

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: pla@platinumaus.com
Website: www.platinumaus.com

Our ref: ASX0838JDL:30.5:JD

30 April 2008

QUARTERLY REPORT FOR THE PERIOD ENDED 31 MARCH 2008

HIGHLIGHTS

Smokey Hills Progress

Construction of the plant and related infrastructure continued during the period with several major contracts awarded, including the civil works to Murray & Roberts, the structural, mechanical, pipework and platework installation to BNBI-EES, the water pipeline to BKS Consultants and the tailings dam design and construction to Fraser Alexander.

In February, the open pit mining contractor, Sentula Mining commenced operations on site. The contract for the underground mining has been awarded to Redpath Mining (South Africa) (Pty) Ltd, who are scheduled to mobilise to site in June 2008.

Diesel Generators Ordered for Smokey Hills

In early March Platinum Australia Limited ("PLA") placed the order for five diesel generators with a capacity of 8,000 kVA for the Smokey Hills Platinum Mine. The units, due for delivery in June 2008, will enable the project to operate the entire mining and processing operations independent of grid power if necessary.

Smokey Hills Commences Draw Down on the Standard Bank Debt Facility

In April, PLA commenced to draw on the ZAR260 million (~AUS\$35 million) debt facility provided by Standard Bank of South Africa Ltd for the construction of the Project, with an initial draw down of ZAR114 million (~AUS\$15 million).

Results from the Resource Drilling Program at the Kalahari Platinum Project

Results from the ongoing resource drilling program at the Kalahari Project, announced during the quarter, provided further evidence of wide zones of good grade mineralisation in the Sirius and Vela deposits; and confirmed the continuity of mineralisation at depth in the Orion deposit. In addition, the first results from the drilling of the newly discovered Mira Prospect have also identified wide zones of good grade mineralisation.

GR Engineering Services Awarded Contract for the Updated Feasibility Study on the Panton Project

In February, PLA awarded the contract for Lead Engineer for the updating of the Panton Project Feasibility Study to GR Engineering Services. Other contracts awarded include Lower Quartile Solutions Pty Ltd for the mining study and Knight Piesold for the tailings study.

OPERATIONS

At the **Smokey Hills PGM Project** in South Africa, construction of the plant and related infrastructure continued during the period with several major contracts awarded, including the civil works to Murray & Roberts, the structural, mechanical, pipework and platework installation to BNBI-EES, the water pipeline to BKS Consultants and the tailings dam design and construction to Fraser Alexander.

In February in light of the ongoing problems being experienced by Eskom, the state owned power utility, the Company took the decision to order 8 MVA of diesel generating capacity. These generators are due to be delivered in June and will be sufficient to allow the mine and plant to operate at full capacity independent of the national grid in the event of disruptions. Eskom are in the process of connecting the initial 2 MVA of construction power to the site and are contracted to provide a further 10 MVA of permanent power, construction of which is expected to commence shortly.

The open pit mining contract for the project was awarded to Sentula Mining, who commenced operations in February. In addition the underground mining contract has been awarded to Redpath Mining (South Africa) (Pty) Ltd, who should be mobilising to site in June. Both of these contractors have extensive experience in narrow reef platinum and chrome mining in South Africa and bring excellent people, skills and systems to the project, which will enable a rapid ramp up of production.

In late April PLA commenced to draw on the ZAR260 million (~AUS\$35 million) debt facility provided by Standard Bank of South Africa Ltd for the construction of the Project, with an initial draw down of ZAR114 million (~AUS\$15 million). The commencement of the draw down marks a significant milestone in the development of the Smokey Hills Platinum Mine and follows the completion of the Company's equity contribution and the meeting of all other requirements such as the necessary construction and operating contracts being in place.

At the **Kalplats Project** in South Africa, operations continued to focus on the resource definition drilling program with two diamond and two RC rigs operating for the majority of the period. By the end of the quarter PLA had completed 60,000m of drilling on the project since the commencement of the drilling program in September 2006.

The majority of results reported during the quarter relate to drilling completed prior to Christmas with a focus on the Sirius, Orion and Vela Deposits. The most recent results reported are those from the Mira Prospect, a new discovery immediately to the east of the Sirius Deposit.

The results have continued to identify good wide zones of mineralisation at Sirius and Vela, with wide zones now also identified in the Mira Prospect. The drilling at Orion has also confirmed the continuity of mineralisation at depth. Some of the results announced included the following:

Sirius

KP331 – 11m @ 4.38 g/t 3E PGM plus 4m @ 3.99 g/t 3E PGM; **KP332** – 19m @ 2.73 g/t 3E PGM plus 6m @ 2.25 g/t 3E PGM; **KP325** – 8.8m @ 4.14 g/t 3E PGM plus 4m @ 4.36 g/t 3E PGM; **KP333** - 14m @ 2.16 g/t 3E PGM plus 22m @ 2.02 g/t 3E PGM; **KP345** - 16m @ 2.97 g/t 3E PGM; and **KP270** - 7m @ 3.79 g/t 3E PGM.

Vela

KP329 - 32m @ 5.86 g/t 3E PGM; **KP381** - 7m @ 4.30 g/t 3E PGM; **KP409** – 12m @ 4.24 g/t 3E PGM; **KP381** – 7m @ 4.30 g/t 3E PGM

Orion

KP341 – 7m @ 3.96g/t 3E PGM from 193m plus 1m @ 6.04g/t 3E PGM from 236m; and **KP340** – 7m @ 5.42 g/t 3E PGM from 166m.

