

**Platinum Group Metals Ltd.
Waste Management Plan
Providence Ni-Cu-PGE Project
South Mackenzie District, NT**

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Prepared by Manager of Exploration
Approved by Management

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1. Introduction

The Providence Property is owned and operated by Platinum Group Metals Ltd. (“PTM”)

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The project is located approximately 250 kilometers north of Yellowknife and 60km west of the Tibbett to Contwoyto seasonal ice road where it passes the Diavik and Ekati Diamond Mines (Figure 1).

As shown in Figure 2 the area of the existing Land Use Permit W2008C0015 (“LUP”) is in red as assigned by Arctic Star to PTM. The Application for a renewal of the LUP is for a reduced area that covers only the area of the 11 mineral Leases and 1 claim purchased by PTM from Arctic Star to cover the Ni-Cu-PGE mineralization as well as the existing camp located 11 kilometers southeast and known as “Credit Lake Camp”.

The project is in early stage exploration stage with till geochemistry sampling, ground and airborne geophysics, rock sampling and geological mapping used to generate targets for drill testing. There have been approximately 26 diamond drill holes completed on the project that have intersected NI-Cu-PGE mineralization over a 5kilometer trend.

Geophysics and geological mapping indicate that there is a further 15 kilometers of favorable rock to explore along a 20 kilometer long east-west trend.

The ground exploration and drilling activity are supported out of a camp located on a unnamed lake. The camp is designed to support a maximum of 20 people during drilling programs.

This waste Management Plan is based on pre-existing practices under the current LUP W208C0015 (expiry October 07, 2015) and provides documentation to support an application for Land Use Permit Renewal on the Providence Project. It will be adhered to in future work and reviewed by all employees and contractors that work on the project.

