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Australian Securities Exchange  
Exchange Plaza  
2 The Esplanade  
Perth WA 6000

**Via E-lodgement**

**DME Confirm Valid Genorah Rights  
&  
Nkwe to acquire 59% interest in Genorah Farms Platinum  
Project**

**Key points**

- **Nkwe Option to acquire 59% of Genorah Farms Platinum project in South Africa**
- **Genorah Farms contiguous to NKWE's existing farms**
- **Farms are down dip to adjacent major Anglo Platinum mines**
- **DME Confirm valid Genorah Rights**

Australian platinum company Nkwe Platinum Limited ("Nkwe" or "the company") has signed an Option Agreement with Genorah Resources (Pty) Ltd ("Genorah"), its black controlled South African partner, to acquire a 59% interest in the prospecting rights to three platinum group metal ("PGM") farms on the Eastern limb of the Bushveld Complex (refer Location Map).

The signing of this agreement will consolidate Nkwe's position in the Eastern limb of the Bushveld Complex, regarded as the world's premier platinum group metal producing region.

The farms the subject of the agreement are Hoepakrantz 291KT, Nooitverwacht 324KT and Eerste Geluk 327KT, which are contiguous with the Company's existing farms De Kom and Garatouw. The acquisition of a significant stake in these new Farms consolidates the Company's land holding in this highly prospective zone, which is located down dip to the adjacent Anglo Platinum's Modikwa and Implat's Marula Platinum mines, and contains a strike length of about 30 km.

**AUSTRALIAN OFFICE**  
34 Parliament Place  
West Perth WA 6005  
Australia

PO Box 684  
West Perth WA 6872  
Australia

Tel: +61 (0)8 9488 5244  
Fax: +61 (0)8 9321 6699

**NKWE PLATINUM LIMITED**  
ARBN 105 979 646

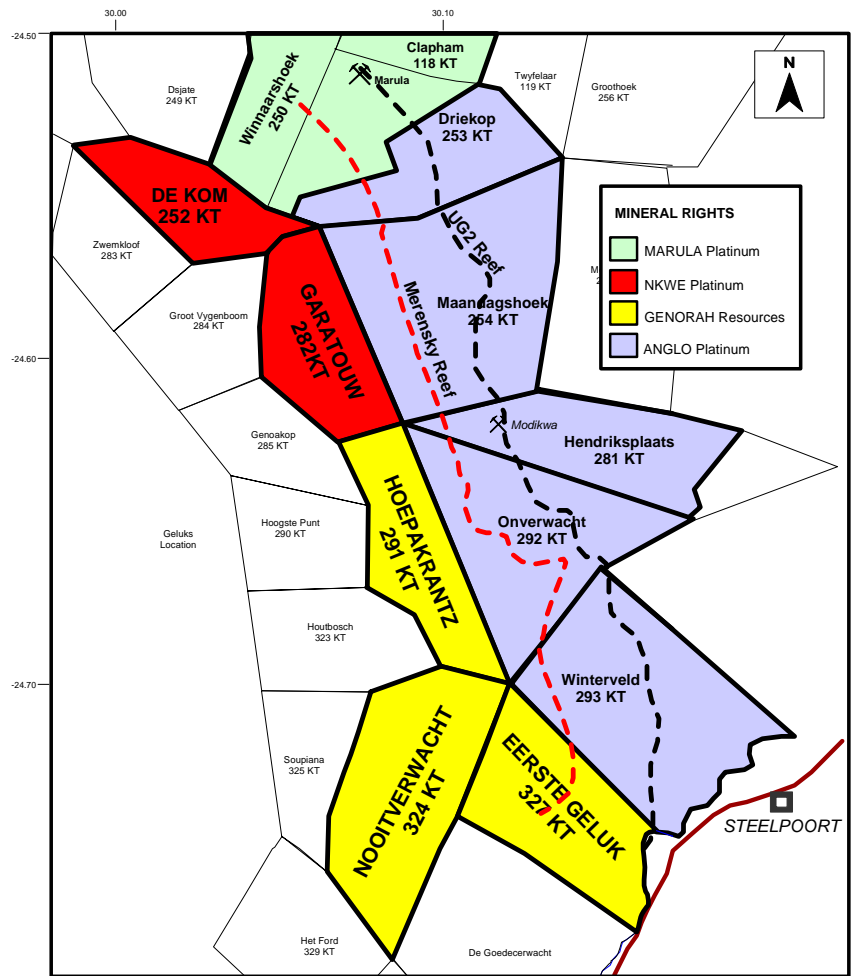
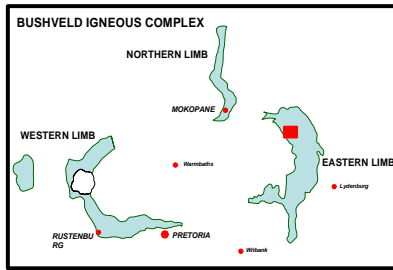
**REGISTERED OFFICE**  
Clarendon House  
2 Church Street  
Hamilton HM11

