



PLATINUM AUSTRALIA LIMITED

ACN 093 417 942

Ref: ASX0624JDL:30.3JD

21 April 2006

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

Dear Sir,

OUTSTANDING METALLURGICAL RESULTS FOR SMOKEY HILLS FEASIBILITY STUDY

Platinum Australia Limited (ASX : PLA) (AIM : PLAA) is pleased to advise that the results from metallurgical test work carried out on samples from the Smokey Hills Project have achieved flotation recoveries in excess of 88% into a final saleable concentrate.

The results were achieved in multiple locked cycle flotation tests carried out by Mintek Laboratories in South Africa. Importantly the tests also show that the final concentrate produced would be low in chromite, making it an attractive concentrate for smelters which should result in a higher payable metal price with no chromite penalties.

PLA Managing Director John Lewins said "The metallurgical results achieved in our test work are outstanding and at the top end of our expectations. The recoveries are significantly higher than those used in internal modelling, although they are consistent with those now being achieved in nearby operating mines".

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. The Project is adjacent to and up dip from the existing Modikwa Platinum Mine owned by African Rainbow Minerals and Anglo Platinum.

PLA is currently undertaking a Bankable Feasibility Study ("BFS") on the Project and recently completed a resource definition program which identified a Measured and Indicated UG2 Reef Resource of 5.3 million tonnes at a grade of 5.61 g/t 4E PGM (platinum + palladium + rhodium + gold) containing 960,000 oz 4E PGM.

The proposed development of the Project is based on mining the UG2 reef by open pit and shallow underground methods and on site treatment to produce a flotation concentrate for sale to nearby smelters. The study is due for completion by end of June 2006 and is being completed 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.

For further information:
John Lewins
MD, Platinum Australia
+61 (08) 9324 1491
0419 910 061

Media enquiries:
Ron Marshman/John Greenhalgh
City of London PR
+44 (020) 7628 5518

Media enquiries:
Sarah Allchurch
Allchurch Communications
+61 (08) 9381 6625
0412 346 412

Platinum Australia Limited

3rd Floor, 18 Richardson Street
West Perth WA 6005

Telephone: +61 (0)8 9324 1491
Facsimile: +61 (0)8 9226 4259

PO Box 1083
West Perth WA 6872

Email: mail@platinumaus.com
Web: www.platinumaus.com