

PLATINUM AUSTRALIA LTD

(ABN 99 093 417 942)

Half Year Report

31 December 2008

PLATINUM

AUSTRALIA

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DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half year ended 31 December 2008.

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 65. 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 50. 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 51. 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 46. 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 68. 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 Project is located on the eastern limb of the Bushveld Complex in the Limpopo Province, roughly 300 kilometres north of Johannesburg. Platinum Australia Limited ("PLA") has a 65.75% interest in the project and an interest in the cashflows of the project in the order of 85% (depending on ruling PGM prices) due to the nature of the financing provided by PLA to its Black Economic Empowerment ("BEE") partners in relation to their stake in the project.

The New Order Mining Right was granted in November 2007 and construction commenced the same month. Open pit mining commenced in January 2008 and underground mining commenced in September 2008.

During the period under review commissioning of the plant commenced with first ore fed through the crushers in October and first ore due to be fed through the mills in January. It is anticipated that first concentrate due to be produced and shipped to Impala Refining Services in the first quarter of calendar 2009. At the end of the period under review there was in excess of 100,000 tonnes of ore mined from the open pit with an average grade of 7.5 g/t 4E PGM on the run of mine pad, which will enable the plant to rapidly ramp up to its design capacity of 60,000 tonnes per month, expected in the second quarter of calendar 2009.

The development of the first of the six adits which will provide access to the underground mining areas was commenced during period under review and by the end of December this had been developed to approximately 35 metres from surface portal. It is anticipated that the underground mine will achieve full production in early 2010 as the ore from the open pit is depleted.

At full capacity the operation is expected to produce 95,000 oz 4E PGM per annum. Cash costs are expected to be amongst the lowest in the industry, currently estimated at US\$300/oz, (net of credits), including smelting and refining charges.

As part of the project financing with Standard Bank Limited, 26,960 ounces of platinum has been hedged at an average price of ZAR15,411 per ounce and 29,135 ounces of palladium at an average price of ZAR 4,339 per ounce, over the five year loan period.

Kalahari Platinum Project

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

Further resource definition drilling results were received on the Crux, Crater, Sirius, Orion and Serpens North deposits as well as the Mira and Scorpio prospects.

The results announced continued to verify good wide zones of mineralisation and included the following:

Vela

KP492 - 23m @ 4.17 g/t 3E PGM plus 9m @ 2.34 g/t 3E PGM; **KP573** - 17m @ 3.88 g/t 3E PGM plus 5m @ 2.72 g/t 3E PGM and 6m @ 2.46 g/t 3E PGM; **KP600** - 7m @ 3.11 g/t 3E PGM plus 9m @ 3.84 g/t 3E PGM; **KP598** - 23m @ 4.17 g/t 3E PGM plus 4m @ 2.54 g/t 3E PGM and 9m @ 2.34 g/t 3E PGM.

Crux

KP526 - 22m @ 6.58 g/t 3E PGM; **KP512** - 29m @ 3.58 g/t 3E PGM; **KP533** - 31m @ 3.09 g/t 3E PGM; **KP543** - 20m @ 4.87 g/t 3E PGM plus 4m @ 3.05 g/t 3E PGM; **KP636** - 6m @ 5.84 g/t 3E PGM from 266m and 6.97m @ 3.7 g/t 3E PGM from 275.03m.

Crater

KP665 - 7m @ 2.50 g/t 3E PGM from 302m plus 3m @ 3.34 g/t 3E PGM from 326m and 6.89m @ 2.40 g/t 3E PGM from 344m.

Sirius

KP559 - 17m @ 3.36 g/t 3E PGM; **KP558** - 16m @ 3.36 g/t 3E PGM; **KP608** - 28m @ 4.85 g/t 3E PGM ; **KP614** - 13m @ 3.72 g/t 3E PGM plus 5m @ 2.10 g/t 3E PGM

Mira

KP617 - 13m @ 5.11 g/t 3E PGM ; **KP619** - 7m @ 4.81 g/t 3E PGM

Scorpio

KP650 - 7 @ 3.63 g/t 3E PGM; **KP627** - 4m @ 4.15 g/t 3E PGM plus 94 @ 2.46 g/t 3E PGM plus 2m @ 3.51 g/t 3E PGM.

Kalahari Platinum Project Cont.

