



ASX Release

12 December 2006

POSITIVE INITIAL RESULTS FROM DRILLING PROGRAM AT KALAHARI PLATINUM PROJECT

Platinum Australia Limited (ASX: PLA) (AIM: PLAA) is pleased to announce the first results from the resource definition drilling program on the Kalahari Platinum ("Kalplats") Project have extended mineralisation at both the Crater and Serpens North Deposits. PLA believes that the results confirm our open pit target of up to 3 million ounces 3E PGM to a depth of 200 metres below surface.

At Crater drilling on the most southerly Section (10650mN) has increased the known depth of mineralisation to over 100 metres below surface and intersected a full suite of UM, LM and MR reefs which had not been previously encountered in this section (Figure 1).

At Serpens North drilling below the previous most northerly Section (18100mN) of shallow (30 metre deep) holes has confirmed that the full suite of UM, LM and MR Reefs is present and continues at depth, significantly upgrading the potential of this deposit (Figure 2).

PLA Managing Director John Lewins said: "The initial drilling program has been designed to identify extensions to the known mineralisation at Kalplats with a major focus on the Serpens North and South and Crater Deposits. At Crater, drilling on the most southerly section has identified the full suite of high grade reefs to a depth of over 100 metres where previously only a partial intersection of UM Reef at a depth of approximately 50 metres had been recorded. At Serpens North, drilling on the most northerly section where the previous shallow 30 metre open hole percussion drilling identified only the LM and MR Reefs, we have shown the full suite of high grade reefs is present and continues at depth, although it appears that the reefs are fault offset at depth of approximately 100 metres below surface. Further deeper drilling on this section will be undertaken in the New Year."

"The initial results from drilling at both the Crater and Serpens North deposits confirms our previous open cut target of 3 million ounces 3E PGM to a depth of approximately 200 metres."

While the 3 million ounce 3E PGM 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 to achieve this.

Kalahari Platinum Project

The Kalplats PGM Project is located 330km west of Johannesburg and has an established Indicated & Inferred resource of 3.4 million ounces 3E PGM (platinum + palladium + gold), including a high grade Indicated & Inferred resource of 1.4 million ounces 3E PGM (12 Million tonnes at a grade of 3.6 g/t 3E PGM) in seven identified deposits to an average depth of approximately 150 metres below surface. PLA believes that there is significant potential to increase the size of this resource as all deposits appear to be open at depth and along strike. In addition a number of other targets have been identified from geochemical survey work and a high resolution aeromagnetic survey completed by PLA.

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Under the Kalplats Joint Venture Agreement, PLA is earning up to 49% of the Kalplats Project from African Rainbow Minerals Platinum (Pty) Ltd (“ARMplats”) by completing a Bankable Feasibility Study including further drilling and providing the right for the project to use the Panton metallurgical process (“Panton Process”).

As part of the Joint Venture PLA and ARMplats have also applied for a prospecting right covering an area approximately 20 kilometres to the north and 18 kilometres to the south of the Kalplats Project area, increasing the total strike length held by the parties to almost 50 kilometres. PLA and ARMplats will each have a 50 percent contributing interest in the new area and PLA will manage the exploration program which will target extensions of the known Kalplats style of PGM mineralisation.

PLA is currently undertaking a resource definition program of approximately 22,000 metres as part of the Pre Feasibility Study due for completion mid 2007. The drilling program is designed to build on the current open pit resource of 1.4 million ounces of high grade 3E PGM, with a target of 3 million ounces 3E PGM in open pit. By the end of November 2006 approximately 6,000 metres had been drilled of the program. The first significant results from the program are provided in Table 1 below. The location of the drill holes are shown in Figures 3, 4 & 5.

