



## ASX Release

20 November 2007

### PANTON PGM PROJECT – UPDATING OF FEASIBILITY STUDY BASED ON A STAND ALONE DEVELOPMENT

Platinum Australia Limited (ASX : PLA) (AIM : PLAA) wishes to advise that it has commenced an updated Feasibility Study on the Panton PGM Project which is due for completion in mid 2008. The focus of the study will be on a stand alone operation consisting of an on site treatment plant and an initial four year life open pit mine, producing some 35,000 to 40,000 oz Platinum Group Metals (“PGM’s”) per annum, with the potential to continue into underground operations. The decision to focus on a stand alone operation follows discussions with Sally Malay Mining (“SMY”) which resulted in their withdrawal from a letter of agreement with PLA under which SMY had a right to earn a 50% interest in the first 1.5 Mt of ore from the Panton PGM Project.

PLA Managing Director John Lewins said: “The agreement with SMY was based on treating Panton ore through the Sally Malay plant over a five to six year period. However the success of SMY in their on-site and regional exploration efforts has effectively removed this as an option as the Sally Malay mill will now be full from mid 2008. In addition it has become clear that the Sally Malay mill would require significant modifications to enable it to treat Panton ore, effectively removing much of the capital cost benefit of this option”.

“The Panton PGM Project contains the highest grade and largest PGM resource in Australia, with an in ground value in excess of \$2 Billion. PLA believes that a stand alone operation, initially as an open pit but with the potential to continue as a long life underground mine provides the best possible opportunity to unlock this value”.

#### Panton PGM Project

The Panton PGM Project is located in the Kimberley region of Western Australia, 60 km north of Halls Creek and 60 km south of the Sally Malay site. The Project is located on three mining leases which cover all land necessary for the project development.

The Project has a resource of 14.3 Mt at 5.2 g/t 7E PGM (2.4 million ounces 7E PGM), including a high grade resource of 10.1 Mt at 6.1 g/t 7E PGM as detailed in Table 1.

PLA completed a detailed feasibility study in August 2003 which found that the project was technically feasible but not commercially viable at the prevailing metal prices and US\$ exchange rate. However since the study was completed the metal prices, including those of the nickel and copper by products have more than doubled, significantly enhancing the potential of the project.

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<b>Table 1 - Panton Resource – Measured, Indicated &amp; Inferred</b>							
	<b>Million Tonnes</b>	<b>7E PGM* g/t</b>	<b>Pt g/t</b>	<b>Pd g/t</b>	<b>Au g/t</b>	<b>Ni %</b>	<b>Cu %</b>
Top Reef	10.08	6.13	2.51	2.91	0.4	0.3	0.09
Middle Reef	4.22	2.99	1.41	1.15	0.1	0.18	0.04
<b>Combined</b>	<b>14.3</b>	<b>5.2</b>	<b>2.19</b>	<b>2.39</b>	<b>0.31</b>	<b>0.27</b>	<b>0.07</b>

\* 7E PGM = Pt + Pd + Rh + Ru + Ir + Os + Au

Assays are fire assay with lead collection and ICP - MS element determination

Assays by Genalysis Laboratory Services, Perth, Western Australia, a NATA registered laboratory (No 3224)



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