



NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

AND

EXPLANATORY MEMORANDUM

Date of Meeting

Monday, 22 November 2010

Time of Meeting

1.30 pm (WST)

Place of Meeting

QV.1 Conference Centre
Level 2, 250 St George's Terrace
PERTH WA 6000

Level 3, 18 Richardson Street
West Perth WA 6005
PO Box 1083, West Perth 6872
Phone: +61 8 9324 1491
Facsimile: +61 8 9226 4259
Website: www.platinumaus.com
Email: pla@platinumaus.com

PLATINUM AUSTRALIA LIMITED
ACN 093 417 942

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Platinum Australia Limited ("**Company**") will be held at QV.1 Conference Centre, Level 2, 250 St George's Terrace, PERTH WA 6000 on Monday, 22 November 2010 at 1.30 pm (WST) for the purpose of transacting the following business:

AGENDA

BUSINESS

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Meeting.

Annual Accounts

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report of the Company for the year ended 30 June 2010, as set out in the Annual Report.

Resolution 1. Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That the Remuneration Report for the year ended 30 June 2010 as set out in the Company's Annual Report be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Resolution 2. Re-election of Mr Michael Gerrard Blakiston

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Michael Gerrard Blakiston, who retires by rotation in accordance with Rule 13.2 of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a Director."

Resolution 3. Re-election of Mr William Alexander (Lex) Hansen

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr William Alexander Hansen, who retires by rotation in accordance with Rule 13.2 of the Company's Constitution and being eligible, offers himself for re-election, be re-elected as a Director."

Resolution 4 – Ratification of Option Issue

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 of the Listing Rules and for all other purposes, the Company ratify the allotment and issue of 5,714,284 unlisted options exercisable at \$1.05 and expiring on 31 August, 2011 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

The Company will disregard any votes cast on Resolution 4 by any person who participated in the issue or any associate of those persons. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 – Variation to terms of Director Options held by Mr John Lewins

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 6.23.4 and section 208 of the Corporations Act and for all other purposes, the Company approves and authorises an amendment to the terms of the Director Options granted to Mr John Lewins on 21 December 2006, to extend the expiry date of the Director Options from 21 December 2011 to 31 December 2013, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

The Company will, in accordance with section 224 of the Corporations Act, disregard any votes cast on Resolution 5 by Mr John Lewins and any associates of Mr Lewins. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution;
- and it is not cast on behalf of Mr Lewins or an associate of Mr Lewins; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Other Business

To deal with any other business which may be brought forward in accordance with the Company's Constitution and the Corporations Act 2001 (Cth).

By order of the Board



GILLIAN SWABY
Company Secretary
Dated: 6 October, 2010

HOW TO VOTE

Shareholders can vote by either:

- attending the Annual General Meeting and voting in person or by attorney or, in the case of corporate shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Annual General Meeting and by submitting their proxy appointment and voting instructions in person, by post or by facsimile.

VOTING IN PERSON (OR BY ATTORNEY)

Shareholders, or their attorneys, who plan to attend the Annual General Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded.

Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the Annual General Meeting.

VOTING BY A CORPORATION

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Annual General Meeting evidence of his or her appointment, including any authority under which it is signed.

PROXIES

A Shareholder entitled to attend and vote at the Annual General Meeting of shareholders may appoint not more than two proxies. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the Shareholder's voting rights. A proxy may, but need not be, a Shareholder of the Company.

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- (a) send the proxy form by fax to the Company on fax number +61 8 9226 4259; or
- (b) deliver or post the proxy form to the Company's registered office at Level 3, Murchison House, 18 Richardson Street, West Perth WA 6005 or to the Company's share registry at GPO Box 242, Melbourne, Victoria 3001 or by fax (within Australia) 1800 783 447 or outside Australia +61 3 9415 4823,

so that it is received not later than 1.30pm (WST) on 20 November 2010. Proxy forms received later than this time will be invalid.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations, the Company determines that Shareholders holding ordinary shares at the close of business on 20 November 2010 will be entitled to attend and vote at the Annual General Meeting.

PLATINUM AUSTRALIA LIMITED
ACN 093 417 942

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting (“**Notice**”) of Platinum Australia Limited (“**Company**”).