TABLE 1 - KALPLATS SIGNIFICANT DRILL RESULTS											
Section	Borehole ID	From	To	Interval	Pt g/t	Pd g/t	Au g/t	3E g/t	Pt/Pd	Interpreted Reef	Comments
10650mN	KP004	79.00	81.00	2.00	2.03	1.82	0.43	4.28	1.12	UM	Partially stoped out by intrusives
10650mN	KP010	108.00	109.00	1.00	0.53	1.55	0.01	2.09	0.34	MR	Partially stoped out by intrusives
		109.00	114.00	5.00	0.22	0.39	0.01	0.62	0.57	Mid-Main	
		114.00	115.00	1.00	1.21	1.22	0.23	2.66	0.99	LM	Partially stoped out by intrusives
		115.00	120.00	5.00	0.38	0.40	0.01	0.79	0.96	Main	
10650mN	KP011	120.00	123.55	3.55	2.71	2.25	0.30	5.26	1.20	UM	Partially stoped out by intrusives
		155.38	158.52	3.14	0.47	1.51	0.01	1.99	0.31	MR	
		158.52	160.52	2.00	0.05	0.09	0.01	0.15	0.56	Mid-Main	Partially stoped out by intrusives
		160.52	162.24	1.72	1.63	1.89	0.01	3.53	0.86	LM	Partially stoped out by intrusives
18100mN	KP007	162.24	167.00	4.76	0.50	0.51	0.01	1.02	0.98	Main	
		167.00	173.00	6.00	1.60	1.54	0.09	3.23	1.04	UM	
		107.00	110.00	3.00	0.56	1.71	0.01	2.28	0.33	MR	
		110.00	118.66	8.66	0.38	0.55	0.01	0.94	0.69	Mid-Main	
18100mN	KP008	118.66	119.25	0.59	1.44	1.84	0.01	3.29	0.78	LM	Truncated by fault
		44.00	46.00	2.00	0.63	2.11	0.01	2.75	0.30	MR	
		46.00	54.00	8.00	0.42	0.54	0.01	0.97	0.77	Mid-Main	
		54.00	58.00	4.00	1.72	1.98	0.02	3.72	0.87	LM	
18100mN	KP008	58.00	68.00	10.00	0.50	0.44	0.01	0.95	1.14	Main	
		68.00	74.00	6.00	2.12	1.13	0.72	3.97	1.89	UM	

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

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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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Glossary

3E PGM - Platinum + Palladium + Gold
UM Reef - Upper Main Reef
LM Reef - Lower Main Reef
MR Reef - Middle Reef

Ref: ASX0708JDL_121206

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W

8800mN

8900mN

9000mN

Crater Deposit Section 10650mN

E

1200E

1200E

1100E

KP011

KP010 W1052R

KP004

BOCO
TOFR

1.00m @ 2.09 g/t 3E

1.00m @ 2.66 g/t 3E

3.14m @ 2.01 g/t 3E

1.72m @ 3.49 g/t 3E

2.00m @ 4.28 g/t 3E

3.00m @ 4.08 g/t 3E

3.00m @ 3.22 g/t 3E

3.55m @ 5.26 g/t 3E

6.00m @ 3.23 g/t 3E

-  PLA Drilling
-  Historical Drilling
-  Kalahari Sand
-  Gabbro
-  Magnetite-rich Gabbro
-  MR Reef
-  LM Reef
-  Main Reef
-  UM Reef
-  Intrusive
-  3E
Platinum + Palladium + Gold



