

ASX Release

5 March 2008

GR ENGINEERING SERVICES AWARDED THE CONTRACT FOR THE UPDATED FEASIBILITY STUDY ON THE PANTON PROJECT

Platinum Australia Limited (ASX: PLA) (AIM: PLAA) awarded the contract for Lead Engineer for the updating of the Panton PGM ("Platinum Group Metal") Project Bankable Feasibility Study to GR Engineering Services (Pty) Ltd.

John Lewins, Managing Director of PLA said: "We are delighted to have GR Engineering working as the Lead Engineer on our Panton PGM Project as they bring a wealth of experience in the development of similar mining projects to our study. The team working on this project will include many of those that worked on the successful Sally Malay Nickel Project located in the Kimberley region close to the Panton Project, as well as a number who worked on the original Panton Study."

"The Study will focus on the development of an initial open pit operation of approximately four year life, treating ~350,000 tonnes per annum and producing ~50,000 oz PGM per annum. The Study will also evaluate continuing the Project as a long life underground mining operation once the open pit is completed."

Panton PGM Project

The Panton PGM Project is located in the Kimberley region of Western Australia, 60 km north of Halls Creek and 60 km south of the Sally Malay site. The Project is located on three mining leases which cover all land necessary for the project development

The Project has a resource of 14.3 Mt at 5.20 g/t PGM + Au (2.4 million ounces 7E PGM), including a high grade resource of 10.1 Mt at 6.13 g/t PGM + Au, 0.30% nickel and 0.08% copper, as detailed in Table 1.

PLA completed a detailed feasibility study in August 2003 which found that the project was technically feasible but not commercially viable at the prevailing metal prices and US\$ exchange rate. However since the study was completed the metal prices, including those of the nickel and copper by products have almost tripled, significantly enhancing the potential of the Project.

PLA developed the patented "Panton Process" as part of the initial Feasibility Study to maximise the value of the final product, through the production of a very high grade PGM concentrate containing ~4,000 g/t PGM and ~50% Copper + Nickel. This product is suitable for delivery to a base metal refinery, bypassing the expensive smelting step and creating a wider market for the product, commanding a significant premium to a standard flotation concentrate.

Table 1 Panton PGM Project - Resource

Top and Middle Reef Resource by Classification							
Top Reef							
Classification	Tonnes Million	PGM + Au g/t	Pt g/t	Pd g/t	Au g/t	Ni %	Cu %
Measured	4.4	6.01	2.46	2.83	0.42	0.28	0.08
Indicated	4.13	6.65	2.73	3.21	0.38	0.31	0.09
Inferred	1.56	5.11	2.1	2.35	0.38	0.36	0.13
Total	10.08	6.13	2.51	2.91	0.4	0.3	0.09
Middle Reef							
Classification	Tonnes Million	PGM + Au g/t	Pt g/t	Pd g/t	Au g/t	Ni %	Cu %
Measured	2.13	2.86	1.36	1.09	0.1	0.18	0.03
Indicated	1.5	3.28	1.56	1.28	0.1	0.19	0.04
Inferred	0.6	2.68	1.22	1.07	0.01	0.19	0.05
Total	4.22	2.99	1.41	1.15	0.1	0.18	0.03
Top + Middle Reef							
Classification	Tonnes Million	PGM + Au g/t	Pt g/t	Pd g/t	Au g/t	Ni %	Cu %
Measured	6.53	4.98	2.10	2.26	0.32	0.25	0.06
Indicated	5.63	5.75	2.42	2.70	0.31	0.28	0.08
Inferred	2.16	4.44	1.86	1.99	0.28	0.31	0.11
Total	14.32	5.20	2.19	2.39	0.31	0.27	0.08

* PGM + Au = Pt + Pd + Rh + Ru + Ir + Os + Au

Assays are fire assay with lead collection and ICP - MS element determination

Assays by Genalysis Laboratory Services, Perth, Western Australia, a NATA registered laboratory (No 3224)

Yours faithfully
PLATINUM AUSTRALIA LIMITED



JOHN D LEWINS
Managing Director

For further information

John Lewins
Managing Director
Platinum Australia
+61 08 9324 1491
M: 0419 910 061

Media enquiries UK:
Ron Marshman &
John Greenhalgh
City of London PR
+44 020 7628 5518

Media enquiries AUS:
Sarah Allchurch
Allchurch Communications
+61 08 9381 6625
M: 0412 346 412

AIM Nominated Advisor:
Nabarro Wells & Co Limited
+44 207 710 7400

UK Broker:
RBC Capital Markets
+44 207 653 4000

Glossary

PGM - Platinum Group Metals consisting of Pt + Pd + Rh + Ru + Ir + Os
Symbols and abbreviations; Pt is platinum, Pd is palladium, Rh is rhodium, Ru is ruthenium, Ir is iridium, Os is osmium, Au is gold, Ni is nickel, Cu is copper, g/t is grams per tonne, m is metres.

Platinum Australia Limited

Level 3, 18 Richardson Street West Perth Western Australia 6005 Australia

T: + 61 8 9324 1494

F: + 61 8 9226 4259

E: pla@platinumaus.com

W: www.platinumaus.com.au

For personal use only