Work on the Bankable Feasibility Study continued during the period under review, however in light of the currently depressed metal prices a number of development options are now being considered aimed at reducing capital and operating costs and providing the most financially attractive and robust project at the prevailing metal prices. The options being considered include increasing cut off grades, reducing stripping ratios, optimizing throughput and considering a potential staged development of the project. The Company believes that by using these various options to optimize the project development plan, the project will be commercially viable, even at the current depressed metal prices. The finalization of the Study will however be delayed until the second quarter of 2009 to allow the various development options to be fully considered.

During the period under review first drilling results were also received on the Kalahari "Extended" Project (50:50 contributing joint venture with African Rainbow Minerals (Pty) Limited).

The first results from two lines of inclined reverse circulation drill holes drilled 250m apart along the strike of a magnetic anomaly returned 5m @ 3.23 g/t 3E PGM from 72m in hole KE001 in the first line and 6m @ 3.19 g/t 3E PGM from 33m in hole KE009 plus 3m @ 3.38 g/t 3E PGM from 53m down hole in KE008 in the second line. Recent results from a third line of holes drilled a further 1,750m along strike returned 3m @ 1.76 g/t 3E PGM from 19m and 1m @ 1.87 g/t 3E PGM in hole KE012. This drilling commenced approximately 1,500m and extended to almost 3,500m from the boundary of the Kalplats Project.

Panton Platinum Palladium Project

The Panton Project is located in the Kimberley region of Western Australia, 60 km north of Halls Creek. 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.

PLA completed a detailed feasibility study in August 2003 which found that the project was technically feasible but not commercially viable at the prevailing metal prices and US\$ exchange rate.

The Project has been placed on hold pending a significant improvement in PGM prices.

Corporate

On 9 February 2009 PLA completed a placement of 27,000,000 fully paid ordinary shares at 54c per share, raising \$14,580,000.

Glossary

3E PGM	platinum + palladium + gold
4E PGM	platinum + palladium + rhodium + gold
6E PGM	platinum + palladium + rhodium + iridium + ruthenium + gold
7E PGM	platinum + palladium + rhodium + iridium + osmium + ruthenium + gold
Au	gold
Ir	iridium
Pd	palladium
Pt	Platinum
Rh	rhodium
Ru	ruthenium

The six Platinum Group Metals (PGM's) are Platinum (Pt), Palladium, (Pd), Rhodium, (Rh), Iridium (Ir), Osmium (Os) and Ruthenium (Ru).

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 5 and forms part of this Directors' Report for the half-year ended 31 December 2008.

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



J. Lewins

Managing Director

Dated this 10th day of March 2009.



Accountants | Business and Financial Advisers

Auditor's Independence Declaration

As lead auditor for the review of the financial report of Platinum Australia Limited for the half year ended 31 December 2008, 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 Limited.

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

Perth, Western Australia
10 March 2009

W M CLARK
Partner, HLB Mann Judd

**CONDENSED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

	Notes	Consolidated	
		2008 \$	2007 \$
Revenue from ordinary activities		2,798,494	1,245,683
Exploration expenses		(4,434,971)	(4,449,307)
Depreciation and amortisation expense		(139,797)	(55,226)
Share based payments expense		(396,070)	(784,613)
Other expenses from ordinary activities		(3,134,032)	(1,928,156)
Loss before income tax expense	2	(5,306,376)	(5,971,619)
Income tax benefit		554,668	705,385
Loss after tax		(4,751,708)	(5,266,234)
Profit attributable to minority interest		(157,701)	(234,591)
Net loss attributable to members of parent		(4,909,409)	(5,500,825)
Basic loss per share (cents per share)		(2.23)	(2.65)
Diluted loss per share (cents per share)		(2.23)	(2.65)

The accompanying notes form part of these financial statements

**CONDENSED BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Notes	Consolidated	
		31 Dec 2008 \$	30 Jun 2008 \$
Assets			
Current Assets			
Cash and cash equivalents	6	11,535,609	41,379,159
Receivables		2,956,211	2,774,153
Inventories	3	4,197,095	-
Derivative financial instruments		5,112,831	1,354,450
Total Current Assets		23,801,746	45,507,762
Non-Current Assets			
Receivables		11,250,894	8,909,110
Derivative financial instruments		22,157,248	2,161,283
Development costs capitalised		38,889,815	36,517,748
Property, plant and equipment		76,312,282	30,675,980
Deferred tax asset		1,986,091	2,568,674
Total Non-Current Assets		150,596,330	80,832,795
Total Assets		174,398,076	126,340,557
Liabilities			
Current Liabilities			
Trade and other payables		14,998,249	10,420,243
Provisions		352,750	266,752
Current taxation payable		-	7,228
Total Current Liabilities		15,350,999	10,694,223
Non-Current Liabilities			
Payables		66,849	83,690
Provisions		2,375,476	1,885,353
Interest bearing liabilities		44,091,944	31,856,946
Derivative financial instruments		2,752,435	8,027,680
Deferred tax liability		14,941,091	6,828,629
Total Non-Current Liabilities		64,227,795	48,682,298
Total Liabilities		79,578,794	59,376,521
Net Assets		94,819,282	66,964,036
Equity			
Issued capital	4	123,323,173	123,321,128
Reserves		17,573,104	(6,268,749)
Accumulated losses		(53,424,713)	(50,088,343)
Parent entity interest		87,471,564	66,964,036
Minority interest		7,347,718	-
Total Equity		94,819,282	66,964,036

