

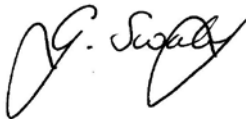
ASX Release

4 January 2012

RIGHTS ISSUE LETTERS

Enclosed please find letters as forwarded to shareholders today in relation to the current rights issue.

Yours faithfully,
PLATINUM AUSTRALIA LIMITED



GILLIAN SWABY
Company Secretary



000001 000 PLA
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

4 January 2012

Dear Shareholder

RENOUNCEABLE RIGHTS ISSUE

As you may be aware, Platinum Australia Limited (ACN 093 417 942) ("**Company**") is currently undertaking a pro-rata renounceable rights issue of approximately 45,338,004 new shares on the basis of one new share for every 10 shares held on the record date at an issue price \$0.12 per new share, to raise \$3,627,040 ("**Rights Issue**"), pursuant to a prospectus dated 30 December 2011 ("**Prospectus**"). The Rights Issue will close on 1 February 2012 and is partially underwritten by Patersons Securities Limited ("**Patersons**") to the amount of \$2,200,000.

The Rights Issue is renounceable, and accordingly eligible shareholders will be able to trade their rights to participate in the Rights Issue ("**Rights**").

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the Listing Rules of the Australian Securities Exchange ("**Listing Rules**"), that it would be unreasonable to make offers under the Prospectus to shareholders outside of Australia and New Zealand ("**Excluded Shareholders**") having regard to each of the following:

- a) the number of shareholders outside of Australia and New Zealand;
- b) the number and value of shares which would be offered to shareholders outside of Australia and New Zealand; and
- c) the costs of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, in compliance with Listing Rule 7.7.1(b), the Company wishes to advise you that it will not be extending the Rights Issue to you.

In accordance with Listing Rule 7.7.1(c), the Company has appointed Patersons as nominee for foreign holders of the Company's securities in those countries outside of Australia and New Zealand to arrange the sale of the Rights which would have been offered to the Excluded Shareholders.

The Company will transfer the Rights of the Excluded Shareholders to Patersons who will account to the Company's share registry who will then dispatch the funds (if any) to each individual Excluded Shareholder. Patersons will have the absolute and sole discretion to determine the timing and the price at which the Rights may be sold and the manner of any such sale. Neither the Company nor the Patersons will be subject to any liability for failure to sell the Rights or to sell them at a particular price.

If, in the reasonable opinion of Patersons there is not a viable market for the Rights or a surplus over the expenses of sale cannot be obtained for the Rights that would have been offered to the Excluded Shareholders, then the Rights will be allowed to lapse and they will form part of the shortfall.

Should you have any queries please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Yours faithfully

A handwritten signature in black ink, appearing to read 'G. Swaby', written in a cursive style.

Gillian Swaby
Company Secretary



000001 000 PLA
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

4 January 2012

Dear Shareholder

RIGHTS ISSUE INFORMATION FOR SHAREHOLDERS

As you may be aware, the Platinum Australia Limited (ACN 093 417 942) ("**Company**") will shortly be offering to you an opportunity to acquire more shares in the Company pursuant to a partially underwritten pro-rata renounceable rights issue to shareholders of 45,338,004 new shares on the basis of one new share for every ten shares held on the record date at an issue price \$0.08 per New Share, to raise approximately \$3,627,040 ("**Rights Issue**"). The Rights Issue is partially underwritten by Patersons Securities Limited to the amount of \$2,200,000.

This Rights Issue will be made pursuant to a Prospectus and if you wish to participate in the Rights Issue, you will need to complete the Entitlement and Acceptance Form that will accompany the Prospectus.

A copy of the Prospectus has been lodged with ASX and is available on the ASX website and will be available on the Company's website www.platinumaus.com.au.

Pursuant to the Listing Rules of the Australian Securities Exchange ("**Listing Rules**"), the Company is required to provide to you certain information before proceeding with the Rights Issue. This letter contains all the information required by Appendix 3B of the Listing Rules.

