

31 July 2007

Australian Stock Exchange  
Exchange Plaza  
2 The Esplanade  
Perth WA 6000

Via E-lodgement

**Quarterly Report for the period ended 30 June 2007**  
**and Appendix 5B**

Please find attached the Company's quarterly report for the period ended 30 June 2007 together with an Appendix 5B

Yours Faithfully



**PETER LANDAU**  
**DIRECTOR**

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## Quarterly Report and Appendix 5B for the Period ended 30 June 2007

The Board is pleased to provide the following commentary to be read in conjunction with the Appendix 5B attached.

<i>Issued Capital</i>	<b>180 M<sup>+</sup></b>	<i>ASX Code</i>	<b>NKP</b>	<i>Closing price</i>	<b>\$1.175*</b>
<i>Market Cap</i>	<b>212M</b>				
* as at 30 June 2007					
+ includes 63m shares subject to voluntary escrow					

### Highlights

- Garatouw Project returns positive assay results
- Exercise of Options raises \$7 million

### Corporate

During the quarter the Company raised \$7,177,500 through the exercise of 14,355,000 options expired 30 June 2007.

As previously announced, the claim by Rustenburg Platinum Mines Limited (an Anglo Platinum company) review application against the Department of Minerals and Energy ("DME") and Genorah to set aside the prospecting rights issued by DME in September 2006 in respect to nine farms, including De Kom and Garatouw, continued during the quarter. Genorah and DME completed the necessary court documents opposing the Claim. Current sentiment suggests that the claim will be withdrawn however the Company is awaiting official confirmation of this. In the meantime independent advice regarding the strength of the DME case indicates a positive outcome can be anticipated.

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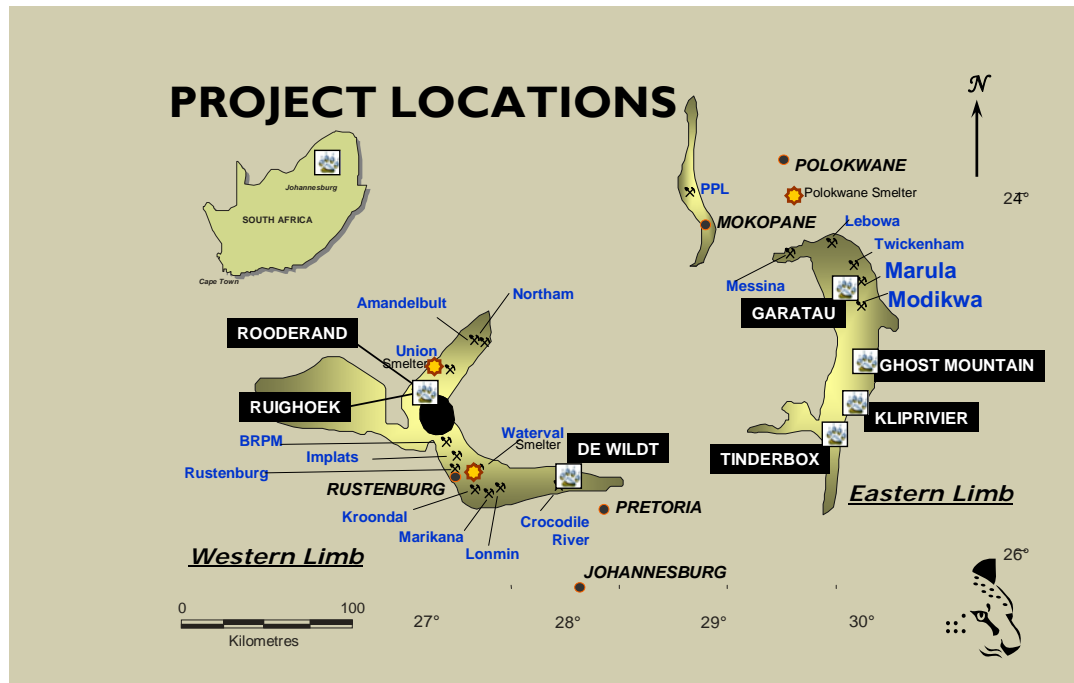
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## Operations

The Company has a diversified PGM portfolio located in the Eastern and Western Bushveld of South Africa as illustrated below.



