



# PLATINUM AUSTRALIA LIMITED

ACN 093 417 942

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Our ref: ASX0159BG:30.3:JD

6 September 2002

Manager  
Company Announcements Office  
Australian Stock Exchange Limited  
10<sup>th</sup> Floor, 20 Bond Street  
SYDNEY NSW 2000

Dear Madam,

## GRANT OF OPTIONS

Mr John Lewins was appointed General Manager of Platinum Australia Limited (PLA) on 30<sup>th</sup> October 2000. His remuneration package included 1,000,000 options in PLA priced at 20 cents exercisable only on the achievement of milestones set out as follows.

- Up to 20% of the options exercisable once the Company achieves Milestone 1. Milestone 1 occurs when the Company completes a pre-feasibility study which contains a positive outcome. Milestone 1 was achieved in July 2001.
- Up to a maximum of 60% of the options exercisable once the Company achieves Milestone 2. Milestone 2 occurs when the Company completes a bankable feasibility study which contains a positive outcome.
- Up to a maximum of 100% of the options exercisable once the Company achieves Milestone 3. Milestone 3 occurs when the Company makes its first drawdown under a facility agreement with a recognised bank or other source of finance for the purpose of funding the project, the subject of the feasibility study.

On the 3<sup>rd</sup> May 2001 Mr Lewins was appointed Executive Director of PLA.

As the options are related to Mr Lewins appointment as General Manager and pre date his appointment as a Director of the Company, the Australian Stock Exchange has approved a waiver of Listing Rule 10.11 to permit the Company to grant the options without shareholder approval. Accordingly PLA advises it has now granted the options.

An Appendix 3B is attached which also contain the full terms and conditions of the options.

Yours faithfully,  
PLATINUM AUSTRALIA LIMITED

PETER D. ALLCHURCH  
**Chairman**

## Appendix 3B

### New Issue Announcement, Application for Quotation of Additional Securities and Agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

PLATINUM AUSTRALIA LIMITED

ABN

093 417 942

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | Options exercisable at 20 cents each on or before 29 October 2005.  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 1,000,000 options.  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Each option entitles the holder to one fully paid ordinary share in the Company at an exercise price of 20 cents, exercisable on or before 29 October 2005. The terms and conditions of the options are set out in Annexure A to this Appendix. |

4.	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</p>	<p>The options are a new class of options issued by the Company (refer to the terms and conditions set out in Appendix A attached to this Application).</p>							
5.	Issue price or consideration	<p>There is no issue price for the grant of the options. The exercise price of each option is \$0.20 cents.</p>							
6.	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>Incentive options</p>							
7.	Dates of entering +securities into uncertificated holdings or despatch of certificates	<p>6 September 2002</p>							
8.	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>53,798,842</td> <td>Ordinary fully paid Shares.</td> </tr> <tr> <td>29,931,158</td> <td>Options exercisable at \$0.20 on or before 1 September 2004.</td> </tr> </tbody> </table>	Number	+Class	53,798,842	Ordinary fully paid Shares.	29,931,158	Options exercisable at \$0.20 on or before 1 September 2004.	
Number	+Class								
53,798,842	Ordinary fully paid Shares.								
29,931,158	Options exercisable at \$0.20 on or before 1 September 2004.								

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	6,096,819	Ordinary fully paid Shares.
	4,650,000	Options exercisable at \$0.20 expiring on or before 1/9/2004
	20,000	Employee options Exercisable at \$0.47 Expiring on or before 3/4/2005.
	1,000,000	Employee options Exercisable at \$0.20 Expiring on or before 29/10/2005.
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.	

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	

18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements in full through a broker?	

