



PLATINUM AUSTRALIA LIMITED

Our Ref: ASX0617JDL:30.3:JDL

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

7 April 2006

Dear Sir,

New Order Prospecting Right Issued for Smokey Hills PGM Project

Platinum Australia Limited (ASX: PLA) (AIM:PLAA) is pleased to advise a New Order Prospecting Right has now been issued covering the Smokey Hills PGM Project. This replaces the existing Prospecting Permit.

PLA Managing Director John Lewins said: "The issue of the Prospecting Right, while basically an administrative step, represents another milestone in the development of the Smokey Hills PGM Project. We now look forward to the release of the final resource estimate in the near future and the successful completion of the BFS as planned in June of this year."

Smokey Hills PGM Project

The Smokey Hills PGM Project is located on the eastern limb of the Bushveld Complex in the Limpopo Province of South Africa, 300 kilometres north east of Johannesburg.

PLA is currently undertaking a Bankable Feasibility Study ("BFS") on the Project using Independent consultants and contractors including GRD Minproc as the Lead Engineers, Snowden for the Resource Estimate and Mining Study, SRK Consulting for Tailings and Hydro-geological studies and Africa Geo-Environmental Services for the Environmental Study.

The recently completed resource definition program, a major part of the BFS, identified a preliminary Mineral Resource estimate of 4.9 million tonnes at a grade of 6.0 g/t 4E PGM (platinum + palladium + rhodium + gold) containing 950,000 ozs 4E PGM in the Indicated and Inferred category. A final resource estimate is due to be completed in the near future, although it is not expected to vary significantly from the preliminary resource estimate, however it is anticipated that all of the resource will be classified as Measured and Indicated in this estimate.

The BFS is due for completion in June 2006.

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