is responsible for preparing the technical information contained in this news release. He has verified the data by reviewing the detailed information of the geological and engineering staff and the Independent Qualified Person reports as well as visiting the site regularly.

**On behalf of the Board of
Platinum Group Metals Ltd.**

"Frank R. Hallam"

CFO and Director

For further information contact:

R. Michael Jones, President
or Kris Begic, VP, Corporate Development
Platinum Group Metals Ltd., Vancouver
Tel: (604) 899-5450 / Toll Free: (866) 899-5450
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ITEM 6. RELIANCE ON SUBSECTION 7.1 OF NATIONAL INSTRUMENT 51-102

N/A

ITEM 7. OMITTED INFORMATION

N/A

ITEM 8. EXECUTIVE OFFICER

The following senior officer of the Issuer is knowledgeable about the material change and may be contacted by the Commission at the following telephone number:

R. Michael Jones, President & CEO Phone: (604) 899-5450

ITEM 9. DATE OF REPORT

July 17, 2017
