



PLATINUM AUSTRALIA LIMITED

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29 April 2004

QUARTERLY REPORT TO SHAREHOLDERS FOR THE PERIOD ENDED 31 MARCH, 2004

OPERATIONS

During the quarter Platinum Australia Limited ("PLA") continued to focus on identifying and evaluating potential PGM projects in South Africa. In addition further testwork was initiated on the application of the Pantan Process to a number of South African PGM ores and results are expected in the coming quarter.

Results from an 8,000 metre RC drilling program carried out by Prosperity Resources ("Prosperity") on the Melville Gold Project in which PLA has a 25% carried interest identified significant gold intersections. Prosperity noted that "The majority of drill holes have returned interval grades above 1 g/t and give great confidence that the Yalgoo system has scope to host a very substantial gold deposit, with a strike length drilled now up to 2,500m and still open at depth and along strike." Some of the more significant intersections include the following:

- 15m @ 5.6 g/t (inc. 5m @ 14.1 g/t);
- 10m @ 3.4 g/t (inc. 2m @ 13.6 g/t) hole bottomed in mineralisation;
- 5m @ 4.0 g/t;
- 14m @ 2.5 g/t;
- 7m @ 2.3 g/t; and
- 1m @ 11.3 g/t.

Prosperity has reported that it plans to undertake further RC drilling on the project in the next quarter. A summary of drilling for the March quarter on the Melville Project is attached as Table 1.

CORPORATE

The proceeds from the 1 for 6 Non-Renounceable Entitlement Issue which closed on 31 December 2003, amounting to approximately \$2.3 million were received during the quarter.

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

Table 1 - Drill Summary - Melville Project, January - March 2004

Hole	Easting	Northing	From	To	Result (g/t gold)
PRC018*	475950	6882100	122	132	10m @ 3.4 EOH
		<i>Inc.</i>	122	124	2m @ 13.6
PRC031	475880	6881640	37m	44	7m @ 2.4
			75	76	1m @ 2.1
			90	91	1m @ 11.3
PRC032	475830	6881640	0	8	8m @ 0.51
			101	102	1m @ 6.2
PRC033	475915	6881610	95	96	1m @ 1.4 EOH
PRC034	475845	6881615	48	51	3m @ 1.1
			89	90	1m @ 1.1
PRC035	475885	6881590	49	51	2m @ 2
PRC036	476000	6882100	36	40	4m @ 1.0
			64	82	18m @ 0.6
PRC037	475990	6881980	24	35	11m @ 1.1
			48	53	5m @ 1.7
PRC039	485990	6881960	24	34	10m @ 0.7
			36	38	2m @ 1.7
			44	46	2m @ 1.4
PRC040	476075	6882000	60	61	1m @ 4.0
PRC041	476075	6882025	14	16	2m @ 4.2
PRC042	476025	6882025	22	28	6m @ 1.1
PRC043	476075	6882050	15	16	1m @ 2.1
			35	36	1m @ 1.0
			68	70	2m @ 1.6
PRC045	476025	6882075	12	15	3m @ 1.0
			98	99	1m @ 1.1
PRC046	476075	6882150	38	40	2m @ 0.51
			98	99	1m @ 1.1
PRC048	476000	6882147	60	61	1m @ 1.0
PRC049	475985	6882175	40	42	2m @ 3.5
			123	127	4m @ 5.1
			175	179	4m @ 2.6
PRC050	476060	6882220	126	129	3m @ 1.1
PRC051	476420	6883780	42	43	1m @ 1.9
			53	54	1m @ 1.8
			72	73	1m @ 1.7
			81	86	5m @ 3.7
				<i>Inc.</i>	1m @ 12.7
PRC052	476350	6883780	27	28	1m @ 1.1
			114	115	1m @ 1.3
				118	1m @ 1.3
PRC054	476300	6883580	73	74	1m @ 1.6
			98	101	3m @ 1.1
PRC056	476390	6883350	60	61	1m @ 2.8
			84	85	1m @ 1.2
PRC057	476325	6883350	125	126	1m @ 2.3
PRC058	476215	6882600	103	104	1m @ 2.2
PRC059	476140	6882600	174	175	1m @ 1.4
PRC060	476195	6882400	97	98	1m @ 2.3
			100	101	1m @ 1.1
			112	113	1m @ 1.0
PRC061	476116	6882300	46	48	2m @ 2.3
PRC063	475850	6881660	51	66	15m @ 5.6