Serpens North Deposit - Section 18100mN

W

E

4600mN

4700mN

4800mN

4900mN

KP005

KP006

KP007
KDP40

KDP39

KP008
KDP38

KDP37

KP009
KDP36

KDP35

KDP34

TOFR

BOCO

2.00m @ 2.74 g/t 3E

4.00m @ 3.72 g/t 3E












3.00m @ 2.28 g/t 3E

1.00m @ 3.29 g/t 3E

6.00m @ 3.96 g/t 3E

4.00m @ 4.14 g/t 3E

2.00m @ 2.34 g/t 3E

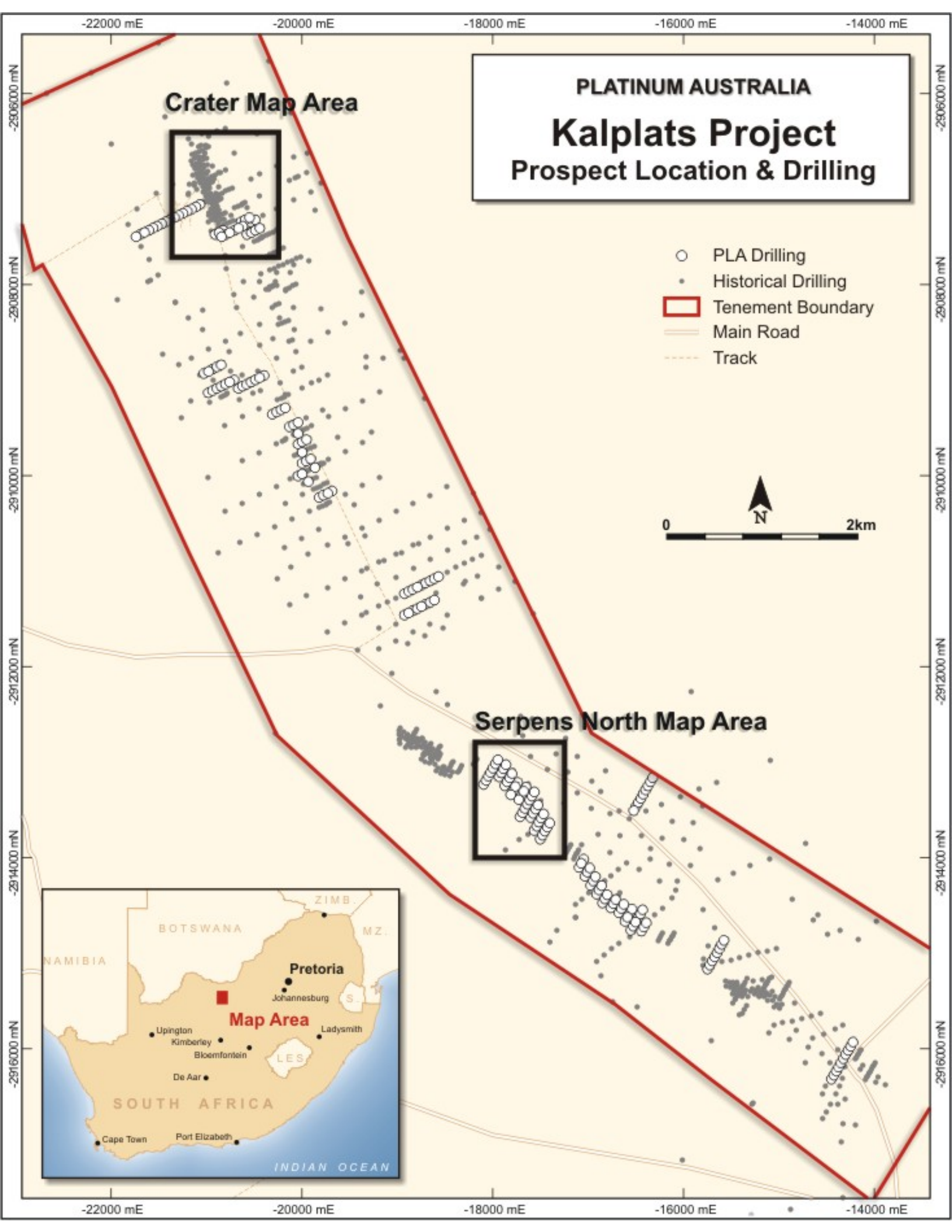
-  PLA Drilling
-  Historical Drilling
-  Kalahari Sand
-  Meta Sediments
-  Gabbro
-  Magnetite-rich Gabbro
-  MR Reef
-  LM Reef
-  Main Reef
-  UM Reef
-  3E Platinum + Palladium + Gold

