



PLATINUM AUSTRALIA LIMITED

ACN 093 417 942

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Platinum Australia Limited Welcomes New Major Shareholders

Platinum Australia Limited (ASX: PLA) is pleased to announce that London-based Anglo Pacific Group and institutional investor New Smith Capital Partners, have become PLA's first and second largest shareholders respectively, following transactions completed yesterday.

The London investors have taken up the majority of Lonmin Plc's 30% shareholding in PLA, with Anglo Pacific Group increasing its stake from 15% to 18%, and New Smith Capital Partners taking a 15% interest.

PLA Directors have taken up over 10% of the Lonmin shareholding, while the balance was absorbed by Australian institutions, professional and sophisticated investor clients of Bell Potter Securities Limited.

John Lewins, Managing Director of PLA said: "We are extremely pleased by the increased investment in PLA from London institutions and continuing support from existing shareholders in Australia.

"This is clear recognition of the quality of our Kalplats and Smokey Hills Platinum Group Metal ("PGM") Projects in South Africa and our Panton Project in Australia. It is a strong endorsement of our plans to move from explorer/developer to PGM producer over the next two years.

"The Directors of PLA have also shown their belief in the quality of our projects and strategy by taking the opportunity to increase their shareholding."

PLA's main focus is on completing Feasibility Studies on its Kalplats and Smokey Hills Projects in South Africa. An initial drilling program has been successfully completed on the Smokey Hills Project and a low level airborne geophysical survey has been completed on the Kalplats Project. Preparations are underway for the next phase of work at both of these projects following completion of various agreements and approvals.

PLA is also carrying out a review of the Panton Project to evaluate possible alternate development options focusing on the reduction of capital and operating cost and including the use of plant and infrastructure from other regionally located operations.

Lonmin invested in PLA as part of a diversification strategy to participate in the development of PLA's Panton PGM Project which it was hoped would become Australia's first PGM mine. At the time the Panton Feasibility Study was completed, currency factors and the decline in the palladium price precluded the proposed large scale mine development on commercial grounds.

PLA subsequently focussed on developing low-cost PGM operations in South Africa. Lonmin endorsed PLA's South African strategy but recently decided to sell its shareholding. Lonmin has retained its interest in the development and commercialisation of the Panton Process (a patented metallurgical process for the recovery of PGM's) through joint venture company, PlatTech Pty Ltd.

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