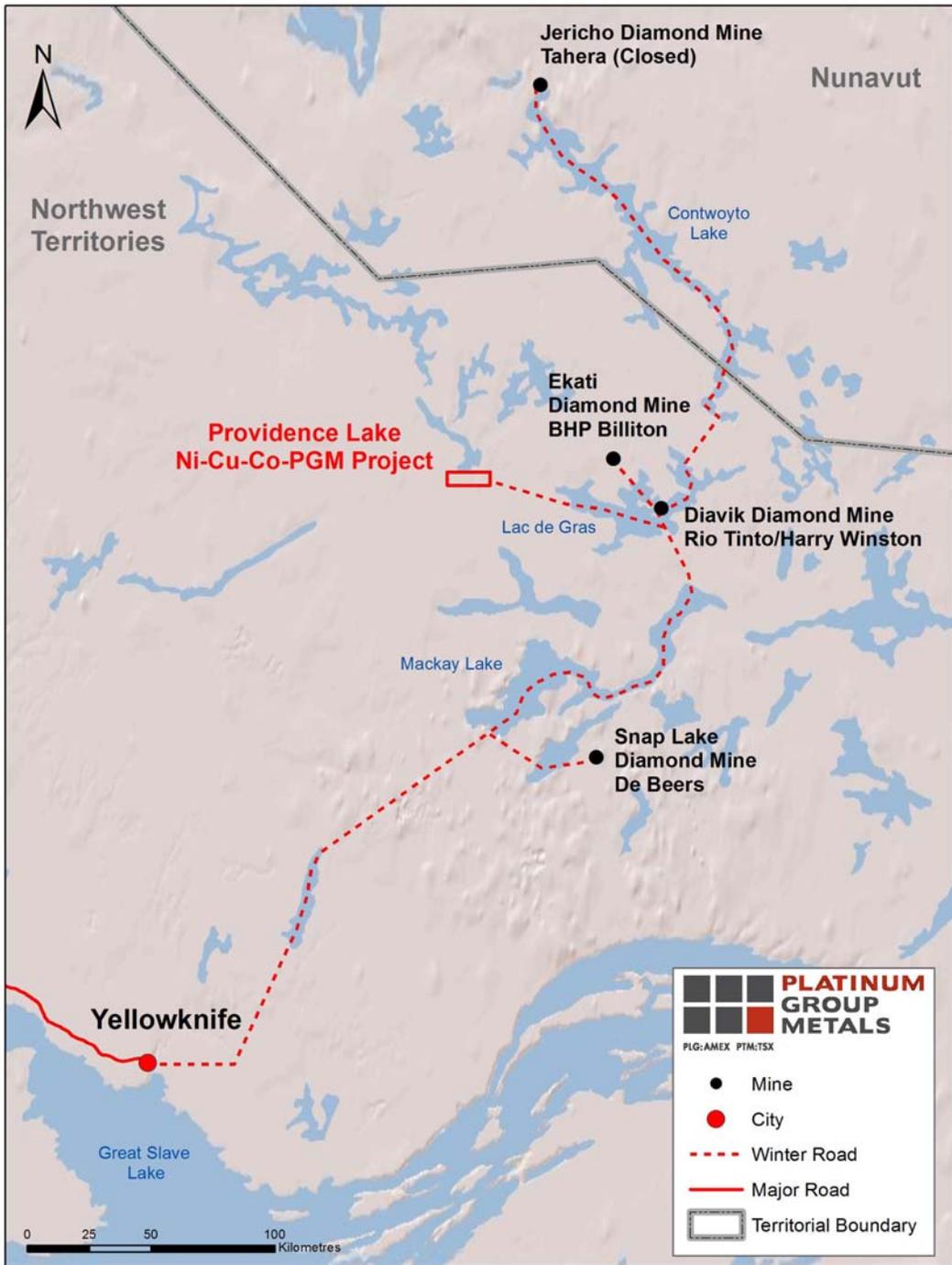


Figure 1:

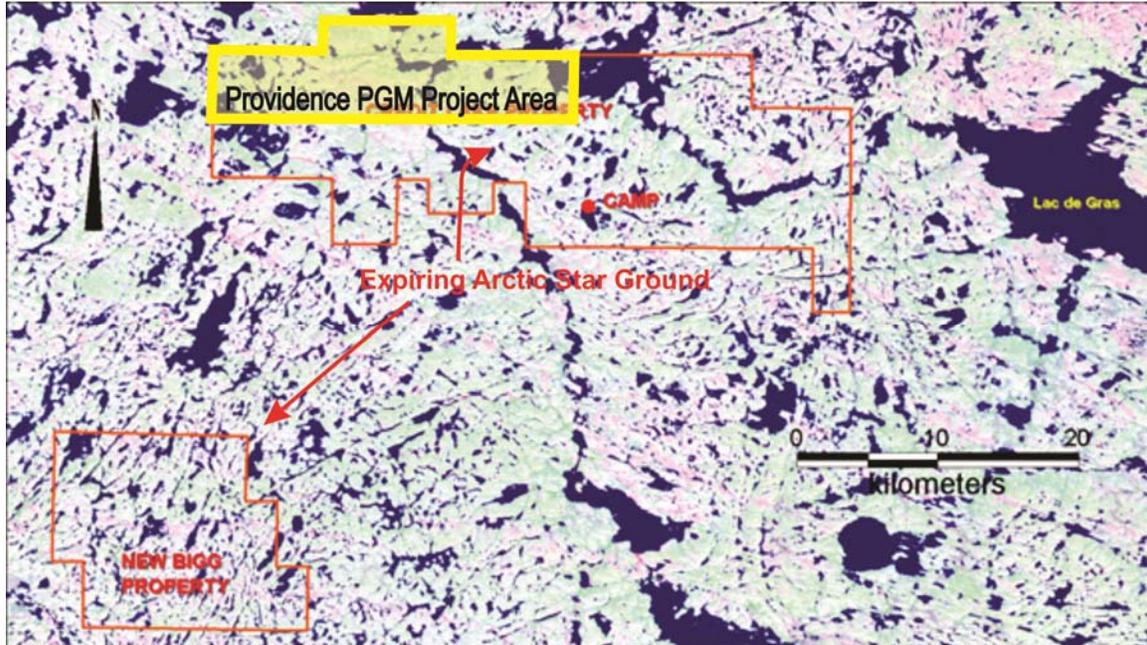


Figure 2:

Principles of the Waste Management Plan Proponent

This Waste Management Plan incorporates the basic principles of waste management, source reduction, reuse, recycle/recover, treatment and disposal. PTM has, and will continue to conduct operations within the accepted environmental standards of the mineral exploration industry and NWT government guidelines. The methods described are aimed at reducing the environmental footprint of operations.