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice:

ANNUAL ACCOUNTS

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2010 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Appropriate time will be devoted to the consideration of the financial statements and reports of the Company for the year ended 30 June 2010.

The Chairman will also provide Shareholders a reasonable opportunity to ask the Company's auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the independent audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1: REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act, the Company is submitting its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding resolution.

The Remuneration Report forms part of, and is incorporated in, the Directors' Report, as disclosed in the Annual Report. The Remuneration Report:

- (a) explains the Board's policy for determining the nature and amount of remuneration of the executive Director of the Company;
- (b) explains the relationship between the Board's remuneration policy and the Company's performance;
- (c) sets out remuneration details for each Director of the Company; and
- (d) details and explains any performance conditions applicable to the remuneration of the executive Director and non-executive Directors of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

RESOLUTIONS 2 and 3: RE-ELECTION OF DIRECTORS

The Company's constitution requires that one third of Directors retire by rotation at each Annual General Meeting such that no Director holds office for a period in excess of 3 years. Messrs Blakiston and Hansen retire by rotation, and being eligible, offers themselves for re-election.

Mr Michael Gerrard Blakiston

Mr Blakiston is managing partner of the firm Blakiston & Crabb. For some years he has practised extensively in the field of corporate and resource law and has had considerable experience in commercial and corporate management. Mr Blakiston is also a director of Rox Resources Ltd (since 2003), Vulcan Resources Limited (since 2002), Axiom Properties Ltd (since 2006) and Aurora Oil & Gas Ltd since 2003).

Mr Michael Blakiston was first appointed as a non-executive Director on 21 June 2000.

Mr William Alexander (Lex) Hansen

Mr Hansen has more than 35 years experience in senior positions in the mining industry. His career has spanned exploration, mine operations and development, corporate finance, stockbroking and investment. His most recent position was executive director of Corporate Finance (Mining) at HSBC Bank Australia with regional responsibility for resources debt and equity investment appraisals and underwriting transactions. He has also been a director of a public listed gold exploration and development company. Mr Hansen is a director of Heemskirk Consolidated Limited, Core Resources Pty Ltd and Endocoal Limited.

Mr Alexander Hansen was first appointed as a non-executive Director on 21 January 2004.

RESOLUTION 4: RATIFICATION OF OPTION ISSUE

The Options the subject of Resolution 4 were issued during the period 31 December 2009 to 30 September 2010 to Macquarie Bank Limited as part of the bridging finance facility provided by Macquarie Bank Limited as announced to ASX on 21 August 2009.

Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further Shares constituting up to 15% of the issued capital of the company without requiring shareholder approval.

Information for Shareholders

Listing Rule 7.5 requires the following information to be provided to Shareholders for the purposes of seeking ratification under Listing Rule 7.4:

- (a) A total of 5,714,284 unlisted Options, exercisable at \$1.05 and expiring 31 August 2011 were allotted and issued;
- (b) The Options were issued for nil consideration and therefore no funds were raised from the issue of the Options;

- (c) The Options were issued to Macquarie Bank Limited, an unrelated party of the Company; and
- (d) The Shares to be issued as a result of the exercise of the Options will rank pari passu with, and on the same terms as, the existing fully paid Shares on issue.

The terms and conditions of the Options the subject of Resolution 4 are set out in Annexure A to this Explanatory Memorandum.

The Company wishes to ratify the issue of Options pursuant to Listing Rule 7.4 in order to allow the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months should circumstances require.

RESOLUTION 5: VARIATION TO TERMS OF OPTIONS HELD BY MANAGING DIRECTOR, MR JOHN LEWINS

On 30 November 2006, Shareholders approved the grant of Options with an exercise price of \$1.25 and an expiry date being five years from the date of grant to Mr John Lewins, who is the Managing Director, on the terms set out in Annexure B ("**Director Options**"). The Director Options were issued by the Company to Mr Lewins on 21 December 2006.

