

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

<b>Part I Reporting Issuer</b>			
1 Issuer's name  Platinum Group Metals Ltd.		2 Issuer's employer identification number (EIN)  None	
3 Name of contact for additional information  Investor Relations	4 Telephone No. of contact  (604) 899-5450	5 Email address of contact  info@platinumgroupmetals.net	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact  Suite 788 - 550 Burrard Street		7 City, town, or post office, state, and Zip code of contact  Vancouver, British Columbia, Canada V6C 2B5	
8 Date of action  January 26, 2016	9 Classification and description  Common Shares		
10 CUSIP number  72765Q205	11 Serial number(s)	12 Ticker symbol  NYSEMKT: PLG; TSX: PTM	13 Account number(s)

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On January 26, 2016, Platinum Group Metals Ltd. ("Issuer") undertook a reverse stock split (share consolidation) whereby it consolidated every 10 existing common shares into 1 new common share (the "Consolidation"). No shareholders received a fractional common share, as each fractional share less than 0.5 of a common share was rounded down and each fractional share equal to or greater than 0.5 of a common share was rounded up to a whole common share. No cash was received by any shareholder in lieu of a fractional share.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ As a result of the Consolidation, shareholders will be required to allocate the aggregate tax basis in each block of their common shares held immediately prior to the Consolidation among the common shares held immediately after the Consolidation such that the per share tax basis in each common share is equal to 1000% of the tax basis in a pre-Consolidation common share.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ While the per share tax basis is impacted, the tax basis of each shareholder's total investment remains the same. The post-Consolidation per share basis is equal to the pre-Consolidation aggregate basis in each 10 common shares held. This results in an increased per share basis for the fewer shares held.

**Part II Organizational Action (continued)**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The issuer believes that the Consolidation should be treated as a tax-free reverse stock-split (share consolidation). Consequently, the income tax consequences of the Consolidation to shareholders should be determined under Code Sections 305(a), 307(a), 358(b)(1), and 368(a)(1)(E).

18 Can any resulting loss be recognized? ▶ If the Consolidation constitutes a non-taxable transaction, shareholders who receive 1 new common share in exchange for 10 existing common shares should not recognize any loss.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ In general, any gain recognized should be reported by shareholders for the tax year which includes January 26, 2016 (e.g., a calendar year shareholder would report the transaction on his or her federal income tax return for the 2016 calendar year).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ Frank R. Hallam Date ▶ Feb 2, 2016  
Print your name ▶ Frank R. Hallam Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>John Hollinrake</u>	<u>John Hollinrake</u>	<u>2/2/2016</u>		<u>PO1568530</u>
	Firm's name ▶ <u>Dorsey &amp; Whitney LLP</u>			Firm's EIN ▶	<u>41-0223337</u>