- 31 How do +security holders sell part of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities  
*Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities*

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*(If the additional securities do not form a new class, go to 43)*

Tick to indicate you are providing the information or documents

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

*(now go to 43)*



## All entities

### Fees

43 Payment method (tick one)

Cheque attached

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

### Quotation Agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

*Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty*

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign Here: \_\_\_\_\_ Date: \_\_\_\_\_  
(Company Secretary)

Print Name: B.M.GARLICK

## TERMS AND CONDITIONS OF OPTIONS

1. No monies will be payable for the issue of the Options.
2. A certificate will be issued for the Options.
3. The Options shall expire on 29 October 2005 ("**Expiry Date**").
4. Subject to the term condition 14 below the Option is a right in favour of the option holder to subscribe for one fully paid ordinary share in the capital of the Company ("**Share**").
5. Subject to the term and condition 17 below the Options may only be exercised if the Company achieves certain milestones and the number of Options that can be exercised on achievement of the milestones are limited as set out below:
  - (a) The option holder may exercise up to a maximum of 20% of the number of Options issued to him at the time the Company achieves Milestone 1.
  - (b) The option holder may exercise up to a maximum of 60% of the number of Options issued to him at the time the Company achieves Milestone 2.
  - (c) The option holder may exercise up to a maximum of 100% of the number of Options issued to him at the time the Company achieves Milestone 3.
6. Milestone 1 occurs when the Company completes a pre-feasibility study which contains a positive outcome.
7. Milestone 2 occurs when the Company completes a bankable feasibility study which contains a positive outcome.
8. Milestone 3 occurs when the Company makes its first drawdown under a facility agreement with a recognised bank or other source of finance for the purpose of funding the project, the subject of the feasibility study.
9. Shares allotted to option holders on exercise of Options shall be issued at a price of 20 cents ("**Exercise Price**").
10. Subject to the term and condition 14 below the Exercise Price of Shares the subject of the Options shall be payable in full on exercise of the Options.
11. Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the option holder to:
  - (a) exercise all or a specified number of Options; and
  - (b) pay the subscription monies in full for the exercise of each Option.

The notice must be accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Options shall not affect the rights of the option holder to the balance of the Options held by him.
12. The Company shall allot the resultant Shares and deliver the share certificate within five business days of the exercise of the Option.
13. Options shall not be listed for official quotation on ASX.

14. The Options shall be freely transferable.
15. Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with existing ordinary fully paid Shares of the Company in all respects.
16. The Company shall in accordance with the Listing Rules make application to have Shares allotted pursuant to an exercise of Options listed for official quotation.
17. In the case of any entitlements issue (other than a bonus issue) the Exercise Price of the Option may be reduced according to the following formula:

$O' = O - \frac{E[P - (S + D)]}{(i) N + 1}$
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- O' = the new Exercise Price of the Option.
- O = the old Exercise Price of the Option.
- E = the number of underlying securities into which one Option is exercisable.
- P = the average market price per share (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price for a security under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a rights to one new security.

In the case of a bonus issue the number of Shares over which the Option is exercisable maybe increased by the number of Shares which the option holder would have received if the Option had been exercised before the record date for the bonus issue. The Company shall notify the ASX of the adjustments in accordance with the Listing Rules.

18. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, the number of the Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in accordance with the Listing Rules.
19. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
20. If a person makes a takeover bid (as defined in the Corporations Law) to acquire any fully Shares and the takeover bid extends to Shares issued and allotted after the date of the takeover bid then the option holder may exercise all Options issued to him even if Milestone 1, Milestone 2 and Milestone 3 have not been achieved by the Company.
  - (a) Notwithstanding clause 23, if the person becomes entitled to proceed to compulsory acquisition of the Shares pursuant to Section 701 of the Corporations Law (or its successor) then the Options will expire 30 days (or such later date as the Board determines in its sole discretion) after a person or corporation becomes so entitled.

- (b) In such event, the Company shall notify (in writing) the option holder of the Expiry Date as soon as possible after the Company becomes aware that the person or corporation has become entitled to proceed to compulsory acquisition.
- 21. If the Employment Agreement between the Company and the option holder dated 30 October 2000 is terminated (other than expiry of its term) then where termination is:
  - (a) as a result of the option holder:
    - (i) giving notice to the Company in accordance with clause 15.1(c)(ii); or
    - (ii) failing to remedy a default within the required period and as a consequence the Agreement is terminated in accordance with clause 15.1,  
  
any Options which are not capable of being exercised at that time due to the appropriate Milestone 1, 2 or 3 not having been achieved, will be cancelled; or
  - (b) as a result of any other reason, the option holder shall be entitled to retain those Options for which a Milestone has been achieved together with the percentage of Options which could have been exercised if the next Milestone had been achieved but all other Options are to be cancelled.