The Director Options are subject to the following conditions of exercise ("**Milestones**"):

- (a) 500,000 of the Director Options at the time the Company completes a bankable feasibility study on the Kalplats project and the high grade (+2.5g/t) resource reaches a minimum of 2.5 million ounces of platinum group metals ("**Milestone 1**");
- (b) 500,000 of the Director Options at the time construction of the Kalplats project commences ("**Milestone 2**");
- (c) 1,000,000 of the Director Options at the time the first commercial concentrate is shipped from Kalplats project or the Company sells all of its interest in the Kalplats project ("**Milestone 3**");
- (d) 500,000 of the Director Options at the time when the Company identifies or acquires a further 1 million ounces of platinum group metals outside of Smokey Hills and Kalplats project (or within an extended area of the Kalplats project or the Smokey Hills project or on another project or a combination of projects) ("**Milestone 4**"); and
- (e) 500,000 of the Director Options when the Company commences production from the Panton project or any other project which the company acquire ("**Milestone 5**").

Shareholder approval is now sought to amend the terms of the Director Options, as marked up in Annexure C, to extend the expiry date of the Director Options from 21 December 2011 to 31 December 2013 to allow more time for the Milestones to be reached. The only term of the Director Options which will be amended is the expiry date. All other terms of the Director Options, including the exercise price and the Milestones, will remain the same.

The Director Options form part of Mr Lewins' remuneration package. The extension of the timeframe will ensure the Director Options continue to provide a real incentive to Mr Lewins. The Board (apart from Mr Lewins) considers this to be the most appropriate method of incentivising Mr Lewins, as opposed to issuing a new tranche of options to Mr Lewins.

Related Party Transactions

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

The giving of a financial benefit includes the issue of securities to a related party.

In accordance with section 219 of the Corporations Act, the following information is provided to Shareholders:

- (a) The related parties to whom the proposed resolution would permit the financial benefit to be given are as follows:

Mr Lewins, being the Managing Director of the Company, is a related party of the Company to whom the financial benefit will be given.

- (b) The nature of the financial benefit proposed to be given:

The nature of the financial benefit proposed to be given under Resolution 5 is an extension of the expiry date for the Director Options held by Mr Lewins, which would extend the period for Mr Lewins to satisfy the Milestones from 21 December 2011 to 31 December 2013.

- (c) Directors' recommendation:

All Directors were available to consider Resolution 5.

Messrs Peter Allchurch, William Hansen, Michael Blakiston and Eric Hughes (who do not have any interest in Resolution 5) recommend that Shareholders approve the amendment to the terms of the Director Options because they will continue to provide a real incentive to Mr Lewins if amended and it is in the best interests of the Company that the Milestones are achieved. Mr Lewins declined to make a recommendation to Shareholders in respect of Resolution 5 as he has a material personal interest in the outcome of Resolution 5 by virtue of the proposed amendment to the terms of these Director Options.

The Directors (apart from Mr Lewins) consider that Mr Lewins has performed very well in his role to date, and that significant progress on achieving the Milestones has been made. Progress on meeting the Milestones has generally been affected by circumstances and matters outside of the direct control of Mr Lewins, including the effects of the global financial crisis and the general nature of the mining industry. The Board (apart from Mr Lewins) considers an extension to the expiry date of the Director Options will provide the most cost effective and efficient ongoing incentive for Mr Lewins. The number and terms of the Director Options was considered by the Board prior to their initial issue, and the terms were considered appropriate remuneration for Mr Lewins in light of his skill, experience and reputation.

- (d) Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers.
 - (i) The Director Options were valued applying the Black and Scholes option pricing model (the "**B&S Model**") in the 2006 AGM Meeting Materials. A revised valuation of the Director Options taking into account the extended expiry date is set out below. The B&S Model is based on a number of assumptions, including an assumption that

the Director Options being valued are American call options, in that they can be exercised at any time on or before the expiry date (subject to any vesting conditions). In addition, the B&S Model assumes that there is a liquid market for the Director Options. Because the B&S Model assumes a liquid market, the amount calculated by the B&S Model represents a maximum theoretical value. In assessing the indicative fair value of the Director Options, no discount factors were applied to take into account that the Director Options are unlisted.

The values for the Director Options have been calculated using the B&S Model based on the following assumptions and variables:

Assumptions

- that the Director Options are American call options (i.e. they can be exercised at any time during the period);
- there are no transaction costs, options and Shares are infinitely divisible, and information is available to all without cost;
- short selling is allowed without restriction or penalty;
- the risk free interest rate is known and constant throughout the duration of the Director Option contract;
- the underlying Shares do not currently pay a dividend; and
- Share prices behave in a manner consistent with a random walk in continuous time.
- the options are valued as *if* they were issued on 4 October 2010.

