



PLATINUM AUSTRALIA LIMITED

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26 May 2003

Manager
Companies Announcements Office
Australian Stock Exchange Ltd
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Madam,

LONMIN PLC – SUBSCRIPTION FOR SHARES – ASX RULE WAIVER GRANTED

Further to the announcement made by Platinum Australia Limited (“PLA”) on 21 May 2003, the Directors are pleased to announce that the ASX has granted to PLA a waiver from Listing Rule 14.7 of the Listing Rules of the Australian Stock Exchange Limited, to the extent necessary to permit PLA to issue up to 66,750,000 ordinary fully paid shares in the PLA at an issue price of \$0.60 per share to Lonmin Plc or its wholly owned subsidiary, as approved by shareholders of the Company on 21 August 2001, by no later than **30 September 2003**.

As shareholders will be aware, Lonmin’s right to subscribe for shares in PLA is conditional upon:

1. PLA completing a bankable level feasibility study on all aspects of the Panton Project (“Feasibility Study”); and
2. Lonmin agreeing to provide sufficient funding, in the form of debt and/or equity in order for PLA to fund the development of the Panton Project as outlined in the Feasibility Study (“Project Finance”), or PLA obtaining an offer of Project Finance from a third party (or a combination of both) in each case on terms acceptable to the Board.

The effect of the waiver is therefore to extend the period in which Lonmin have to subscribe to the up to 66,750,000 ordinary fully paid shares in PLA from the previous date of 21 May 2003 to 30 September 2003.

Feasibility Study

The final phase of the pilot plant test program to evaluate the process designed to upgrade the combined high grade PGM-Base Metal Concentrate to separate PGM and Base Metal concentrates has now been completed in South Africa. Preliminary results indicate that the process will produce a final PGM concentrate assaying at over 50% PGM + Au that is suitable feed for a PGM Refinery. A separate high grade Base Metal concentrate assaying at over 60% nickel plus copper will also be produced.

Notwithstanding the successful outcome from this pilot plant testwork, PLA has the option of producing a lower grade combined PGM-Base Metal concentrate or incurring the additional capital and operating costs to produce the separate high grade PGM and Base Metal concentrates to be evaluated as part of the Feasibility Study. To facilitate this decision, PLA are currently evaluating the markets for these different products with both Lonmin and third parties.

PLA has also initiated a review of various start up and throughput options as part of the final phase of the Feasibility Study. This review has been initiated to address the negative effect the current scenario of a strong Australian Dollar combined with a weak Palladium price has on the Panton Project economics.

In order to complete this review and incorporate all of the information from the just completed pilot plant testwork into the Feasibility Study, the completion of the study will be extended into July 2003.

Yours faithfully,
PLATINUM AUSTRALIA LIMITED

JOHN D. LEWINS
Executive Director