Mira

KP432 – 33m @ 2.58 g/t 3E PGM; **KP437** – 7m @ 4.14 g/t 3E PGM plus 40m @ 2.54 g/t 3E PGM; and **KP467** – 7m @ 4.14 g/t 3E PGM plus 26m @ 2.02 g/t 3E PGM.

The modelling of the Crux, Orion and Serpens North deposits by Snowden Mining Consultants was commenced during the quarter and results are expected shortly. However due to continued delays in the turnaround of assays, results are still outstanding from drilling on these and other deposits. It is therefore anticipated that interim resource estimates will be produced, with these to be updated prior to completion of the Definitive Feasibility Study (“DFS”).

At the **Panton Project** in Western Australia, PLA awarded the contract for Lead Engineer for the updating of the Panton Project DFS to GR Engineering Services (Pty) Ltd. Other contracts awarded include Lower Quartile Solutions Pty Ltd for the mining study and Knight Piesold for the tailings study. The focus of the study will be on a stand alone open pit operation with a four year life; producing some 45,000 to 50,000 PGM’s per annum, with the potential to continue into underground operations.

The Panton Project contains the highest grade and largest PGM resource in Australia; with an in ground value in excess of \$2 Billion. PLA believes that a stand alone operation, initially as an open pit but with the potential to continue as a long life underground mine provides the best possible opportunity to unlock this value.

Qualification Statement

We confirm that exploration results contained in this report are based on information compiled by Peter Allchurch, who is a Fellow of the Australian Institute of Mining and Metallurgy. Peter Allchurch is non-executive Chairman of Platinum Australia Limited.

Peter Allchurch has more than 5 years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a competent person as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Peter Allchurch 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
City of London PR
+44 020 7628 5518

Media enquiries AUS:
Sarah Allchurch
Allchurch Communications
+61 08 9381 6625
M: 0412 346 412

AIM Nominated Advisor:
Nabarro Wells & Co Limited
+44 207 710 7400

UK Broker:
RBC Capital Markets
+44 207 653 4000

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

* 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")

31 March 2008

Consolidated Statement of Cash Flows

		Current quarter	Year to date
		SA'000	(9 months)
		SA'000	SA'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	99	325
1.2	Payments for (a) exploration and evaluation	(1,559)	(7,346)
	(b) development	(7,290)	(13,134)
	(c) production		
	(d) administration	(984)	(1,828)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	545	1,673
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(9,189)	(20,310)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	(20)	(243)
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	-	1
1.10	Loans to other entities	-	(5)
1.11	Loans repaid by other entities	-	31
1.12	Other (provide details if material)		
	Net investing cash flows	(20)	(216)
1.13	Total operating and investing cash flows (carried forward)	(9,209)	(20,526)

1.13	Total operating and investing cash flows (brought forward)	(9,209)	(20,526)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	12	12,569
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	377	2,545
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide detail if material) Fundraising Costs	(21)	(358)
	Net financing cash flows	368	14,756
	Net increase (decrease) in cash held	(8,841)	(5,770)
1.20	Cash at beginning of quarter/year to date	20,732	17,943
1.21	Exchange rate adjustments to item 1.20	(1,761)	(2,043)
1.22	Cash at end of quarter (refer note below)	10,130	10,130

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 SA'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(112)
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 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the Quarter the Black Economic Empowerment structure for the Smokey Hills Project was put in place. This involved a BEE Vehicle, Twin Peaks Platinum (Pty) Ltd, subscribing for a new issue of share capital, amounting to 21.25% of the ordinary share capital of Smokey Hills Platinum (Pty) Ltd for an amount of ZAR59, 700,000. The Group financed the BEE parties to take up this placement, by reduction in the funding that Group had already advanced to Smokey Hills Platinum Pty Ltd, to cover its share of project development costs.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing Facilities Available

Add notes as necessary for an understanding of the position.

	Amount available SA'000	Amount used SA'000
3.1 Loan facilities		
- Standard Bank South Africa (see explanation below)	-	-
3.2 Credit standby arrangements	-	-

Phokathaba Platinum (Pty) Ltd, the project vehicle for the Smokey Hills Project, has a documented project loan facility amounting to ZAR260,000,000 (\$A37,142,857) which has not been disclosed as available, as the last of the Conditions Precedent to draw down, and the first draw down are expected to take place in April 2008.

Estimated Cash Outflows for next Quarter

	SA'000
4.1 Exploration and evaluation	(3,000)
4.2 Development	(20,937)
Total	(23,937)

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 SA'000	Previous quarter SA'000
5.1 Cash on hand and at bank	75	8,648
5.2 Deposits at call	10,055	12,084
5.3 Bank overdraft	-	-
5.4 Other: Bank Guarantees	-	-
Total: cash at end of quarter (item 1.22)	10,130	20,732

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	30/5/1/1/2/1787PR Stella North (Logageng)	0	49%

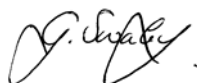
Issued and Quoted Securities at end of Current Quarter

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	207,565,521	207,565,521		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	40,000	40,000		
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
	135,000	-	22.5 Cents	5 November 2008
	3,800,000	-	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
7.8 Issued during quarter				
7.9 Exercised during quarter	20,000		22.5 cents	5 November 2008
	20,000		37 cents	30 November 2009
7.10 Cancelled during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

Compliance Statement

- 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).
- This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 March 2008
 (Director / Company Secretary)
 Print name: GILLIAN SWABY

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.