Variables

- Share price of \$0.63 (based on the Company's closing Share price on 4 October 2010);
- a risk free interest rate of 4.905% based on the indicative mid rates of Selected Commonwealth Government Securities provided by Reserve Bank of Australia ;
- expiry date of 31 December 2013;
- volatility factor of 82%; and
- exercise price of \$1.25.

	Director Options
Value per Director Option	\$0.2659
Number of Director Options	3,000,000
Value of Director Options	\$797,700

- (ii) The Director Options are not quoted on ASX and as such have no actual market value.
- (iii) As at the date of this Notice, the total issued capital of the Company comprises of 321,130,521 Shares and 12,357,284 unlisted options (including the Director Options). Details regarding the Company's unlisted options (including the Director Options) are as follows:

No. of unlisted options	Exercise price	Expiry date
250,000	\$0.86	31 July 2013
150,000	\$0.915	31 December 2013
3,000,000	\$1.25	21 December 2011
900,000	\$1.74	30 June 2011
100,000	\$1.29	6 March 2011
100,000	\$2.41	31 July 2012
115,000	\$2.35	31 July 2012
7,142,855	\$1.05	31 August 2011
600,000	\$0.96	30 April 2014

- (iv) If any Director Options are exercised, the effect would be to dilute the shareholdings of existing Shareholders. Assuming all Director Options are exercised and the existing options remain unexercised, the total dilution caused by the exercise of the Director Options would be approximately 0.93%. The market price of the Shares during the term of an option will normally determine whether or not the option holder exercises the option. At the time any Director Options are exercised and Shares issued pursuant to the exercise of the Director Options, Shares may be trading on the ASX at a price which is higher than the exercise price of the Director Options.
- (v) As at the date of this Notice, Mr Lewins and his associates have relevant interests in the securities of the Company as follows:

Shares held directly	Shares held indirectly	Options held indirectly
2,424,868 ⁽¹⁾	2,580,000 ⁽²⁾	3,000,000 ⁽³⁾
	190,000 ⁽⁴⁾	

Notes:

- (1) *Of these Shares, 2000 are held in the name of Mr Lewins on behalf of his sons Aidan and Jason Lewins.*
- (2) *All of these Shares are held in the name of Mr Lewins' spouse.*
- (3) *These options are held by in the names of Mr Lewins and his spouse as trustees for the ANJEL Superannuation Fund. They are exercisable at \$1.25 each and expire on 21 December 2011*
- (4) *These shares are held in the names of Mr Lewins and his spouse as trustees for the ANJEL Superannuation Fund.*
- (vi) The following table gives details of the highest, lowest and latest price of the Company's Shares trading on the ASX over the past 12 months ending on 4 October 2010:

Highest Price	Date of Highest Price	Lowest Price	Date of Lowest Price	Last Price on 4 Oct 2010
\$1.29	14/01/2010	\$0.62	01/07/2010	\$0.635

- (vii) Mr Lewins is entitled to a salary of \$45,833 per month together with statutory superannuation contributions payable by the Company for acting as the Managing Director. The base salary (excluding superannuation) and the total financial benefits to be received by Mr Lewins in this current period, including the value of the Director Options, is set out below:

Director	Base salary p.a. plus superannuation	Value of Options*	Total Financial Benefit
John Lewins	\$564,461	\$797,700	\$1,362,161

**Based on the preferred value of the Director Options calculated above.*

- (viii) The Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in amending the Director Options.

- (ix) The Company's adoption of Australian equivalents to International Financial Reporting Standards for reporting periods commencing from 1 July 2005 means that, under AASB2 Share-based Payment, equity-based compensation will be recognised as an expense in respect of the services received.
- (x) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by Resolution 5.

Listing Rules 6.23.3 and 6.23.4

Listing Rule 6.23.3 prohibits a change to the terms of options which has the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities received on exercise. Consequently, the Company applied for, and was granted, a waiver to Listing Rule 6.23.3 by ASX on 25 February 2010.

