

ASX Release

4 July 2007

SMOKEY HILLS EPCM CONTRACT AWARDED TO GRD MINPROC

Platinum Australia Limited (ASX:PLA) (AIM:PLAA) is pleased to announce that the EPCM (Engineering, Procurement and Construction Management) contract for the construction of the processing plant and related infrastructure for the Smokey Hills Project has been awarded to GRD Minproc (Pty) Ltd (“Minproc”).

PLA Managing Director John Lewins said: “We are extremely pleased to have the continued involvement of Minproc in our Smokey Hills Project (the “Project”) into the construction phase following their role as Lead Engineer for the Bankable Feasibility Study (“BFS”). Minproc will run the construction from their Johannesburg office where they employ around 200 professional and technical personnel with support, where required, from their main Perth Head Office”.

“Minproc combines the knowledge and experience gained from developing many successful projects in Australia with experience in Africa where it currently has active projects in South Africa, Namibia, Ghana, Democratic Republic of Congo and Zambia. We believe that this knowledge and experience combined with their knowledge of the Smokey Hills Project from completing the BFS makes them by far the best choice to construct the project”.

“The award of this contract combined with the recent approval of the debt component of ZAR256 million (US\$37 million) for the Project by Standard Bank of South Africa moves the Smokey Hills Project firmly into the development phase and into an excellent position to complete construction and move into full production in the shortest possible timeframe once the mining right is received.”

Smokey Hills Project

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

PLA commenced a resource definition drilling program on the project in July 2005 and a BFS with GRD Minproc as the Lead Engineer in October 2005. The results of the BFS showed the Project to be extremely attractive and very robust and able to generate returns of over 70% on the Base Case assumptions and in excess of 600% using July 2006 metal prices and exchange rate.

The Company envisages commencing operations at Smokey Hills initially as an open cut and then progressing to a shallow underground mine. During the initial phase while the plant is under construction PLA proposes to mine ore for toll treatment through a nearby plant to generate early cash flow. This phase would last for approximately 12 months after which ore

Platinum Australia Limited

Level 3, 18 Richardson Street West Perth Western Australia 6005 Australia

T: + 61 8 9324 1494

F: + 61 8 9226 4259

E: pla@platinumaus.com

W: www.platinumaus.com.au

would be treated through the on-site plant at a rate of 720,000 tonnes per annum, producing approximately 95,000 ozs 4E PGM (Platinum + Palladium + Rhodium + Gold) in a flotation concentrate. This would be toll treated or sold to any one of a number of smelters in South Africa, the nearest of which is less than 100 kilometres distant.

PLA signed a formal Sale Agreement with Smokey Hills Platinum (Pty) Ltd ("SHP") to acquire up to 80% of the Project through the staged acquisition of 100% of SHP in May 2004. With this staged acquisition now complete PLA has an 80% interest in the Project with the balance of the Project being held 5% by the local community and 15% by Corridor Mining Resources, a company owned by the Limpopo Provincial Government.

Yours faithfully
PLATINUM AUSTRALIA LIMITED



JOHN D LEWINS
Managing Director

Further Comments:
Mr John Lewins
Managing Director
Platinum Australia Limited
P: (08) 9324 1491
M: 0419 910 061

Media Enquiries:
Ron Marshman / John Greenhalgh
City of London Public Relations
P: +44 (020) 7628 5518

Media Enquiries:
Sarah Allchurch
Allchurch Communications
P: (08) 9381 6625
M: 0412 346 412

Platinum Australia Limited

Level 3, 18 Richardson Street West Perth Western Australia 6005 Australia

T: + 61 8 9324 1494 F: + 61 8 9226 4259 E: pla@platinumaus.com W: www.platinumaus.com.au