

The Manager – Company Announcements Office
Australian Stock Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

22 September 2005

Dear Sir,

Further Positive Results from Feasibility Study Drilling at Smokey Hills PGM Project

Platinum Australia Limited (ASX: PLA) is pleased to announce that the latest results from resource definition drilling for the Feasibility Study on the Smokey Hills Project are consistent with previous results and continue to confirm our target of up to 1 million ounces 4E PGM* in UG2 reef.

Assay results for a further three diamond drill holes have now been received with the following intersections:

SHDD-06	5.99 g/t 4E PGM over 0.62 m from 24.56 m
SHDD-09	8.41 g/t 4E PGM over 0.55 m from 143.69 m
SHDD-10	8.85 g/t 4E PGM over 0.58 m from 153.52 m

The drilling program is now almost 40% complete with 14 holes drilled to date, and a further 30 planned to complete the program by December 2005.

PLA Managing Director John Lewins said: "We are extremely pleased with the results from the drilling program to date which have been very consistent and continue to confirm our confidence in the project. We have now completed over 1,600 metres of the total proposed program of 4,500 metres and expect to complete the program by end of December 2005."

"The completion of the drilling program will allow us to establish a JORC compliant resource for the project and complete the Bankable Feasibility Study by mid 2006 as planned."

The results from the initial three diamond holes completed by PLA as part of the due diligence, plus the diamond holes drilled as part of the current resource definition program are provided in **Table 1** below. Assay results are still awaited for holes SHDD-011 onwards. The location of the drill holes are shown in the attached location plan.

The Smokey Hills target is based on previous mapping at the project which identified six kilometres of outcropping PGM bearing UG2 reef. Sampling of the reef outcrops and the results from three diamond drill holes have confirmed the well-established continuity of the UG2 reef, which is mined over tens of kilometres in numerous mines.

While this target is of a conceptual nature and does not imply that a mineral resource has been or will be defined, the results from the current drilling have significantly increased the confidence in the potential of the project.

TABLE 1 - SMOKEY HILLS DIAMOND RESULTS

Hole No	UG2 Intersection		Width	Pt g/t	Pd g/t	Rh g/t	Au g/t	4E	
	From	To						PGM ¹ g/t	
SHDD001*	75.9	76.81	0.91	3.78	3.56	0.87	0.12	8.37	
SHDD002*	97.35	97.96	0.61	4.38	3.89	0.94	0.07	9.28	
	106.75	107.55	0.8	3.94	2.95	0.82	0.07	7.78	
SHDD003*	26.01	26.58	0.57	4.1	4.96	0.89	0.17	10.12	
SHDD005	39.45	40.14	0.69	3.78	4.76	0.78	0.11	8.82	
SHDD006	24.56	25.18	0.62	3.38	1.95	0.55	0.10	5.99	
SHDD007	28.25	28.86	0.61	3.88	3.52	0.81	0.1	8.32	
SHDD008	62.37	63.04	0.67	3.57	3.22	0.81	0.06	7.67	
SHDD009	143.69	144.23	0.54	3.90	3.66	0.74	0.11	8.41	
SHDD010	153.52	154.1	0.58	3.75	4.24	0.75	0.11	8.85	
SHDD011	No Reef Intersected – Mafic Intrusive/ Dyke								
SHDD012	117.31	117.90	0.59				Results Awaited		
SHDD013	150.18	150.81	0.63				Results Awaited		
SHDD014	44.62	44.91	0.29				Results Awaited – Potholed?		

1 4E PGM - Pt + Pd + Rh + Au

Assays are fire assays with nickel sulphide collection and ICP– OES element determination Assay by SGS Lakefield, Johannesburg, South Africa, a SANAS registered laboratory No T0169

*Assays are fire assays with nickel sulphide collection and ICP– MS element determination

*Assay by Genalysis Laboratory Services, Perth, Western Australia, a NATA registered laboratory No 3244