The Company was granted a waiver from Listing Rule 6.23.3 to the extent necessary to permit the Company to seek Shareholder approval at its next general meeting to amend the terms of up to 3,000,000 Options issued to John Lewins so as to extend the period for exercise of the Options from 21 December 2011 to 31 December 2013.

Listing Rule 6.23.4 provides that a change which is not prohibited under Listing Rule 6.23.3 can only be made if holders of ordinary securities approve the change.

Accordingly, Shareholders are asked to approve Resolution 5 for the purposes of Listing Rule 6.23.4.

GLOSSARY

"2006 AGM Meeting Materials" means the Notice of Meeting for the Company's Annual General Meeting held on 30 November 2006 and the accompanying Explanatory Memorandum;

"Annual Report" means the annual report of the Company for the period ending 30 June 2010;

"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"Company" means Platinum Australia Limited Ltd ACN 093 417 942;

"Corporations Act" means Corporations Act 2001 (Cth);

"Director" means a director of the Company;

"Director Options" means 3,000,000 Options, exercisable at \$1.25 per Share and otherwise on the terms and conditions set out in Annexure B;

"Listing Rules" means the Listing Rules of ASX;

"Notice" means the Notice of Meeting accompanying this Explanatory Memorandum;

"Option" means an option to acquire a Share;

"Shareholders" means the holders of Shares; and

"Shares" means fully paid ordinary shares in the Company.

ANNEXURE A

The terms and conditions of the Options to be granted pursuant to Resolution 4 are as follows:

- 1.1 Each Option entitles the Option Holder or any other holder of an Option (each an Optionholder) to the issue of one fully paid ordinary share in the capital of the Company (Share) upon exercise by notice in writing (in the form attached to this certificate) and payment of the exercise price, during the exercise period.
- 1.2 An Optionholder has no obligation to exercise all its Options at the same time.
- 1.3 The exercise price of each Option is A\$1.05 (Exercise Price).
- 1.4 The option expiry date is 31 August 2011 (Option Expiry Date).
- 1.5 The Options will be freely transferable provided that the offer of the Options to the proposed transferee will not require disclosure under Part 6D.2 of the Corporations Act. Promptly following any transfer of the Options the transferor and the transferee will notify the Company of the transfer and (subject to the return of the certificate relating to the transferred Options) the Company will issue a new Options Certificate to the transferor and the transferee reflecting their respective holdings of Options.
- 1.6 Each Option may be exercised at any time before 5pm (EST) on the Option Expiry Date upon the payment of the Exercise Price.
- 1.7 Options may be exercised by delivering to the Borrower:
 - a. the application for shares on exercise of options (Exercise Notice) duly executed by the holder (together with this certificate) specifying the number of Options being exercised (Relevant Number); and
 - b. an amount equal to the Exercise Price multiplied by the number of Options being exercised (the Settlement Price) or a statement in the Exercise Notice that the Settlement Price will be set-off against the Principal Outstanding.
- 1.8 The Company must within 5 Business Days of the receipt of the documents and/or funds referred to above:
 - a. issue to the Optionholder the Relevant Number of Shares,
 - b. issue, or cause to be issued, to the Optionholder or its nominee a holder identification statement for the Relevant Number of Shares; and
 - c. if applicable, issue a replacement Options Certificate to the Optionholder for the balance of any unexercised Options.
- 1.9 The Shares issued pursuant to the exercise of the Options must be issued as fully paid shares.
- 1.10 The Company must comply with the ASX Listing Rules, the Corporations Act and its constitution in relation to each issue of the Options on or before the relevant issue date (the Options Issue Date). Without limiting the foregoing, the Company must ensure that it is in a position to issue Options on the relevant Options Issue Date without contravening ASX Listing Rule 7.1.
- 1.11 Until the Option Expiry Date, the Company must:
 - a. ensure that the Optionholder is given notice of all general meetings of the Company and of all resolutions to be considered at those meetings at the same time the shareholders of the Company are issued with notices; and
 - b. not do anything by way of altering its constitution or otherwise which has the effect of changing or converting any Shares into shares of another class, or restricts the Company's ability to issue the Options or to issue Shares on the exercise of Options.
- 1.12 Until the Option Expiry Date, the Company must ensure that the Optionholder is given:
 - a. at least 15 Business Days written notice prior to the Record Date in relation to any pro-rata issue of shares or rights to subscribe for shares issued or to be issued by the Company (Additional Rights); and
 - b. at least 15 Business Days written notice prior to the date on which a person may accept an offer of such issue of Additional Rights.
- 1.13 An Option does not confer any rights to dividends.

