



PLATINUM AUSTRALIA LIMITED

ACN 093 417 942

3rd Floor, 18 Richardson Street, West Perth
Western Australia 6005

PO Box 1083, West Perth
Western Australia 6872

Telephone: (08) 9324 1491
Facsimile: (08) 9226 4259

Email: mail@platinumaus.com.au
Website: www.platinumaus.com.au

Our ref: ASX0920JDL:30.5:ML

31 July 2009

QUARTERLY REPORT FOR THE PERIOD ENDED 30th JUNE 2009

HIGHLIGHTS

- Ramp up of production at Smokey Hills Mine continued during the quarter with 146,443 tonnes milled, over 80% of design capacity.
- Production of 6,706 ozs 4E PGM delivered during the quarter.
- Updated Mineral Resource Estimates for the Vela, Orion and Crux Deposits were released during the month. These estimates have increased the Total Mineral Resource at the Kalahari Platinum Project to 134.5 Mt @ 1.49 g/t 3E containing 6.46 Moz 3E and the High Grade Mineral Resource Estimate increased to 31.6 Mt @ 3.14 g/t 3E containing 3.19 Moz 3E.
- Platinum Australia signed a Heads of Agreement to acquire up to 70% of the Rooderand Platinum Project located in the Bushveld Complex in South Africa.
- A private placement of 60 million fully paid shares at an issue price of \$1.02 was successfully undertaken during the quarter.

OPERATIONS

SMOKEY HILLS

Mining

A total of 67,986 tonnes was mined from the open pit during the quarter. It is anticipated that the mining of the open pit will be completed in the September quarter.

Underground mining operations were focused on the development of the six main access adits together with establishment of the first raises between #4 and #5 adit. A total of 27,729 tonnes of development ore was mined from these operations during the quarter. It is anticipated that the first stope ore will be produced in the September quarter.

Processing

The ramp up of throughput and production continued during the quarter, with the plant achieving over 80% of design throughput for the quarter. The majority of the material treated during the quarter was stockpiled oxidised ore mined from the open pit. As expected the treatment of this oxidised material resulted in significantly lower recoveries than those achieved with fresh ore, with recoveries generally in the expected 40% to 65% range, averaging just over 50% for the quarter.

It is anticipated that oxide material from the open pit will make up less than 25% of the feed to the plant during the September quarter and will be depleted by the end of the quarter.

Safety

There was one lost time injury during the quarter. The Lost Time Incident Frequency Rate (“LTIFR”) for the 12 months ending 30 June 2009 was 2.2.

Production Statistics

Throughput	146,443 t
Head Grade	4.74 g/t 4E
Recovery	50.6%
4E PGM Shipped	6,706 ozs
Cash Costs	ZAR514/tonne milled

KALAHARI PLATINUM PROJECT

At the Kalplats Project the Mineral Resource Estimates for the Vela, Crux and Orion Deposits were updated by Coffey Mining Specialists (“Coffey”) during the quarter. With the Crux Mineral Resource Estimate having been updated by Coffey last quarter this leaves only the Sirius and Serpens Deposits remaining to be completed.

When compared to the previous Harmony and Snowden estimate, the changes in the Mineral

Deposit	Total Resource ³			Main Reef Resource ²			High Grade Resource ¹		
	Tonnes	3E g/t	Ozs	Tonnes	Grade	Ozs	Tonnes	3E g/t	Ozs
Crater ⁴	26,215,785	2.04	1,719,530	11,543,219	2.60	966,740	11,638,000	3.21	1,201,590
Orion ⁴	11,856,000	1.58	603,210	5,597,000	2.14	385,710	2,720,000	3.33	291,100
Crux ⁴	29,100,000	1.38	1,286,650	13,132,000	1.67	707,000	5,229,000	2.59	436,100
Vela ⁵	36,662,000	1.34	1,579,676	14,804,000	2.08	991,573	8,171,000	3.07	806,439
Sirius ⁶	9,765,877	1.37	418,607	2,567,807	2.00	164,912	1,483,692	3.22	153,650
Serpens North ⁶	8,940,474	1.37	393,591	3,581,947	1.73	198,149	1,515,466	3.43	166,318
Serpens South ⁶	10,762,228	1.34	462,071	5,890,324	1.81	324,262	848,289	5.09	138,993
Total	134,499,948	1.49	6,462,125	57,408,236	2.01	3,738,106	31,605,492	3.14	3,194,320