				<i>Inc.</i>	<i>5m @ 14.1</i>
PRC064	475820	6881720	103	108	5m @ 1.6
			137	142	5m @ 4.0
				<i>Inc.</i>	<i>2m @ 8.3</i>
PRC065	475910	6881800	2	5	3m @ 2.1
			45	48	3m @ 2.1
			50	52	2m @ 1.1
PRC066	475915	6881840	0	2	2m @ 1.0
			5	7	2m @ 1.3
			128	130	2m @ 2.4
PCR067	476945	6881640	26	40	14m @ 2.5
PRC068	476940	6881880	0	2	2m @ 1.0
			28	37	9m @ 1.4
			39	50	11m @ 1.0
			53	60	7m @ 2.6
			80	81	1m @ 1.3
PRC069	475945	6881900	0	3	3m @ 1.0
			50	52	2m @ 1.5
PRC070	475940	6881920	0	5	5m @ 1.7
			13	20	7m @ 2.2
PRC072	475960	6882000	12	16	4m @ 1.1
			32	33	1m @ 2.5
			35	38	3m @ 2.7
			53	55	2m @ 4.8
PRC074	475932	6882075	54	55	1m @ 1.2
			98	105	7m @ 2.5
			141	142	1m @ 5.6
PRC075	475965	6882075	34	36	2m @ 2.3
			41	48	7m @ 1.2
			61	62	1m @ 1.3
			77	79	2m @ 1.3
PRC076	476008	6882180	50	52	2m @ 1.2
			122	127	5m @ 1.4
PRC077	476160	6882500	124	130	6m @ 1.7
			137	139	2m @ 2.0
			152	161	9m @ 1.6
PRC078	476360	6883500	54	57	3m @ 1.1
			62	66	4m @ 2.6
			74	75	1m @ 1.0
			137	138	1m @ 3.0

* Re-entry of previous hole

Note: All intersections derived from RC drill chips collected by riffle splitter, at a +0.5 g/t lower cut. Samples analysed by Fire Assay at Ultratrace Laboratories, Perth. Drilling oriented east at dip of -60° unless otherwise stated. Drill co-ordinates datum is AGD84.

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")

March 2004

Consolidated Statement of Cash Flows

		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(291)	(855)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(280)	(827)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	30	52
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	9
	Net Operating Cash Flows	(541)	(1621)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(1)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	89
	(c) other fixed assets	-	4
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	92
1.13	Total operating and investing cash flows (carried forward)	(541)	(1529)

1.13	Total operating and investing cash flows (brought forward)	(541)	(1529)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2320	2356
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide detail if material) Fundraising Costs	(101)	(113)
	Net financing cash flows	2219	2243
	Net increase (decrease) in cash held	1678	714
1.20	Cash at beginning of quarter/year to date	524	1488
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2202	2202

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	77
1.24 Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

N/A

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

N/A

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 \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	-
3.2 Credit standby arrangements	N/A	-

Estimated Cash Outflows for next Quarter

	\$A'000
4.1 Exploration and evaluation	333
4.2 Development	-
Total	333

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	48	50
5.2 Deposits at call	2154	474
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2202	524

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			

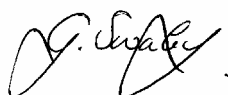
Issued and Quoted Securities at end of Current Quarter

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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	81,365,872	81,365,872		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	11,599,502	11,599,502	20 cents	20 cents
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	34,290,450	34,290,450	Exercise price 20 Cents	Expiry date 1 September 2004
	5,799,811	5,799,811	20 Cents	30 November 2006
	20,000	-	47 Cents	3 April 2005
	120,000	-	20 Cents	14 March 2007
	1,000,000	-	20 Cents	29 October 2005
7.8 Issued during quarter	5,799,811	5,799,811	20 Cents	30 November 2006
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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: 29 April 2004
(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.