

PLATINUM AUSTRALIA LTD

(ABN 99 093 417 942)

Half Year Report

31 December 2006

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DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half year ended 31 December 2006.

Directors

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mr Peter Donald Allchurch **Non-Executive Chairman**

Age 63. B.Sc. Fellow of the Australasian Institute of Mining and Metallurgy, Member of the Society of Economic Geologists, Member of the Petroleum Exploration Society of Australia.

Mr Allchurch is a geologist with more than 40 years experience in mineral exploration, mining and petroleum exploration, development and production. Mr Allchurch has been an executive director of a number of listed Australian mining and oil and gas companies since 1980 and has considerable experience in corporate management.

Mr Allchurch was appointed as a Director on 21 June 2000.

Mr John Derek Lewins **Managing Director**

Age 48. Bsc (Mineral Eng), Grad Dip Management.

Mr Lewins is an Engineer with more than 20 years experience in senior mining management roles, including development of mining projects from a resource stage through feasibility studies, commissioning of mines and sustained profitable mining operations.

Mr Lewins was appointed as a Director on 3 May 2001.

Mr Michael Gerrard Blakiston **Non-Executive Director**

Age 49. B.Juris LLB

Mr Blakiston is a Solicitor in 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 was appointed as a Director on 21 June 2000.

Mr Eric Edward Hughes **Non-Executive Director**

Age 44. B.Bus, CPA

Mr Hughes is an accountant with some 20 years experience in both corporate and practice environments. During the last 14 years he has been directly involved in the management of petroleum and mining companies as a senior manager, executive and non-executive director. Mr Hughes is experienced in the evaluation, development and operation of resource projects.

Mr Hughes was appointed as a Director on 21 June 2000.

Mr William Alexander (Lex) Hansen **Non-Executive Director**

Age 66. BSc (Geology and Metallurgy), MBA, FAusIMM, FAICD

Mr Hansen has more than 40 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 was appointed as a Director on 21 January 2004.

DIRECTORS' REPORT

Review of Operations

Smokey Hills Platinum Project

The Smokey Hills PGM Project is located on the eastern limb of the Bushveld Complex in the Limpopo Province, 300 kilometres north of Johannesburg.

The Bankable Feasibility Study ("BFS") on the Smokey Hills PGM Project was completed in July 2006 and the results confirmed that the project is extremely attractive and very robust and able to generate returns of over 70% on the Base Case assumptions and in excess 600% using July average metal prices and exchange rate.

The study also showed that the project had a relatively low capital cost of US\$40 million and low production costs of less than US\$230 per oz 4E PGM due to the shallow nature of the deposit and the relatively high grade.

A full summary of the results are provided in Table 1 below and the underlying assumptions relating to metal prices and exchange rates are provided in Table 2.

Table 1 Summary of Results from Smokey Hills BFS

		Base Case	Ave July Prices
Production	4E PGM	~95,000 oz/annum	
Plant Recovery		85%	
Project Life		7 years	
Cash Costs	4E PGM	US\$226/oz	US\$226/oz
Basket Price	4E PGM	US\$677/oz	US\$1,117/oz
Capital Cost			
Initial	US\$	\$40.5 Million	\$40 Million
Deferred	US\$	\$14 Million	\$14 Million
NPV (Pre tax)			
10%	US\$	\$79 Million	\$249 Million
15%	US\$	\$60 Million	\$202 Million
IRR (Pre tax)		74%	672%
Cashflow	US\$	\$139 Million	\$396 Million
Payback	months	20 months	3 months

DIRECTORS' REPORT

Table 2 Metal Price and Exchange Rate Assumptions

Table 2 Rand/US Dollar Exchange Rates and Metal Prices					
		July Average		Base Case	
Exchange Rate	ZAR/US\$	7.08		7.0	
Metal Prices		US\$	ZAR	US\$	ZAR
Platinum	Per oz	1,232	8,723	900	6,300
Palladium	Per oz	321	2,273	300	2,100
Rhodium	Per oz	4,622	32,724	1,500	10,500
Gold	Per oz	633	4,482	450	3,150
Iridium	Per oz	400	2,832	100	700
Ruthenium	Per oz	172	1,218	250	1,750
Nickel	Per tonne	26,500	187,620	10,000	70,000
Basket Price	Per oz	1,117	7,906	677	4,736