- 1.14 An Option does not confer any right on the holder to participate in a new issue without exercising the Option.
- 1.15 The Optionholder will be entitled to participate in any rights to take up Additional Rights on the same terms and conditions as applicable to the other offerees or shareholders of the Company provided that the Optionholder has exercised any Option prior to the date that is:
- a. in relation to any pro-rata issue of Additional Rights, the Record Date; and
 - b. in relation to any other issue of Additional Rights, the date on which a person may accept an offer of such issue of Additional Rights.
- 1.16 Any Shares issued to the Optionholder by the Borrower as a result of the exercise of an Option will rank pari passu in all respects with all other Shares. Shares issued upon the exercise of Options will only carry an entitlement to receive a dividend if they were issued before the record date for that dividend.
- 1.17 If there is a Pro Rata Issue (except a Bonus Issue), from the date of the issue the Exercise Price of Options on issue is reduced according to this formula:
- $$A = O - \frac{E \{P - (S + D)\}}{(N + 1)}$$
- Where:
- A= the new exercise price of the Option;
- O= the old exercise price of the Option;
- E= the number of underlying shares into which one Option is exercisable;
- P= the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of ASX during the 5 trading days ending on the day before the ex rights date or ex entitlement date (excluding special crossings or overnight sales);
- S= the subscription price for a security under the pro rata issue;
- D= the dividend due but not yet paid on each ordinary share at the relevant time (except those to be issued under the pro rata issue); and
- N= the number of ordinary shares that must be held to entitle holders to receive a right to one new security in the pro rata issue.
- 1.18 If there is a Bonus Issue to holders of Underlying Securities, from the date of the issue the number of Securities over which an Option is exercisable is increased by the number of Securities which the holder of the Option would have received if the Option had been exercised before the Record Date for the Bonus Issue.
- 1.19 If, before exercise or expiry of the Options, the Company implements a reorganisation of its capital, the Options must be treated in the manner required by ASX Listing Rule 7.22 (as at the date of this certificate).
- 1.20 Notwithstanding the foregoing, the Company must not issue new Shares (other than by way of placement of Shares by the Company at any time and from time to time in accordance with Chapter 7 of the ASX Listing Rules), consolidate Shares, or alter rights or otherwise re-organise its capital in a way which could or might detract from the value of the Options unless the Company obtains the prior written consent of the Optionholder, provided that the Company is not required to comply with this paragraph to the extent that doing so would result in a breach by the directors of the Company of their duties to the Company or its shareholders, arising in their capacity as directors of the Company.
- 1.21 The Company shall (within 3 Business Days of the Optionholder having exercised any Options or earlier if required by the ASX Listing Rules) apply for official quotation on ASX of the Exercise Shares allotted as a result of the exercise.
- 1.22 At the time any Shares are issued upon the exercise of an Option, the Company will provide (and the Company will not do, or omit to do, anything to prevent it from providing at that time):
- a. a notice to the Australian Securities Exchange under section 708A(5)(e) of the Corporations Act; or
 - b. a prospectus to be lodged in accordance with Chapter 6D of the Corporations Act.

- 1.23 The Company may vary the terms of Options, and change their holders' rights, to the extent necessary to comply with the ASX Listing Rules applying to reorganisations of capital at the time of the reorganisation. The Company must notify the Optionholder of any such variation to the terms of Options immediately after the date of the variation.
- 1.24 Subject to the ASX Listing Rules, the terms of Options applicable to a particular holder may be varied at any time by written agreement between the Company and the Optionholder.
- 1.25 If any Options Certificate is lost, stolen, mutilated, defaced or destroyed, the holder of the relevant Options may apply for a replacement certificate. The application must be accompanied by:
- a. a written statement that the certificate has been lost or destroyed and not otherwise pledged, sold or otherwise disposed of;
 - b. if the certificate has been lost, a written statement that proper searches have been made; and
 - c. an undertaking that, if the certificate is found or received by the holder of the relevant Options, it will be returned to the Company.
- 1.26 The Company must issue a replacement certificate within 10 Business Days after receipt of the documents referred to above.
- 1.27 In this certificate the expressions Bonus Issue, Pro Rata Issue, Record Date, Security and Underlying Security have the same meaning as in the ASX Listing Rules.
- 1.28 These terms and the Options are governed by the laws of New South Wales.