### **Garatouw Project**

As announced in the previous quarter, Nkwe commenced drilling on the Garatouw Project, located adjacent to the Implats Marula Mine and Anglo Platinum's Modikwa Mine in January 2007. The drilling program intersected both the Merensky and UG2 Reefs with favourable assay results as reported on 12 July 2007.

**Table 1: Nkwe Garatouw Project Merensky mineralized intersections**

Borehole	Defl.	Co-ordinates		Intersection		Width (m)	Grade (3PGE + Au)
		X	Y	FROM	TO		
GRT001	D0	-2718444	-94943	501.04	501.64	0.6	7.0
GRT002	D0	-2720957	-93933	379.51	380.11	0.6	5.1
GRT003	D0	-2719018	-94838	471.49	472.12	0.63	4.6
	D4			471.56	472.33	0.77	5.7
	D5			471.29	472.22	0.93	6.0
GRT004	D0	-2721297	-94446	482.4	483.61	1.21	12.6
	D5			482.08	482.75	0.67	9.5

The outline of first results from the drilling program.

*Note: GPS coordinates, Nickel Sulphide Collection Fire Assay for Pt, Pd, Au, Rh, Ru, Ir. SGS Lakefield Research Africa is Accredited by SANAS for ISO 17025 for above analysis.*

**Table 2: Nkwe Garatouw Project UG2 intersections**

Borehole	Defl.	Co-ordinates		Intersection		Width (m)	Grade (3PGE + Au)
		X	Y	FROM	TO		
GRT002	D0	-2720957	-93933	754.24	755	0.76	6.2
	D1			754.24	755.03	0.79	8.7
GRT003	D0	-2719018	-94838	831.24	831.98	0.74	5.9
	D1			831.12	831.88	0.76	5.5
GRT004	D0	-2721297	-94446	846.18	847.25	1.07	6.7
	D1			846.2	847.2	1.00	6.3
	D3			846.23	846.96	0.73	6.8

*Note: GPS coordinates, Nickel Sulphide Collection Fire Assay for Pt, Pd, Au, Rh, Ru, Ir. SGS Lakefield Research Africa is Accredited by SANAS for ISO 17025 for above analysis.*

The Merensky results significantly exceeded Board expectation whilst the UG2 results are in line with the original expectations based on the grade and widths of the resource base of nearby operations.

In addition a detailed aerial magnetic survey undertaken over the project area with a line spacing of 50m has indicated that the area is characterised by only a modest degree of dyking and potholing by Eastern Bushveld standards. Likewise, the potential IRUP activity is modest in terms of tenements to the south, with Stratigraphic markers appearing to follow the topography and there being no obvious evidence of dip-faulting across the area.

### **De Wildt Project**

Further Drilling is expected to commence during the final Quarter of 2007.

The De Wildt Project consists of new order prospecting rights over all strategic areas and is an advanced stage exploration project.

The Project has an inferred resource of 4.4Moz (5PGE+Au) at a grade of 3.4 g/t over 6km of strike length, at a favourable platinum to palladium prill split in excess of 3.5:1. The Company is in joint venture discussions with regards to mine development and hopes to finalise negotiations during the forthcoming quarter..

### **Pilanesberg Project**

The project consists of two properties, Rooderand and Ruighoek which are advanced stage exploration projects.

Rooderand is located on the north-western rim of the Pilanesberg National Park and exploration success during 2006 increased the JORC compliant resource to 36.7m Mt @ 3.8 g/t for 4.5Moz (3E+Au), geologically discounted. A new order prospecting right has been issued on this project.

Nkwe has an undivided 54% share on various portions of Ruighoek (under the old Mining Act) which lies directly to the west of the Pilanesberg National Park, covering an area of over 2,500 hectares. Nkwe has previously secured the consent to prospect on Ruighoek from the private holders of undivided shares of the mineral rights. An application for a Prospecting Right is currently being processed by the DME.

**Kliprivier Prospect**

The prospect is located on the eastern limb of the Bushveld Complex and lies immediately south and along strike of Aquarius Platinum's Everest South platinum project and up dip of Anglo Platinum's Booyssendal project. An inferred UG2 resource has been defined of 109.6 Mt @ 2.3 g/t (3PGE+Au) for 7.6Moz (undiscounted) from surface over a 6km strike length on its 3,300ha permitted share of Kliprivier, with a lower chromite band containing an additional potential 4.5Moz of target PGE mineralisation.