The BFS envisages commencing operations at Smokey Hills initially as an open cut and then progressing to an underground mine. During the initial phase while the plant is under construction PLA proposes to mine ore for toll treatment through a nearby plant to generate early cash flow. This phase would last for approximately 12 months after which ore would be treated through the on-site plant producing a flotation concentrate for sale to any one of a number of smelters in South Africa, the nearest of which is less than 100 kilometres distant.

Dependent on the issuing of the necessary permits PLA proposes to commence construction and mining operations in the second quarter of 2007 with plant commissioning occurring in first quarter 2008.

In September PLA announced that it had received ministerial approval for the cession of the New Order Prospecting Right covering the Smokey Hills PGM Project to PhokaThaba Platinum Pty Ltd ("PTP"), the Joint Venture Company in which PLA has earning an 80% interest. This allowed PTP to submit the Mining Right application for the project.

Following the completion of the successful BFS and after negotiation with a number of potential financiers, PLA announced in October that Standard Bank of South Africa had been mandated by the company and its South African subsidiary, PTP to arrange the Project Financing for the Smokey Hills Project. The funding to comprise a debt facility of ZAR 220 million for PTP, with the balance of the ZAR 280 million of capital required to develop the project to be provided as equity by PLA and the joint venture partners.

At the end of December PLA had over \$21 million in cash more than sufficient to provide the necessary equity portion of the funding for the Smokey Hills Project.

In late December PLA placed an order with Outokumpu Technology for two off 1400 kW ball mills for the project. The mills are the longest lead items for the project and are due for delivery by the end of 2007.

Kalahari Platinum Project

The Kalahari Platinum Project ("Kalplats") is located approximately 300 km west of Johannesburg and 45 km west of the Kalgold open pit gold operations in the North West Province. PLA is earning a 49% interest in the Kalplats Project from African Rainbow Minerals Platinum (Proprietary) Limited ("ARMplatinum") for completing a Pre Feasibility ("PFS") and Bankable Feasibility Study ("BFS").

Kalplats is an advanced exploration project which has a JORC compliant resource (Indicated + Inferred) of 3.4 million ounces 3E PGM (platinum + palladium + gold), including a high grade resource of 1.4 million ounces 3E PGM, contained in seven deposits.

A New Order Prospecting Right was issued for the Kalplats Project in September 2006 which allowed PLA to immediately commence site works and drilling on the project. By the end of December PLA had three drill rigs working on the site and had drilled over 4,000 metres of the planned 45,000 metre resource definition drilling program.

DIRECTORS' REPORT

In December PLA announced the first results from the drilling program on the Kalplats Project had extended mineralisation at both the Crater and Serpens North Deposits. PLA believes that the results confirm an open pit target of up to 3 million ounces 3E PGM to a depth of 200 metres below surface.

At Crater, drilling on the most southerly Section (10650mN) has increased the known depth of mineralisation to over 100 metres below surface and intersected a full suite of UM, LM and MR reefs which had not been previously encountered in this section.

At Serpens North drilling below the previous most northerly Section (18100mN) of shallow (30 metre deep) holes has confirmed that the full suite of UM, LM and MR Reefs is present and continues at depth, significantly upgrading the potential of this deposit.

Subject to the completion of a Bankable Level Feasibility Study, PLA believes that the Kalplats Project has the potential to be developed as a world class open cut PGM operation producing 200,000 to 300,000 ounces 3E PGM per year. With the high grade reefs comparable in the grade to many of the current South African underground operations where mining widths are typically in the order of one metre, the project had then excellent potential to continue as a substantial underground operation.

PLA has awarded the contract for the Lead Engineer for the Pre and Bankable Feasibility Studies for the Project to GRD Minproc. The PFS is due for completion in June 2007 and the BFS by the end of 2007.