PO Box HM666  
Hamilton HMCX  
BERMUDA

**NKWE PLATINUM LIMITED**  
Bermuda Regn Number 32747

Web: [www.nkweplatinum.com](http://www.nkweplatinum.com)





Location Map

Key terms of the option agreement are:

- 18 month right to exercise option to acquire 59% interest in the three Farms;
- Upon exercise of the Option consideration of 250 million Ordinary Fully paid Shares in Nkwe ("Consideration Shares"), or a combination of a portion of the Consideration Shares together with a cash payment (the maximum cash payment being the equivalent of 50 million Consideration Shares at a 10 day VWAP);
- Option fee of 15 million options (90 cents, 30 June 2010) 50% up front (7.5m) and 50% upon exercise of the Option (7.5m);
- Agreement is subject to all relevant regulatory and shareholder approvals in Australia and South Africa:



## Genorah Farms Projects

The three farms that make up the Genorah Farms have an independently estimated target as set out below:

Farm	Tonnage	Grade	Safety Factor	Pot Min (oz)	Pot Min (<1000m)	Pot Min (>1000m)
<b>Eerste Geluck</b>						
Merensky	86,814,000	5.47	30%	9,423,678	8,481,310	942,368
UG2	147,532,500	6.17	30%	18,064,094	16,257,685	1,806,409
<b>Nooitverwacht</b>						
Merensky	225,716,400	5.47	30%	24,501,562	4,900,312	11,025,703
UG2	255,723,000	6.17	30%	31,311,097	6,262,219	14,089,994
<b>Hoepakrantz</b>						
Merensky	112,858,200	5.47	30%	12,250,781	656,292	2,625,167
UG2	127,861,500	6.17	30%	15,655,549	838,690	3,354,760
<b>TOTAL MERENSKY</b>				46,176,021	14,037,914	14,593,238
<b>TOTAL UG2</b>				65,030,740	23,358,595	19,251,164

### Note:

1. A 30% discount factor (safety factor) is applied to the calculations
2. Prill Splits as follows:
  - Merensky - (Pt – 57.0%; Pd – 33.0%; Rh – 2.0%; Au – 8.0%)
  - UG2 – (Prill Split: Pt – 43.5%; Pd – 46.0%; Rh – 9.0%; Au – 1.5%)
3. If the grade was 10% less than the grades quoted above, the resultant effect on the target mineralisation is a reduction of approximately 4.6Moz on the Merensky and approximately 6.5Moz on the UG2.
4. If the grade was 20% less than the grades quoted above the resultant effect on the target mineralisation is a reduction of approximately 9.2Moz on the Merensky and 13.0Moz on the UG2.