The accompanying notes form part of these financial statements

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

		Consolidated						
	Issued Capital	Accumulated Losses	Employee Benefit Reserve	Hedge Accounting Reserve	Foreign Currency Translation Reserve	Minority Contribution Reserve	Minority Interest	Total Equity
Note	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2007	80,057,184	(38,449,313)	1,533,835	-	(1,986,746)	-	(910,353)	40,244,607
Shares issued during the half year	12,556,000	-	-	-	-	-	-	12,556,000
Share issue expenses	(336,699)	-	-	-	-	-	-	(336,699)
Exercise of options	1,125	-	-	-	-	-	-	1,125
Transfer to contributed equity on exercise of employee options	513	-	(513)	-	-	-	-	-
Employee options share based payment expense	-	-	784,613	-	-	-	-	784,613
Loss attributable to members of the parent entity	-	(5,500,825)	-	-	-	-	-	(5,500,825)
Currency translation differences	-	-	-	-	(341,142)	-	-	(341,142)
Profit attributable to minority interest	-	-	-	-	-	-	234,591	234,591
Balance at 31 December 2007	92,278,123	(43,950,138)	2,317,935	-	(2,327,888)	-	(675,762)	47,642,270

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

		Consolidated						
Note	Issued Capital	Accumulated Losses	Employee Benefit Reserve	Hedge Accounting Reserve	Foreign Currency Translation Reserve	Minority Contribution Reserve	Minority Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2008	123,321,128	(50,088,343)	2,773,744	(3,137,015)	(11,654,704)	5,749,226	-	66,964,036
Share issue expenses	(4,895)	-	-	-	-	-	-	(4,895)
Exercise of options	4,500	-	-	-	-	-	-	4,500
Transfer to contributed equity on exercise of employee options	2,440	-	-	-	-	-	-	2,440
Employee options share based payment expense	-	-	393,630	-	-	-	-	393,630
Loss attributable to members of the parent entity	-	(4,909,409)	-	-	-	-	-	(4,909,409)
Mark to market attributable to members of the parent company	-	-	-	14,811,564	-	-	-	14,811,564
Mark to market attributable to minority shareholders	-	-	-	-	-	-	8,772,563	8,772,563
Currency translation differences	-	-	-	-	8,375,131	-	252,021	8,627,152
Consolidation adjustment	-	1,573,039	-	2,658,601	-	(2,397,073)	(1,834,567)	-
Profit attributable to minority interest	-	-	-	-	-	-	157,701	157,701
	2,045	(3,336,370)	393,630	17,470,165	8,375,131	(2,397,073)	7,347,718	27,855,246
Balance at 31 December 2008	123,323,173	(53,424,713)	3,167,374	14,333,150	(3,279,573)	3,352,153	7,347,718	94,819,282

The accompanying notes form part of these financial statements

**CONDENSED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008**

	Note	Consolidated	
		2008 \$	2007 \$
		Inflows/(Outflows)	
Cash flows from operating activities			
Receipts from customers		170,641	225,682
Payments to suppliers and employees		(1,770,258)	(846,040)
Payments for exploration activities		(5,546,363)	(5,787,403)
Payments in relation to inventories		(4,197,095)	-
Interest received		2,542,511	1,128,560
Net cash (used in) operating activities		(8,800,564)	(5,279,201)
Cash flows from investing activities			
Payment for purchase of non-current assets		(153,260)	(223,207)
Proceeds on sale of non-current assets		918	620
Payments for development costs		(28,557,319)	(5,844,323)
Loans to related parties		-	26,173
Net cash (used in) investing activities		(28,709,661)	(6,040,737)
Cash flows from financing activities			
Proceeds from issue of shares		6,940	12,557,125
Costs associated with issue of shares		(4,895)	(336,699)
Funding from financial institutions		6,091,491	-
Funding from Minority Interest holders		-	2,167,619
Net cash provided by financing activities		6,093,536	14,388,045
Net increase (decrease) in cash held		(31,416,689)	3,068,107
Effects of exchange rate changes on cash		1,573,139	(278,376)
Cash at 1 July		41,379,159	17,942,454
Cash at 31 December		11,535,609	20,732,185