**Ghost Mountain Prospect**

The prospect is located on the eastern limb of the Bushveld Complex, with past exploration having identified two mineralised targets.

**Tinderbox Prospect**

The prospect is located 10km south west of Kliprivier. This area was subject to a joint venture with Placer Dome which has lapsed. It is an early stage exploration project and the company intends to recommence exploration in the near future.

Nkwe is currently seeking joint venture / farm in partners on its smaller properties given the focus on the Garatouw project and hopes to conclude an agreement during the current quarter.



Peter Landau  
Director/ Company Secretary  
31 July 2007

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The geological information in this announcement has been prepared by Dr Jackie van Schalkwyk, a geologist with over 20 years experience in the South African resource sector. Dr van Schalkwyk has sufficient experience which is relevant to the style of the mineralisation and type of deposit under consideration and to the activity which he is undertaking as a Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting for Exploration Results, Minerals Resources and Ore Reserves. Dr van Schalkwyk is a Consultant to Genorah Resources (Pty) Ltd. This report accurately reflects the information compiled by Dr van Schalkwyk. Dr van Schalkwyk has consented to the inclusion of this information in the form and context in which it appears in this report.

A target mineralization is conceptual in nature and is not a mineral resource or an ore reserve. The targets on Garatouw, De Kom, De Wildt and Kliprivier have been calculated by Mr. Nico Bleeker and are based on a projection beyond current knowledge but based on the surface outcrop and the high level of continuity of these types of resources in the Bushveld Complex of South Africa. There has been insufficient exploration to define a mineral resource and it is uncertain whether further exploration will result in the determination of an additional mineral resource.

# Appendix 5B

## ***Mining exploration entity quarterly report***

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

NKWE PLATINUM LIMITED

ACN or ARBN

105 979 646

Quarter ended ("current quarter")

30 June 2007

### **Consolidated statement of cash flows**

		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(478)	(1,473)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(894)	(2,580)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	185	234
1.5	Interest and other costs of finance paid	-	(2)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>		<b>(1,187)</b>	<b>(3,821)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a)prospects	(31)	(518)
	(b)equity investments	-	-
	(c) other fixed assets	(54)	(134)
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
<b>Net investing cash flows</b>		<b>(85)</b>	<b>(652)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(1,272)</b>	<b>(4,473)</b>

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(1,272)	(4,473)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, etc.	4,700	19,844
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Issue expenses	-	(638)
<b>Net financing cash flows</b>	4,700	19,206
<b>Net increase (decrease) in cash held</b>	3,428	14,733
1.20 Cash at beginning of quarter/year to date	12,169	864
1.21 Exchange rate adjustments to item 1.20		
1.22 <b>Cash at end of quarter</b>	15,597	15,597

### 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 \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	533
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries, superannuation, directors fees and corporate consultancy fees, including back payments of directors fees.

### 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

Nil

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

Nil

## Financing facilities available

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

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	-
<b>Total</b>	<b>1,000</b>

## 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	579	117
5.2 Deposits at call	15,018	12,052
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>15,597</b>	<b>12,169</b>

## 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	N/A	N/A	N/A	N/A
6.2 Interests in mining tenements acquired or increased	N/A	N/A	N/A	N/A



## 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)	Amount paid up per security (see note 3)
7.1 <b>Preference + securities</b> (description)	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	180,395,425	117,395,425	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	9,125,000	9,125,000	0.5	0.5
7.5 <b>+Convertible debt securities</b> (description)	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7 <b>Options</b> (description and conversion factor)	4,105,000 4,680,000 2,110,000 1,500,000 1,650,000 17,867,942	- - - - - -	Exercise price \$0.50 \$1.10 \$1.10 \$1.25 \$1.00 \$0.90	Expiry date 30/06/2007 30/06/2007 30/06/2009 30/06/2009 30/06/2009 30/06/2010
7.8 Issued during quarter	17,867,942	-	\$0.90	30/06/2010
7.9 Exercised during quarter	9,125,000	-	\$0.50	30/06/2007
7.10 Expired during quarter	-	-	-	-
7.11 <b>Debentures</b> (totals only)	-	-	-	-
7.12 <b>Unsecured notes</b> (totals only)	-	-	-	-

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law 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: .....  
Company Secretary

Date: 31 July 2007

Print name: Peter Landau

## Notes

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- 1 This 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.

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