Resource estimates for the Vela, Crux and Orion deposits are a function of increased drilling by PLA, which has improved our confidence and understanding of the continuity and structure of the mineralised layers. In addition the estimates were enhanced with the application of computer aided structural modeling and geostatistical estimation techniques applied by Coffey. The structural geological interpretation was aided by the data from a high resolution aeromagnetic survey completed by PLA which covers all of the Kalplats deposits.

A summary of the updated Mineral Resource for the Kalplats Project is provided in Table 1 below.

¹ Includes the high grade UM (+UUM in Crater and Vela) and LM Reefs

² Includes the UM (+UUM in Crater and Vela), Main Reef Residual and LM, which constitute the Main Reef

³ Includes the UM, UUM, LM, MR, LG, MMW and the Main Reef Residual layers, which is the total mineralised width for all seven layers

⁴ Coffey Mineral Resource estimates of Measured, Indicated and Inferred resources

⁵ Coffey Mineral Resource estimates of Indicated and Inferred resources

⁶ Harmony Mineral Resource estimates of Inferred resources

ROODERAND PROJECT

On 22 May PLA announced it had signed a conditional Heads of Agreement (“HOA”) with Atla Mining Resources (Pty) Ltd (“Atla”) to acquire up to 70% of the Rooderand Platinum Project located on the western limb of the Bushveld Igneous Complex in South Africa.

Under the terms of the HOA, PLA will earn an initial 30% interest in the project for the payment of ZAR13.5 million (AUS\$2 Million) to be made on completion of the due diligence. PLA earn a further 35% interest for funding and completing a Definitive Feasibility Study on the project. PLA can then earn a further 5% for arranging the financing for the development of the project.

CORPORATE

On 28 May PLA announced it had successfully undertaken a private placement of 60,000,000 fully paid shares at an issue price of \$1.02 to raise a total of \$61,200,000 million. Of the total shares placed, 5,332,827 were issued pursuant to the Company’s 15% placement capacity with the balance subject to shareholder approval. Shareholder approval was subsequently obtained at a General Meeting held on Monday 6 July.

The first part of the second tranche of 54,667,173 fully paid ordinary shares, comprising 24,667,173 fully paid ordinary shares was settled on 14 July 2009, providing proceeds of \$25.16 million to the Company. The balance of 30,000,000 fully paid ordinary shares was placed with a Chinese company which requires Chinese regulatory approval prior to settlement. This approval is still outstanding and the Company and Bell Potter, who managed the Placement, are providing assistance, where appropriate, to help in this process.

The proceeds from the Placement will be used to retire the debt in regard to the Smokey Hills project, crystallize the value in the Smokey Hills hedgebook, develop existing projects, fund the acquisition and development of new projects and for general working capital.

QUALIFICATION STATEMENT

The information in this report that relates to the Crater, Vela, Crux and Orion Mineral Resources is based on a resources estimates compiled by Mr. Ken Lomberg who is a full-time employee of Coffey Mining Specialists and is a Member of the South African Council for Natural Scientific Professions (member no 400038/01).

Mr. Lomberg has more than 15 years experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking and qualifies as a Competent Person as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Lomberg consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



JOHN D LEWINS
Managing Director

For further information

John Lewins Managing Director Platinum Australia +61 08 9324 1491 M: 0419 910 061	Media enquiries UK: Ron Marshman & John Greenhalgh Lothbury Financial +44 020 7011 9411	Media enquiries AUS: John Lewins Platinum Australia Ltd +61 8 9324 1491 M: +61 419 910 061	AIM Nominated Advisor: Ambrian Partners Limited +44 207 634 4700	UK Broker: RBC Capital Markets +44 207 653 4000
---	--	---	---	--

Glossary

4E – platinum + palladium + rhodium + gold; 3E - platinum + palladium + gold; g/t - grams per tonne; ozs – ounces ; t – tonne; PGM - Platinum Group Metals * The six Platinum Group Metals (PGM’s) are Platinum (Pt), Palladium (Pd), Rhodium (Rh), Iridium (Ir), Osmium (Os) and Ruthenium (Ru).