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed 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 group as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by Platinum Australia Limited and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The half-year report has been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale financial assets which are measured at fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

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

Inventories

Inventories are valued at the lower of cost and net realizable value: Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Significant accounting judgements and key estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2008.

Impairment testing

The recoverability of the carrying amount of development costs and property, plant and equipment has been reviewed by the directors. In conducting the review, the recoverable amount has been assessed by reference to the higher or "fair value less costs to sell" and "value in use". In determining value in use, future cash flows are based on:

- Estimates of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction.
- Estimated production and sales levels.
- Estimate future commodity prices.
- Future costs of production
- Future capital expenditure
- Future exchange rates

Variations to the expected future cash flows, and timing thereof, could result in significant changes to the impairment test results, which in turn could impact future financial results.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2008, the Group has reviewed all of the new and revised Standards and Interpretations issued by all AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2008.

It has been determined by the Group 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 Group accounting policies.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008****NOTE 2: LOSS FROM ORDINARY ACTIVITIES**

	Consolidated	
	31 December 2008	31 December 2007
	\$	\$
The following revenue and expense items are relevant in explaining the financial performance for the half-year:		
Interest received	2,767,847	1,074,978
Exploration expenditure	4,434,971	4,449,307
Depreciation and amortisation	139,797	55,226

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 3: INVENTORIES

	Consolidated	
	31 December 2008	30 June 2008
	\$	\$
Run of Mine Stockpile	4,175,175	-
Consumables	21,920	-
	4,197,095	-

NOTE 4: ISSUED CAPITAL

Ordinary shares

Issued and fully paid	220,085,523	220,065,523
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	No.	\$
<i>Movements in ordinary shares on issue</i>		
Opening balance at 1 July 2008	220,065,523	123,321,128
Unlisted 22.5c options exercised	20,000	4,500
Value of Unlisted Options transferred to Share Capital	-	2,440
Share issue costs	-	(4,895)
Balance at 31 December 2008	220,085,523	123,323,173

NOTE 5: SEGMENT REPORTING

Geographical segments

The following table presents the revenue and result information regarding geographical segments for the half-year periods ended 31 December 2008 and 31 December 2007.

	Continuing Operations		Total Operations
	Australia	Africa	
	\$	\$	\$
31 December 2008			
Segment revenue	569,352	2,229,142	2,798,494
Segment results	126,649	(4,878,357)	(4,751,708)
31 December 2007			
Segment revenue	821,107	424,576	1,245,683
Segment results	(519,314)	(4,746,920)	(5,266,234)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008****NOTE 6: COMMITMENTS AND CONTINGENT LIABILITIES****Performance Bonds**

Included in cash is a term deposit for performance bonds amounting to \$137,881 provided as security to various parties.

Smokey Hills Project Development

Development of the concentrator plant for the Smokey Hills project has continued through 2008 with orders made by the Consolidated entity amounting to R50,288,227 (2007: 51,429,884) or A\$7,692,389 (2007: A\$8,557,809).

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

After the reporting date the Group has raised \$14,580,000 of equity shares at 54 cents per share. The funds will be used for debt reduction and ongoing working capital requirements of the Group.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on 6 to 12
 - 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 2008 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 10th day of March 2009



Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of

PLATINUM AUSTRALIA LIMITED

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 2008, the condensed income statement, condensed statement of changes in equity, condensed cash flow statement and notes to the financial statements for the half-year ended on that date, and the directors' declaration, of Platinum Australia Limited and the entities it controlled during the half-year ended 31 December 2008 ("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 Interim and Other Financial Reports 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 consolidated entity's financial position as at 31 December 2008 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 Limited, 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.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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Email: hlb@hlbwa.com.au. Website: <http://www.hlb.com.au>

Liability limited by a scheme approved under Professional Standards Legislation

HLB Mann Judd (WA Partnership) is a member of  International, a world-wide organisation of accounting firms and business advisers

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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 Limited is not in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 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, HLB Mann Judd

Perth, Western Australia
10 March 2009