PLA believes that regional and detailed aeromagnetic data suggests that the Stella Layered Intrusion, which hosts the Kalplats style PGM mineralisation could be present along a significant portion of the strike length of the Kraaipan Greenstone belt. Accordingly in December PLA and ARMplats applied for a Prospecting Right covering an area 20 km to the north and 18 km to the south of the existing Kalplats Project area to allow exploration to proceed in this sand covered region.

The Prospecting Right application has been accepted by the DME and PLA and ARMplats will each have a 50% contributing interest in the new area. PLA will manage the exploration program which will target extensions of the known Kalplats style PGM mineralisation.

Panton Platinum Palladium Project

The Panton 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 has a JORC compliant resource of 14.3 Mt at 5.2 g/t 7E PGM (platinum + palladium + rhodium + ruthenium + iridium + osmium + gold) containing 2.4 million ounces 7E PGM, including a high grade resource of 10.1 Mt at 6.1 g/t 7E PGM containing 2 million ounces 7E PGM.

Sally Malay Mining Limited ("SMY") are earning a 50% interest in an initial parcel of 1.5 Mt of high grade ore by spending \$750,000 to complete a Bankable Feasibility Study to evaluate the mining of high grade ore from Panton and processing it through the Sally Malay Plant to produce a high grade PGM concentrate. The agreement may be extended to cover further parcels of ore.

Following the receipt of statutory approval SMY completed refurbishment of the exploration decline at Panton during the quarter and by early December had completed the mining of a high grade (~7 g/t 3E PGM) bulk sample of ore. This sample has been transported to Ammtec Metallurgical Laboratories in Perth for laboratory scale and pilot plant test work.

Corporate

The PLA Annual General Meeting was held on 30th November at which all resolutions, including the re-election of Eric Hughes as a non Executive Director were passed.

A total of 4.27 million listed 20 cent PLA options were exercised during the period raising approximately \$854,000. These represent the balance of the 5.8 million 20 cent options which were issued in January 2004 and which expired on 30 November 2006.

These funds plus the \$21 million raised from a placement in May 2006 will be used to provide the equity for the development of the Smokey Hills Project, complete the Bankable Feasibility Study on the Kalplats, advance the Panton Project and to provide general working capital.

DIRECTORS' REPORT

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 6 and forms part of this Directors' Report for the half-year ended 31 December 2006.

This report is signed in accordance with a resolution of the Board of Directors.



J. Lewins

Managing Director

Dated this 15th day of March 2007.



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Platinum Australia Ltd for the half year ended 31 December 2006, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Platinum Australia Ltd.

A handwritten signature in black ink, appearing to read 'W M Clark'.

Perth, Western Australia
15 March 2007

W M Clark
Partner, HLB Mann Judd

**CONDENSED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	Notes	Consolidated	
		2006 \$	2005 \$
Revenue from ordinary activities		773,643	137,695
Exploration expenses		(918,449)	(1,732,283)
Depreciation and amortisation expense		(38,672)	(30,618)
Share based payments expense		(198,619)	(39,756)
Other expenses from ordinary activities		(1,760,381)	(497,534)
Loss before income tax expense	2	(2,142,478)	(2,162,496)
Income tax expense		-	-
Loss after tax		(2,142,478)	(2,162,496)
Loss attributable to minority interest		572,934	-
Net loss attributable to members of parent		(1,569,544)	(2,162,496)
Basic earnings per share (cents per share)		(0.9)	(1.7)
Diluted earnings per share (cents per share)		(0.9)	(1.7)

