

ASX Release

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INDUSTRIAL ACTION BY MINING CONTRACTOR EMPLOYEES AT SMOKEY HILLS

Platinum Australia Limited (ASX:PLA) advises that the majority of the employees of the mining contractor, JIC Mining Services (Pty) Limited ("JIC"), at the Smokey Hills Mine have engaged in unprotected industrial action. This action is related to demands for payments claimed from Redpath Mining (South Africa) (Pty) Limited relating to the transfer of the employees to JIC.

The above action has culminated in approximately 85% of the employees refusing to go underground from night shift on Sunday 28th November. This has significantly affected underground production, although limited mining operations with the balance of the workforce has continued at approximately 20% of normal levels. The employees have been advised by the contractor to return to work or face dismissal for participating in unprotected industrial action. The contractor has measures in place to deal with this situation in the event that employees are dismissed.

There are currently almost 50,000 tonnes of underground ore plus chrome tailings stockpiled ahead of the plant at Smokey Hills, and it is not therefore expected that the above action will significantly impact on PGM production from the operation.

As advised in a separate announcement, PhokaThaba Platinum (Pty) Ltd ("PTP") has entered into an agreement with Ingonyama Platinum (Pty) Ltd ("Ingonyama") to treat approximately 100,000 tonnes of chrome tailings through the Smokey Hills Plant. In addition to the material already treated or stockpiled on site at Smokey Hills, a further 50,000 tonnes of this material, which has to date averaged 6 g/t 3E PGM, remains to be trucked to the mine site.

The Company is unsure how long the action will impact on operations at Smokey Hills, but at this point expects normal operations to recommence by the beginning of next week.

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PGM – Platinum Group Metals
3E PGM - Platinum + Palladium + Rhodium

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