Qualification Statement

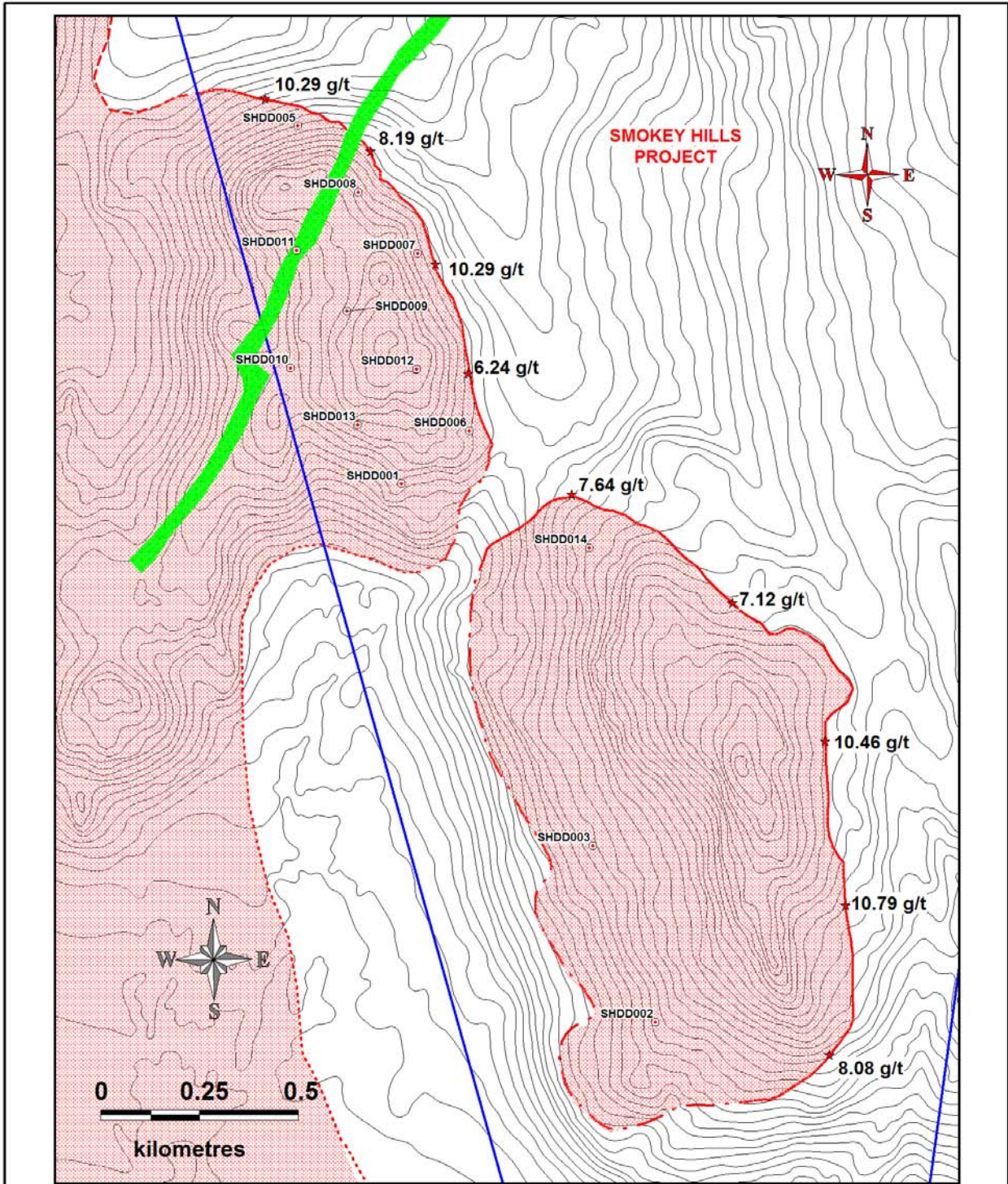
We confirm that exploration results contained in this report are based on information compiled by Tony Greenaway, Geology & Resources Manager of Platinum Australia Limited, who is a member of The Australasian Institute of Mining and Metallurgy.

Tony Greenaway has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a competent person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Tony Greenaway consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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LEGEND			
	UG2 Outcrop (Exposed in road cutting)		Project Boundary
	UG2 Outcrop (mapped)		Topographic Contour
	UG2 Sub-Outcrop (Interpreted)		Existing Access Track
	Completed Borehole		UG2 Reef area
	Mafic Intrusive/ Dyke		

PLATINUM AUSTRALIA	
Smokey Hills Project	
Resource Definition Borehole Location Plan	
Author ALG	Date 22/09/2005
Drawn	Scale 1:10,000
Drawn: SH_010.wpd	Revised
	W0584_Herbertook_L031

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