Appendix 5B

Mining Exploration Entity Quarterly Report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

PLATINUM AUSTRALIA LIMITED

ABN

99 093 417 942

Quarter ended ("current quarter")

30 June 2009

Consolidated Statement of Cash Flows

		Current quarter	Year to date
		\$A'000	(12 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	4,648	5,652
1.2	Payments for (a) exploration and evaluation	(213)	(6,431)
	(b) development	(11,293)	(51,992)
	(c) production	(4,147)	(12,015)
	(d) administration	(2,190)	(5,028)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	145	1,743
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid	(9)	(9)
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(13,059)	(67,336)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	(51)	(241)
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	-	1
1.10	Loans to other entities	(48)	(48)
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Net investing cash flows	(99)	(288)
1.13	Total operating and investing cash flows (carried forward)	(13,158)	(67,624)

1.13	Total operating and investing cash flows (brought forward)	(13,158)	(67,624)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	5,437	20,024
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	8,924
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide detail if material) Fundraising Costs	(240)	(905)
	Net financing cash flows	5,197	28,043
	Net increase (decrease) in cash held	(7,961)	(39,581)
1.20	Cash at beginning of quarter/year to date	14,583	41,379
1.21	Exchange rate adjustments to item 1.20	679	5,503
1.22	Cash at end of quarter (refer note below)	7,301	7,301

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	201
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash Financing and Investing Activities

2.1

2.2

Financing Facilities Available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
	- Standard Bank South Africa (see explanation below)	52,339	43,955
3.2	Credit standby arrangements	-	-

Phokathaba Platinum (Pty) Ltd has a project loan facility of ZAR332,000,000 (A\$52,339,000) available, which was drawn down to ZAR278,819,000 (A\$43,954,882) at 30 June 2009.

Estimated Cash Outflows for next Quarter

		\$A'000
4.1	Exploration and evaluation	(999)
4.2	Development	(14,071)
4.3	Production	(11,686)
Total		(26,756)

NB: The above expenditure is gross. Receipts from the concentrate sales during the quarter are expected to be in the order of A\$11,340,000.

During the quarter the Company undertook a capital raising, placing 60 million shares at \$1.02 (\$61.2m) of this \$5.437m was received during the quarter, the balance being receivable after an EGM held in July to approve the transaction. It is intended that \$30.6m of these receipts will be used to retire the Smokey Hills Project Debt (net of closure of the Smokey Hills hedge book).

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	364	312
5.2	Deposits at call	6,937	14,271
5.3	Bank overdraft	-	-
5.4	Other: Bank Guarantees	-	-
Total: cash at end of quarter (item 1.22)		7,301	14,583

Changes in Interests in Mining Tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased				

Issued and Quoted Securities at end of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	252,418,348	252,418,348		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,332,827	5,332,827		
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)			Exercise price	Expiry date
	3,400,000	-	35 Cents	10 December 2009
	2,500,000	-	20 Cents	11 December 2009
	530,000	-	37 Cents	30 November 2009
	400,000	-	70 Cents	30 June 2010
	3,000,000	-	\$1.25	21 December 2011
	100,000	-	\$1.29	06 June 2010
	900,000	-	\$1.74	30 June 2011
	250,000	-	\$2.11	31 July 2012
	215,000	-	\$2.35	31 July 2012
	100,000	-	\$2.41	31 July 2012
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Cancelled during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

Compliance Statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 July 2009
(Managing Director)

Print name: **JOHN D LEWINS**

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.