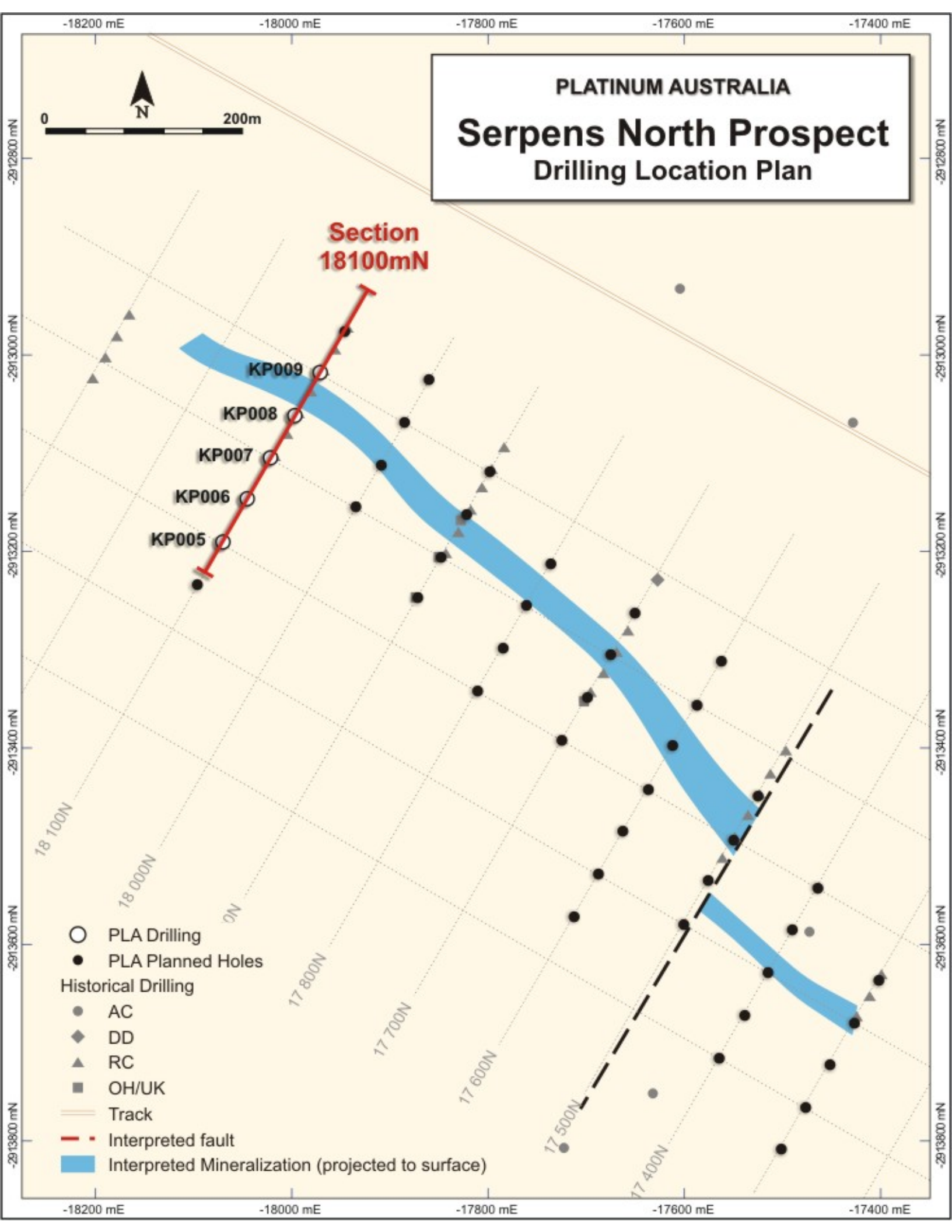


11000E

12000E

13000E





PLATINUM AUSTRALIA
Serpens North Prospect
Drilling Location Plan

Section 18100mN

- PLA Drilling
- PLA Planned Holes
- Historical Drilling
 - AC
 - ◆ DD
 - ▲ RC
 - OH/UK
- Track
- - Interpreted fault
- Interpreted Mineralization (projected to surface)