The accompanying notes form part of these financial statements

**CONDENSED BALANCE SHEET
AS AT 31 DECEMBER 2006**

	Notes	Consolidated	
		31 Dec 2006 \$	30 June 2006 \$
Assets			
Current Assets			
Cash and cash equivalents		22,139,355	24,012,550
Receivables		486,484	197,594
Other financial assets		502,802	-
Other assets		-	328,983
Total Current Assets		23,128,641	24,539,127
Non-Current Assets			
Receivables		71,926	35,991
Property, plant and equipment		209,371	148,791
Deferred project development expenditure		116,650	-
Total Non-Current Assets		397,947	184,782
Total Assets		23,526,588	24,723,909
Liabilities			
Current Liabilities			
Payables		404,256	558,680
Provisions		120,929	112,012
Total Current Liabilities		525,185	670,692
Non-Current Liabilities			
Provisions		36,240	36,240
Total Non-Current Liabilities		36,240	36,240
Total Liabilities		561,425	706,932
Net Assets		22,965,163	24,016,977
Equity			
Issued capital	3	56,459,854	55,186,805
Reserves		865,354	1,047,739
Accumulated Losses		(31,124,752)	(29,555,208)
Parent entity interest		26,200,456	26,679,336
Minority interest		(3,235,293)	(2,662,359)
Total Equity		22,965,163	24,016,977

The accompanying notes form part of these financial statements

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	Consolidated						
		Issued Capital	Accumulated Losses	Employee Benefit Reserve	Foreign Currency Translation Reserve	Minority Interest	Total Equity
	Note	\$	\$	\$	\$	\$	\$
Balance at 1 July 2005		26,387,002	(24,552,957)	854,555	-	-	2,688,600
Shares issued during the half year		8,854,284	-	-	-	-	8,854,284
Share issue expenses		(472,295)	-	-	-	-	(472,295)
Loss attributable to members of the parent entity		-	(2,162,496)	-	-	-	(2,162,496)
Currency translation differences		-	-	-	(139,113)	-	(139,113)
Balance at 31 December 2005		34,768,991	(26,715,453)	854,555	(139,113)	-	8,768,980
Balance at 1 July 2006		55,186,805	(29,555,208)	1,193,679	(145,940)	(2,662,359)	24,016,977
Exercise of options		1,273,049	-	-	-	-	1,273,049
Employee options issued during the year		-	-	(130,364)	-	-	(130,364)
Currency translation differences		-	-	-	(52,021)	-	(52,021)
Loss attributable to minority interest		-	-	-	-	(572,934)	(572,934)
Loss attributable to members of the parent entity		-	(1,569,544)	-	-	-	(1,569,544)
Balance at 31 December 2006		56,459,854	(31,124,752)	1,063,315	(197,961)	(3,235,293)	22,965,163

The accompanying notes form part of these financial statements

**CONDENSED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

Note	Consolidated	
	2006 \$	2005 \$
	Inflows/(Outflows)	
Cash flows from operating activities		
Receipts from customers	-	-
Payments to suppliers and employees	(1,236,410)	(1,023,003)
Payments for exploration activities	(1,733,439)	(1,568,988)
Interest received	499,749	137,695
Net cash (used in) operating activities	<u>(2,470,100)</u>	<u>(2,454,296)</u>
Cash flows from investing activities		
Payment for purchase of non-current assets	(103,561)	(10,373)
Loans to related parties	(22,735)	(11,487)
Money held in trust pending purchase of subsidiary	(489,305)	-
Net cash (used in) investing activities	<u>(615,601)</u>	<u>(21,860)</u>
Cash flows from financing activities		
Proceeds from issue of shares	1,273,050	8,791,284
Costs associated with issue of shares	-	(472,295)
Net cash provided by financing activities	<u>1,273,050</u>	<u>8,318,989</u>
Net increase (decrease) in cash held	(1,812,651)	5,842,833
Effects of exchange rate changes on cash	(60,544)	363,071
Cash at 1 July	24,012,550	2,545,503
Cash at 31 December	<u>22,139,355</u>	<u>8,751,407</u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2006

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian Dollars, unless otherwise noted.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2006 and any public announcements made by Platinum Australia Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the consolidated entity as in the full financial report.

For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2006 annual financial report for the financial year ended 30 June 2006.

In addition to the accounting policies disclosed in the company's 2006 Annual Financial Report the company has adopted an additional policy regarding development costs as follows

Where exploration and evaluation activities reach a point where a decision to mine is made by the directors, subsequent development expenditure is recognised as "mine property" under property, plant and equipment and subsequently amortised on a units of production basis. Impairment is tested annually in accordance with AASB 136 "Impairment of Assets".

