



PLATINUM AUSTRALIA LIMITED

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QUARTERLY REPORT TO SHAREHOLDERS FOR THE PERIOD ENDED 31 MARCH, 2003

HIGHLIGHTS

▪ **CALCINE-LEACH-METALS RECOVERY PROCESS ACHIEVES OVER 90% RECOVERY**

Platinum Australia Limited completed pilot plant testwork on the Calcine-Leach-Metals Recovery Process during the quarter. Preliminary results from this pilot plant which was run continuously over a 24 day period indicate a recovery of over 90% for Platinum + Palladium + Gold was achieved. This equates to an overall recovery from plant feed of over 80% based on a flotation recovery of 88%.

▪ **INCREASE IN GRADE OF PANTON TOP REEF RESOURCE**

The Panton Top Reef resource estimate was updated to incorporate the results the recent infill drilling program of six diamond holes which was completed in the previous quarter. As a result of this the average grade of the Top Reef Mineral Resource at the Panton Platinum Palladium Project was increased by 6% to 6.1 g/t PGM + Au.

▪ **APPOINTMENT OF NEW DIRECTOR TO THE PLA BOARD**

Mr Allan Mulligan, Manager of Lonmin's operations in Australia joined the Board of Directors of Platinum Australia Limited in March 2003.

CORPORATE

The Anglo Pacific Group plc, the second largest shareholder in PLA increased their holding in the company through on market purchases from 9.3% to 10.6% of the shares issued during the quarter.

PANTON PLATINUM PALLADIUM PROJECT

The Panton Platinum Palladium Project is located 60 kilometres north of Halls Creek in the Kimberley region of Western Australia. Panton is Australia's highest grade known PGM deposit. The project is 100% owned by Platinum Australia Limited.

Bankable Feasibility Study

The major focus of work carried out on the Bankable Feasibility Study (BFS) during the quarter has been on metallurgical and pilot plant testwork and on the updating of the resource to incorporate the results from the infill drilling program. While the results from the pilot plant work have been very positive, this work is running several weeks late and as a consequence the completion of the BFS will be delayed until the June Quarter.

Metallurgy

A Pilot Plant test program of the Calcine-Leach-Metals Recovery Process was completed during the quarter. The preliminary results from the Leach-Metals Recovery testwork which was run continuously over a 24 hour period indicates the following recoveries were achieved treating flotation concentrate.

	Platinum	Palladium	Gold	Total
Feed Head Grade (Float Concentrate)	12.7 g/t	15.2 g/t	1.7 g/t	29.6 g/t
Leach Dissolution	91.7%	92.8%	91.6%	92.2%
Recovery to Precipitate	84.9%	85.9%	12.3%	81.3%
Recovery to Ion Exchange	6.5%	6.5%	72.8%	10.3%
Overall Recovery (From Float Concentrate)	91.4%	92.4%	*85.1%	91.6%

*It is anticipated that overall gold recovery will be exceed 90% due to the recycle of the barren solution from the Ion Exchange back to the Leach-Precipitation circuit.

Based on a flotation recovery of approximately 88% the overall recovery from plant feed to this point should be over 80%. This is comparable with recoveries achieved through the traditional smelting route for many of the South African ores.

The precipitate produced during the test work was of a higher grade than anticipated and contained an average of over 2,200 g/t Pt+Pd+Au, 25.5% Ni, 16.7% Cu and 0.5% Co.

Resource Update

The Panton Top Reef resource estimate was updated to incorporate the results the recent infill drilling program of six diamond holes which was completed in the previous quarter. The updated resource estimate shows a 6% increase in grade and a 5% decrease in tonnage, resulting in a marginal increase in contained ounces of PGM + Au in the reef. The increase in grade is extremely important to the success of a project such as Panton as this increases the value of each tonne of material, improving economics of the project.

EXPLORATION

An aeromagnetic survey over the Imagi Project and selected areas of the Byro Project where PLA have identified a large layered mafic – ultramafic intrusion was completed during the quarter. Results from this work are awaited and will be used to assist in defining targets for follow up work.

* 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")

March 2003

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	-	-
1.2	Payments for (a) exploration and evaluation	(624)	(2241)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(471)	(1100)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	35	89
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	17
Net Operating Cash Flows		(1060)	(3235)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(18)	(103)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	66
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(18)	(37)
1.13	Total operating and investing cash flows (carried forward)	(1078)	(3272)

1.13	Total operating and investing cash flows (brought forward)	(1078)	(3272)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	3095
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	(42)	(119)
	Net financing cash flows	(42)	(119)
	Net increase (decrease) in cash held	(1120)	(296)
1.20	Cash at beginning of quarter/year to date	3649	2825
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2529	2529

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	65
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	1500
4.2 Development	-
Total	1500

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	(4)	2128
5.2 Deposits at call	2533	1521
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2529	3649

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			

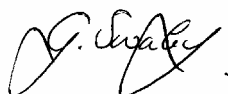
Issued and Quoted Securities at end of Current Quarter

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	69,610,770	69,610,770		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	34,446,049	34,446,049	Exercise price 20 Cents	Expiry date 1 September 2004
	20,000	-	47 Cents	3 April 2005
	1,000,000	-	20 Cents	29 October 2005
7.8 Issued during quarter				
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: 30 April 2003
(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.