ANNEXURE B

TERMS AND CONDITIONS OF DIRECTOR OPTIONS

- 1.1 No monies will be payable for the issues of the Options.
- 1.2 A certificate will be issued for the Options.
- 1.3 The Options shall expire 5 years after the date on which they are granted.
- 1.4 The Option may only be exercised as follows:
 - (a) 500,000 Options at the time the Company completes a bankable feasibility study on the Kalplats project and the high grade (+2.5g/t) resource reaches a minimum of 2.5 million ounces of platinum group metals.
 - (b) an additional 500,000 Options at the time construction of the Kalplats project commences;
 - (c) an additional 1,000,000 Options at the time the first commercial concentrate is shipped from Kalplats project or the Company sells its interest in the Kalplats project;
 - (d) an additional 500,000 Options at the time when the Company identifies or acquires a further 1 million ounces of platinum group metals outside of Smokey Hills and Kalplats project (or within an extended area of the Kalplats project or the Smokey Hills project or on another project or combination of projects); and
 - (e) an additional 500,000 Options when the Company commenced production from the Platinum project or any other project which the Company may acquires.
- 1.5 Each Option shall carry the right in favour of an Option holder to subscribe for one Share.
- 1.6 Options may be exercised in whole or in part. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by him.
- 1.7 The issue price of Shares the subject of the Options of \$1.25 per Share shall be payable in full on exercise of the Options.
- 1.8 Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intension of the Option holder to exercise all or a specified number of Options held by him accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares.
- 1.9 The Company shall allot the resultant Shares and cause the holding sheet to be delivered within five (5) business days of the exercise of the Option.
- 1.10 Options shall not be listed for Official Quotation on Australian Stock Exchange.
- 1.11 An option holder, may not, except with the approval of the Board of Directors (in its sole and absolute discretion), sell, transfer, assign, give or otherwise dispose of, in equity or in law, the benefit of the Options. The approval of the Board of Directors may be given subject to satisfaction of certain condition in which event such approval will be deemed not to occur until any such conditions have been satisfied.
- 1.12 Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.
- 1.13 The Company shall, in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of Options listed for Official Quotation.
- 1.14 If the Options are exercised before the record date of an entitlement, the Option holder can participate in a pro rata issue to the holders of the underlying securities in the Company. The Company must notify the Option holder of the proposed issue at least nine (9) business days

before the record date. Option holders do not have a right to participate in new issues without exercising their options in accordance with Listing Rule 6.19.

- 1.15 In the event of any reorganisation of capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the listing rules applying to a reorganisation of capital at the time of the re-organisation in accordance with the Listing Rules.
- 1.16 The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
- 1.17 In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the following formula:

$$O' = O - \frac{E[P - (S=D)]}{N+1}$$

O' = the new exercise price of the Option.

O = the old exercise price of the Option.

E = the number of underlying securities in the Company into which one option is exercisable.

P = the average market price per security (weighted by reference to volume) of the underlying securities in the Company during the five (5) trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price for a security under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).

N = the number of securities with rights or entitlements that must be held to receive a right to one new security in the Company.

- 1.18 The number of Shares to be issued pursuant to the exercise of Options will be adjusted for bonus issues made prior to exercise of Options. The effect will be that upon exercise of the Options the number of Shares received by the Option holder will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for bonus issues. The exercise price of the Options shall not change as result of any such bonus issue.
- 1.19 The Company shall notify each Option holder and the Australian Stock Exchange Limited within one (1) month after the record date for a pro-rata bonus or cash issue of the adjustment to the number of Shares over which the Options exists and/or the adjustment to the exercise price.

