



PLATINUM AUSTRALIA LIMITED

ACN 093 417 942

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29 October 2004

QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER, 2004

HIGHLIGHTS

During the quarter Platinum Australia Limited ("PLA") announced its first venture in South Africa with the signing of the Memorandum of Understanding with African Rainbow Minerals Platinum (Proprietary) Limited ("ARMplatinum") to acquire up to 49% of the Kalahari Platinum ("Kalplats") Platinum Group Metals ("PGM") Project. The Kalplats Project which is at the pre feasibility stage is located 330 km west of Johannesburg and contains a resource of 3.4 million ounces 3E PGM (platinum + palladium + gold).

PLA also announced its second venture in South Africa with the signing of a Heads of Agreement with 24 Rivers Mining (Pty) Ltd ("24RM") to acquire up to 74% in the 24 Rivers PGM Project located on the northern limb of the Bushveld Complex.

OPERATIONS

Kalahari Platinum Project

The Kalplats PGM mineralisation occurs as a consistent layer within magnetite rich gabbros and magnetites that form part of the Stella Layered Intrusion close to the contact with the Kraaipan Greenstones. To date seven deposits have been identified over a strike length of 12 kilometres and drilled to an average depth of 150 metres. The deposits all remain open at depth and along strike and in addition a further three prospects have been identified outside of the known deposits.

The present resource of 3.4 million ounces 3E PGM is in the Indicated and Inferred category. Included in this resource are a series of coherent high grade reefs with a total width of approximately 7 metres which contain a resource of 12 million tonnes @ 3.6 g/t 3E PGM for 1.4 million ounces 3E PGM.

Metallurgical recoveries from Kalplats ores by flotation tend to be poor, particularly on low head grade material which has been the focus to date. Early testwork by PLA indicates that recoveries are significantly improved using our patented Panton (calcine-cyanide leach) Process.

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 150,000 to 200,000 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.

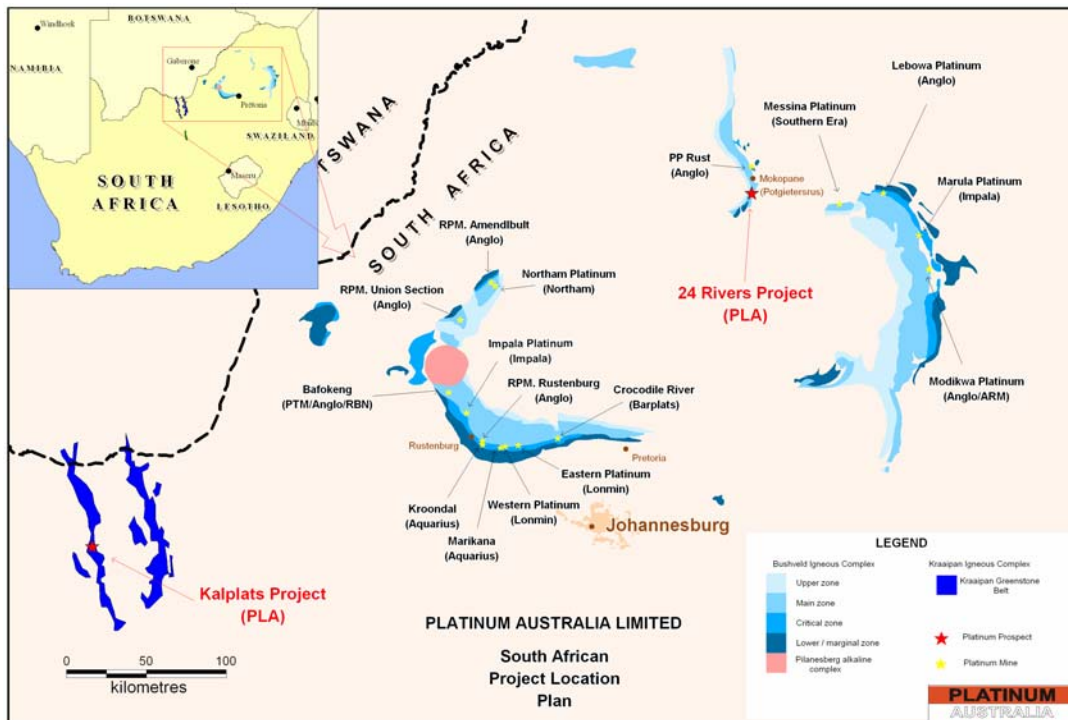
The MOU with ARMplatinum provides for PLA to earn its interest in the project by completing a BFS including further drilling and providing the right for the project to use the Panton Process.

ARMplatinum is part of the African Rainbow Minerals group, which has a market capitalisation in excess of \$1 billion and is the largest Black Empowerment Enterprise ("BEE") mining company in South Africa.

24 Rivers PGM Project

The 24 Rivers PGM Project is an early stage exploration project located on the northern limb of the Bushveld Complex along strike and to the south of Anglo Platinum's PPRust open cut platinum mine. Based on current geological interpretation and preliminary mapping, PLA believes that the property has the potential to host up to 2 kilometres of Bushveld Complex containing the Platreef which is mined at the PPRust operation.

The Heads of Agreement signed with 24RM provides for PLA to earn up to 74% in the project by spending approximately \$900,000 on the project and completing a Feasibility Study.



CORPORATE

On 30 September 2004, Lonmin Plc nominee Directors, Messrs Christopher John Davies, Geoffrey John Fenner and Allan Ewald Mulligan resigned from the Board of Platinum Australia Limited.

The Company's Annual General Meeting is to be held on 25 November at the Celtic Club, 48 Ord Street, West Perth, Western Australia at 4.00pm.

JOHN LEWINS
Managing Director

* 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")

September 2004

Consolidated Statement of Cash Flows

		Current quarter	Year to date (3 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 (b) development (c) production (d) administration	(221)	(221)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	16	16
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	(529)	(529)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(3)	(3)
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	1	1
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Net investing cash flows	(2)	(2)
1.13	Total operating and investing cash flows (carried forward)	(531)	(531)

1.13	Total operating and investing cash flows (brought forward)	(531)	(531)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	4	4
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		
	Net financing cash flows	4	4
	Net increase (decrease) in cash held	(527)	(527)
1.20	Cash at beginning of quarter/year to date	1,610	1,610
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,083	1,083

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	91
1.24	Aggregate amount of loans to the parties included in item 1.10	-

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	700
4.2 Development	-
Total	700

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	41	156
5.2 Deposits at call	1042	1,454
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,083	1,610

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			

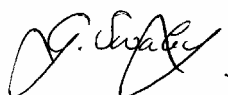
Issued and Quoted Securities at end of Current Quarter

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	81,412,523	81,412,523		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	21,305	21,305	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>	5,799,213	5,799,213	Exercise price 20 Cents	Expiry date 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				
7.9 Exercised during quarter	21,053	21,053	20 Cents	1 September 2004
	252	252	20 Cents	30 November 2006
7.10 Expired during quarter	34,244,397	34,244,397	20 Cents	1 September 2004
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 October 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.