



PLATINUM AUSTRALIA LIMITED

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Our ref: Shareholders0175BG:10.4:JD

8 October 2002

Dear Shareholder,

NOTICE OF RENOUNCEABLE PRO-RATA ISSUE OF SHARES

Platinum Australia Limited has announced a pro-rata issue of ordinary fully paid shares (the "New Issue").

The New Issue is renounceable which means that Rights Trading will take place, commencing on Friday 11 October 2002 and details of the New Issue will be sent to all shareholders together with each shareholder's Entitlement and Acceptance form (except those shareholders not residing in Australia, New Zealand, Dutch Antillies and Malaysia) by 21 October 2002.

The company will apply the funds raised to complete the Bankable Level Feasibility Study ("FS") on the Panton Platinum-Palladium Project, including further development of the new metallurgical process, and for working capital to support the exploration and development of Platinum Australia's tenements and prospects.

Details of the New Issue are as follows

- **Type of Issue:** pro-rata renounceable issue of ordinary fully paid shares (4 for 25)
- **Amount Payable:** 32 cents per share entitlement
- **Number of shares to be issued:** approximately 9,580,000
- **Amount to be raised:** approximately \$3,065,000
- **Purpose of this issue:** to fund the Bankable level feasibility study on the Panton project and exploration
- **Underwriting:** the issue is fully underwritten by Lonmin PLC
- **Listing:** application has been made to the Australian Stock Exchange Ltd (ASX) for the shares to be quoted
- **Important Dates:**

Prospectus lodged with ASIC and ASX:	8 October 2002
Rights trading begins:	11 October 2002
Record date for Entitlements:	17 October 2002
Documents to persons entitled:	21 October 2002
Rights trading ends:	6 November 2002
Closing date for Acceptance:	13 November 2002
Allotment of shares and despatch of holding statements:	4 December 2002

Yours faithfully,
PLATINUM AUSTRALIA LIMITED

JOHN D. LEWINS
Executive Director