It is cost effective and environmentally sound to follow common principles during exploration field activities. These include;

- The reduction of materials brought in to camp and decreasing the volume of waste created.
- Sourcing alternative materials with reduced or none toxic components
- Re-purposing materials to reduce the amount of new materials brought in to camp
- Treatment of waste at site to reduce the volume of accumulated wastes for appropriate disposal
- Choosing the best option for disposal and containment that meets regulatory requirements and reduces liability to the environment

2. Waste Types

The anticipated waste materials generated during exploration activities based out of the Credit Lake Camp are described below.

- Domestic Waste in Camp - this includes all combustible materials, and
- Sewage - from contained indoor “Pacto” style toilets as well as pit toilets
- Grey Water - from kitchen and washing facilities in camp
- Hazardous Materials - includes fluids and solids that have met end use status (eg. batteries, oils, detergents)
- Recyclables - metals and glass that can be returned to the appropriate recycling facilities in Yellowknife
- Contaminated Soil - from potentially hazardous hydrocarbon contamination clean up

3. Waste Management

1. **Domestic Waste** is brought to a central disposal area in camp where it is sorted into re-usable/recyclable materials, burnable waste and non-burnable waste to be removed to Yellowknife. The kitchen area creates the highest volume of waste that needs sorting and as such receptacles A secure holding area is used to store materials until the next available flight backhaul. Any dry waste shipped back to Yellowknife either goes to the recycling depot, land fill or
2. **Sewage** is treated with lime to reduce odor and increase decomposition within the pit toilets. Pit toilets will not be allowed to fill beyond 1.0 meters from surface to allow for proper backfill and relocation. “Pacto” toilets used during winter months will be maintained in good working order to prevent any leakage. Bagged sewage will be sealed into double bagged and shipped back to Yellowknife clearly labelled as sewage. There is will be disposed of at the sewage treatment facilities to avoid the contamination of city landfill.
3. **Grey water** from the kitchen and washing facilities is collected in a covered sump. The lines coming from the kitchen will utilize a strainer to remove any food waste. The strainers should be cleaned regularly to prevent the attracting of wildlife. The sump is located 50 meters from the shoreline within a coarse gravel and sand sub straight for best filtration.
4. **Hazardous Waste** materials are kept in a segregated and secure storage facility in the camp. Used materials from camp, and that which is returned from the drills, are sorted by the onsite personnel and stored in sealed plastic or steel containers on site to await shipment via fixed-wing aircraft to Yellowknife. There are

separate storage containers for lead acid batteries, lithium batteries, oil filters, waste oil and fuel, chemical wastes, contaminated soils and sludge.

Materials backhauled to Yellowknife for disposal will be taken to the Hazardous Waste Transfer Facility operated by KBL Environmental at #17 Cameron Road for proper disposal. There are weekly Flights from camp to Yellowknife occur on an approximate weekly basis which ensure there is minimal storage of materials onsite.

Details of onsite facilities:

On site waste storage facilities are designed for the safe storage of hazardous materials and the secure storage of wildlife attractants such as non-burnable organic waste with the containment being 100%. A centralization of the facility in camp ensures that all waste destined for Yellowknife is located in a convenient spot for efficient loading onto aircraft returning to Yellowknife.

Several plastic shipping boxes with secure lids approximately 4" x 4" x 3" are on the property for recyclable materials. Before putting the materials into the boxes they are double bagged to seal any smells that may attract wild life.

The incinerator located east of camp 50m is used daily to incinerate burnable waste. Remaining ash and metals are removed after each burn and stored in empty fuel drums. These drums are stored beside the incinerator and the material within is not considered a wildlife attractant since it has been fully sterilized during incineration. The contents of the drums are double bagged and brought to the dry waste storage area in camp in preparation for the next backhaul flight.