In the half-year ended 31 December 2006, the consolidated entity has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2006.

It has been determined by the consolidated entity that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to accounting policies.

NOTE 2: LOSS FROM ORDINARY ACTIVITIES

	Consolidated	
	31 December 2006	31 December 2005
	\$	\$
The following revenue and expense items are relevant in explaining the financial performance for the half-year:		
Interest received	773,643	137,695
Exploration expenditure (includes \$63,000 in share-based payments in the previous period)	918,449	1,732,283
Depreciation and amortisation	38,672	30,618

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

NOTE 3: ISSUED CAPITAL

	Consolidated	
	31 December 2006 \$	30 June 2006 \$
<i>Ordinary shares</i>		
Issued and fully paid	56,459,854	55,186,805
	No.	\$
<i>Movements in ordinary shares on issue</i>		
Opening balance at 1 July 2006	179,015,281	55,186,805
Listed options exercised	4,265,242	853,049
Unlisted 35c options exercised	1,200,000	420,000
Balance at 31 December 2006	184,480,523	56,459,854

NOTE 4: SEGMENT REPORTING

Geographical segments

The following table presents the revenue and profit information regarding geographical segments for the half-year periods ended 31 December 2006 and 31 December 2005.

	Continuing Operations		Total Operations
	Australia \$	Africa \$	\$
31 December 2006			
Segment revenue	694,389	79,254	773,643
Segment results	(216,002)	(1,926,476)	(2,142,478)
31 December 2005			
Segment revenue	69,767	67,928	137,695
Segment results	(469,180)	(1,693,316)	(2,162,496)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

NOTE 5: COMMITMENTS AND CONTINGENT LIABILITIES

Performance Bonds

Included in cash is a term deposit for performance bonds amounting to \$116,500 provided as security to the Department of Industry and Resources in respect of compliance with environmental conditions in relation to certain tenements.

South African Bank Guarantee

The Consolidated Entity has provided a bank guarantee amounting to ZAR12,047,500 to secure the acquisition of an interest in the Smokey Hills Project and is subject to the Government approval of the transfer of a new order right.

Smokey Hills Project Development

In December 2006 the Consolidated Entity placed an order for the primary and secondary mills required for the development of the Smokey Hills Project. The purchase price of the mills amounts to ZAR25,307,554 or A\$4,544,526 at 31 December exchange rate. Delivery is expected in the December quarter of 2007, with payment made progressively during fabrication of the mills.

NOTE 6: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the period end the Consolidated Entity settled the acquisition of the purchase of its 80% interest in the Smokey Hills Project by the payment of ZAR12,047,500 (see note 5) for the transfer of the New Order Exploration Right to Phokathaba Platinum (Pty) Ltd, the project vehicle and the payment of ZAR 2.8 million and the issue of 15 million shares in Platinum Australia Limited, to acquire all the shares not already owned by the entity, in Smokey Hills Platinum (Pty) Ltd, which in turn owns 80% of Phokathaba Platinum (Pty) Ltd.

The Consolidated Entity, through its subsidiary Phokathaba Platinum (Pty) Ltd has applied for a New Order Mining Right and has mandated Standard Bank South Africa to raise a project financing facility of ZAR220 million to develop the project.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on 7 to 11
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance for the half-year then ended.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors.



J. Lewins

Managing Director

Dated this 15th day of March 2007



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of

Platinum Australia Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report, which comprises the condensed balance sheet as at 31 December 2006, the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration, of Platinum Australia Ltd and the entities it controlled during the half-year ended 31 December 2006 ("consolidated entity").

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001*, including giving a true and fair view of the company's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Platinum Australia Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* has been provided to the directors of Platinum Australia Ltd on 15 March 2007.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Platinum Australia Ltd is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position at 31 December 2006 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



HLB MANN JUDD
Chartered Accountants



W M CLARK
Partner

Perth, Western Australia
15 March 2007