ANNEXURE C

AMENDED TERMS AND CONDITIONS OF DIRECTOR OPTIONS

- 1.1 No monies will be payable for the issues of the Options.
- 1.2 A certificate will be issued for the Options.
- 1.3 The Options shall expire on 31 December 2013. ~~5 years after the date on which they are granted.~~
- 1.4 The Option may only be exercised as follows:
 - (a) 500,000 Options at the time the Company completes a bankable feasibility study on the Kalplats project and the high grade (+2.5g/t) resource reaches a minimum of 2.5 million ounces of platinum group metals.
 - (b) an additional 500,000 Options at the time construction of the Kalplats project commences;
 - (c) an additional 1,000,000 Options at the time the first commercial concentrate is shipped from Kalplats project or the Company sells its interest in the Kalplats project;
 - (d) an additional 500,000 Options at the time when the Company identifies or acquires a further 1 million ounces of platinum group metals outside of Smokey Hills and Kalplats project (or within an extended area of the Kalplats project or the Smokey Hills project or on another project or combination of projects); and
 - (e) an additional 500,000 Options when the Company commenced production from the Platinum project or any other project which the Company may acquires.
- 1.5 Each Option shall carry the right in favour of an Option holder to subscribe for one Share.
- 1.6 Options may be exercised in whole or in part. An exercise of only some Options shall not affect the rights of the Option holder to the balance of the Options held by him.
- 1.7 The issue price of Shares the subject of the Options of \$1.25 per Share shall be payable in full on exercise of the Options.
- 1.8 Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intension of the Option holder to exercise all or a specified number of Options held by him accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares.
- 1.9 The Company shall allot the resultant Shares and cause the holding sheet to be delivered within five (5) business days of the exercise of the Option.
- 1.10 Options shall not be listed for Official Quotation on Australian Stock Exchange.
- 1.11 An option holder, may not, except with the approval of the Board of Directors (in its sole and absolute discretion), sell, transfer, assign, give or otherwise dispose of, in equity or in law, the benefit of the Options. The approval of the Board of Directors may be given subject to satisfaction of certain condition in which event such approval will be deemed not to occur until any such conditions have been satisfied.
- 1.12 Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.
- 1.13 The Company shall, in accordance with Listing Rule 2.8, make application to have Shares allotted pursuant to an exercise of Options listed for Official Quotation.
- 1.14 If the Options are exercised before the record date of an entitlement, the Option holder can participate in a pro rata issue to the holders of the underlying securities in the Company. The Company must notify the Option holder of the proposed issue at least nine (9) business days

before the record date. Option holders do not have a right to participate in new issues without exercising their options in accordance with Listing Rule 6.19.

- 1.15 In the event of any reorganisation of capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the listing rules applying to a re-organisation of capital at the time of the re-organisation in accordance with the Listing Rules.
- 1.16 The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
- 1.17 In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced according to the following formula:

$$O' = O - \frac{E[P - (S=D)]}{N+1}$$

O' = the new exercise price of the Option.

O = the old exercise price of the Option.

E = the number of underlying securities in the Company into which one option is exercisable.

P = the average market price per security (weighted by reference to volume) of the underlying securities in the Company during the five (5) trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price for a security under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).

N = the number of securities with rights or entitlements that must be held to receive a right to one new security in the Company.

- 1.18 The number of Shares to be issued pursuant to the exercise of Options will be adjusted for bonus issues made prior to exercise of Options. The effect will be that upon exercise of the Options the number of Shares received by the Option holder will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for bonus issues. The exercise price of the Options shall not change as result of any such bonus issue.
- 1.19 The Company shall notify each Option holder and the Australian Stock Exchange Limited within one (1) month after the record date for a pro-rata bonus or cash issue of the adjustment to the number of Shares over which the Options exists and/or the adjustment to the exercise price.

END

Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

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



Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999

PIN: 99999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 1:30pm (WST) Saturday 20 November 2010

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Platinum Australia Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Platinum Australia Limited to be held at QV1 Conference Centre, Level 2, 250 St George's Terrace, Perth, WA 6000 on Monday, 22 November 2010 at 1:30pm (WST) and at any adjournment of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr Michael Gerrard Blakiston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Mr William Alexander (Lex) Hansen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Ratification of Option Issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Variation to terms of Director Options held by Mr John Lewins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____