Grey water sum is located beside the kitchen and wash building and 50 Meters from the lake shore. It has a cover to prevent wildlife from being attracted to it and becoming trapped.

Hazardous materials are stored in a secure plywood shack to protect wildlife and persons. When possible materials are sealed into 20L buckets and marked with the appropriate destination and nature of the material prior to transport back to Yellowknife.

Details of Facilities in Yellowknife:

-KBL Environmental Hazardous Waste Facility ("KBL") – Hazardous and potentially hazardous waste materials will be transported to the KBL facilities in Yellowknife for storage, segregation and consolidation of approved waste streams for bulk transportation to specialized end receivers. The facility is located in Yellowknife's Kam Lake Industrial Park at #17 Cameron Road. The Kam Lake Industrial Area is located southwest of the Yellowknife International Airport and southeast of the City of Yellowknife. The KBL Yellowknife office is located at #343 Old Airport Road Yellowknife, NT X1A 2N8. Ph. 867-873-5263.

-Yellowknife landfill - The Solid Waste Facility is located at Highway No. 4, Yellowknife. P h . 867-669-3406. Waste materials are separated and deposited in the assigned locations as directed by the Yellowknife landfill rules and regulations.

Diamond Drilling Waste Management

Platinum Group Metals Ltd. has a policy of following best industry practices for diamond drilling that adhere strictly to NWT environmental regulations.

Drilling will be conducted using a diamond drill with a HQ diameter or less, which has a 9.6cm outside diameter and it produces 6.1cm diameter core. The difference between the 2 diameters produces drill cuttings which are circulated to surface by pumping water down the hole. This circulation is settled in a small portable mud tank after passing through a filter. Drill cuttings are therefore formed by grinding the in-situ natural rocks and are usually inert. Tens of kilograms of cuttings are expected from each hole. Imagine a plus or minus 1-2 wheel burrows full of soil.

During the drilling process water is pumped from a near-by source and pumped down the hole, it then returns to surface where it is circulated through a settling tank and then through a filter. The type of filter used can be reviewed at this website: <http://www.poly-drill.com/pdfs/filter.07.pdf>

The used and filtered water is then returned down the hole. Most drill holes lose water into the cracks beneath the surface. The material collected in the filters and at the bottom of the mud tank are shoveled out and spread on the ground in a hollow. If on water these solids will be transported to the shoreline and deposited in a thoughtful manner at least 30m from the shore line avoiding any watercourse.

Drill holes on land are plugged. Casing is generally retrieved but if stuck in the hole it is cut to below the level of the surface of the land.

Sometimes when the drill rig encounters drilling difficulties like stuck rods or caving drill hole walls, drill additives may be used. In our experience the use of drill additives is rare in this area, drill conditions are good and it costs the company money to use these additives so their use is discouraged.

The additives used have been chosen for the non-toxicity and minimal environmental impact, they are also supplied by polydrill and can be reviewed at the above website.

In Permafrost areas road salt (the same salt used on roads during winter in Canada) is sometimes added to the drill hole to prevent the water from freezing. This practice has been rare in the Lac de Gras area and we don't expect to require this during this program, usually the practice of heating the water using propane is sufficient to prevent drill hole freeze-up.

Company representatives will visit the site after the drill has been moved to inspect the site. Any debris left by the drillers will be picked up in plastic bags and will be flown

out to the Yellowknife land fill. Land Use inspections offer a final check, the company commits to following all recommendations and requests from the government inspections.

4. Monitoring and Evaluation

The Waste Management during operations will be monitored by the camp manager to assure the Plan is being followed. Monitoring of the efficiency and effectiveness will be done by the project manager. Any modifications to the Waste Management Plan will be submitted to the appropriate regulatory body. Plan Review is on an ongoing basis in order to make any improvements immediately. Document review will be prior to any field program start to ensure the people coming to site will have the most up to date Plan.

Daily sorting, sump inspection, toilet inspection will be carried out by the camp Manager and any faults reported to the project manager to attend to.

Regular site inspections by Government of Northwest Territories Lands Inspectors also make sure the Plan is being adhered to. The inspection reports are provided to the camp manager so that any concerns noted are rectified immediately by the Camp Manager.