1. Approximately 45,338,004 new shares will be issued pursuant to the Rights Issue.
2. The new shares to be issued will rank equally in all respects from the date of allotment with the existing quoted ordinary shares.
3. The issue price of the new shares will be \$0.08 each.
4. The Company will apply for quotation of the new shares issued pursuant to the Rights Issue on the official list of the ASX.
5. The funds raised by the Rights Issue will be used towards:
 - (a) funding the costs of the Rights Issue;
 - (b) development and operational capital for the Company's Smokey Hills project;
 - (c) funding continuing exploration and development expenditure on the Company's Kalahari Platinum and Rooderard projects; and
 - (d) working capital.

142542_016L4C

6. The securities will be entered into uncertificated holdings on 9 February 2012.
7. The total number and class of all securities quoted on ASX (including the maximum number of new shares to be issued in the Rights Issue) is as follows:

Number	Class
498,718,043	Ordinary shares

The total number and class of all securities not quoted on the ASX is as follows:


Number	Exercise Price
215,000	Options exercisable at \$0.94 each on or before 31 July 2012
115,000	Options exercisable at \$2.33 each on or before 31 July 2012
100,000	Options exercisable at \$2.69 each on or before 31 July 2012
15,000,000	Options exercisable at \$0.30 each on or before 30 June 2013
250,000	Options exercisable at \$0.84 each on or before 31 July 2013
3,000,000	Options exercisable at \$1.23 each on or before 31 December 2013
100,000	Options exercisable at \$0.94 each on or before 30 April 2014

8. The Company currently has no dividend policy. However, pursuant to the Constitution of the Company, the Directors may from time to time declare a dividend to be paid to the members entitled to the dividend. No dividend may be paid except out of profits.
9. No shareholder approval for the Rights Issue is required.
10. The Rights Issue is **renounceable**.
11. The new shares in the Rights Issue will be offered on the basis of 1 new shares for every 10 shares held on 5pm Perth time (Western Australian Standard Time) on the record date of 11 January 2012 2011.
12. The offer under the Rights Issue relates to fully paid ordinary shares in the Company.
13. The "**ex date**" is 5 January 2011.
14. The **record date** to determine entitlements is 11 January 2012.
15. The Company does not have multiple share registers.
16. Fractional entitlements will be rounded [up/down] to the nearest whole number.
17. The Company will not be sending an offer under the Rights Issue to any security holders outside of Australia and New Zealand.

In compliance with Listing Rule 7.7.1 of the ASX Listing Rules, the Company has decided that it is unreasonable to make the offer to security holders outside of Australia and New Zealand having regard to each of the following:

- the number of security holders outside of Australia and New Zealand;
- the number and value of the securities which would be offered to security holders outside of Australia and New Zealand; and
- the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

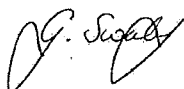
The Company will send to each of the security holders outside of Australia and New Zealand details of the offer and advise them that the Company will not be making the offer to them.

- 
18. The closing date for receipt of acceptances is 5pm Perth time (Western Australian Standard Time) 1 February 2012.
 19. The Rights Issue is partially underwritten by Patersons Securities Limited to the amount of \$2,200,000 ("**Underwritten Amount**").
 20. The Company will pay Patersons Securities Limited an underwriting commission equal to 5% of the Underwritten Amount, plus 5% of any amounts raised through a placement of shortfall shares under the Rights Issue (not including the underwritten shares).
 21. Patersons Securities Limited is the lead manager to the Rights Issue.
 22. Brokers will receive no handling fee for acceptances lodged by them on behalf of security holders.
 23. The Prospectus for the Rights Issue and the accompanying Entitlement and Acceptance Form will be sent to you on 17 January 2012.
 24. The latest date for despatch of certificates or entry of the securities into your security holdings is 9 February 2012.

The above information was provided to the ASX on 4 January 2012.

If you have any queries regarding your entitlement or participation in the Rights Issue, please do not hesitate to contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Yours faithfully



Gillian Swaby
Company Secretary