It is the intention of Nkwe and Genorah to prove up its target mineralisation over the next 6 to 12 months through the completion of an extensive drilling program. This estimated target is based on the known Merensky/UG2 reef characteristics of adjacent mining operations. It is further noted that the potential quantity of the estimated exploration target is conceptual in nature and there has been insufficient exploration to define a resources compliant with the JORC code and it is uncertain at this stage if further exploration will result in the determination of a mineral target on the Genorah Farms.

All of the five farms are underlain by both the UG2 Chromite Layer (UG2) and Merensky Reef. The UG2 Chromite Layer (UG2) outcrops to the immediate east of the three new farms and dips towards the west at a relatively shallow angle underneath the Project area. The Merensky Reef outcrops on the Eerste Geluk property. The Merensky and UG2 are continuous over hundreds of kilometres and even over these large distances there is well-known consistency in grade, thickness and the ratio of the various PGE minerals.

The Genorah Farms are currently subject to a 15% farm-in with International Goldfields Limited (“ASX:IGC”) whereby IGC can earn a 15% interest in the three Farms through spending US\$10m on exploration and development over a three-year period.



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Upon exercise of the Option and successful farm-in by IGC, Nkwe will hold 59% of the three southern farms; IGC will own 15%, with the remaining 26% held by Genorah - thereby fulfilling the requisite BEE requirements.

Nkwe Managing Director Maredi Mphahlele believes the acquisition of a significant stake in Genorah Farms is a strategic step by Nkwe as it consolidates its position in such a highly prospective region:

*“This acquisition reinforces Nkwe’s aim of acquiring strategically located and highly prospective PGM farms, and reinforces Nkwe’s goal of becoming one of the four major PGM mining and refining operations in South Africa.” Mr Mphahlele said.*

### **Genorah Farms Current Exploration Program**

The Genorah Farms are already in an advanced exploration stage, with an aggressive resource definition program that has nine drilling rigs deployed. The program has already produced extremely encouraging results. The resource definition program, which forms part of the current feasibility study, confirms the presence of both the Merensky and UG2 Reefs on the farm Eerste Geluk 327KT and Nooitverwacht 324KT. The intersections are summarised below and in detail in Annexure A:

- More than 7,100m of core has been drilled on Eerste Geluk and Nooitverwacht.
- Nine boreholes and 32 deflections have been completed and nine boreholes are in progress.
- Reefs are shallow on Eerste Geluk 327KT - Maximum depth to Merensky Reef less than 450m and UG2 Reef less than 600m.
  - Depth to Merensky Reef ranges from 39m (EST006) to 324m (EST001) on the Western Boundary
  - Depths to UG2 reefs intersected at 124m (EST0011) Eastern Boundary and 517m (EST001) Western Boundary
- Early stage of drilling on Nooitverwacht 324KT shows Reefs are shallower than expected - Merensky Reef ~450m and UG2 ~900m
- Reef widths are encouraging –
  - Eerste Geluk: Merensky Reef constantly over 2m and UG2 main chromitite seam width more than 69cm in EST005
  - Nooitverwacht: Merensky Reef ~2m and UG2 width more than 68cm in NVT003
- LG6 Reef has been intersected in several boreholes at depths of ~300m below the UG2 Reef



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## **Claim against Minister of Minerals and Energy (and others) by Rustenburg Platinum Mines Limited**

As announced by the Company earlier this year, Rustenburg Platinum Mines Limited – an Anglo Platinum Company (“RPM”) has applied for Court Review of the decision to award the Genorah farms by the Department of Minerals and Energy (“DME”) and to set aside the prospecting rights issued by the DME (in September 2006) in respect of 9 farms, including the five farms Genorah Nkwe has an interest.

Genorah has received correspondence from the DME confirming that the DME and Anglo Platinum are in discussions to resolve their various differences amicably, including the Genorah matter, but more importantly “..as far as the DME is concerned the prospecting rights granted to Genorah are valid.”

Yours Faithfully



**Peter Landau**  
Executive Director

**For further information please contact:**

**Maredi Mphahlele**  
Managing Director  
Tel + 27 11 445 2161

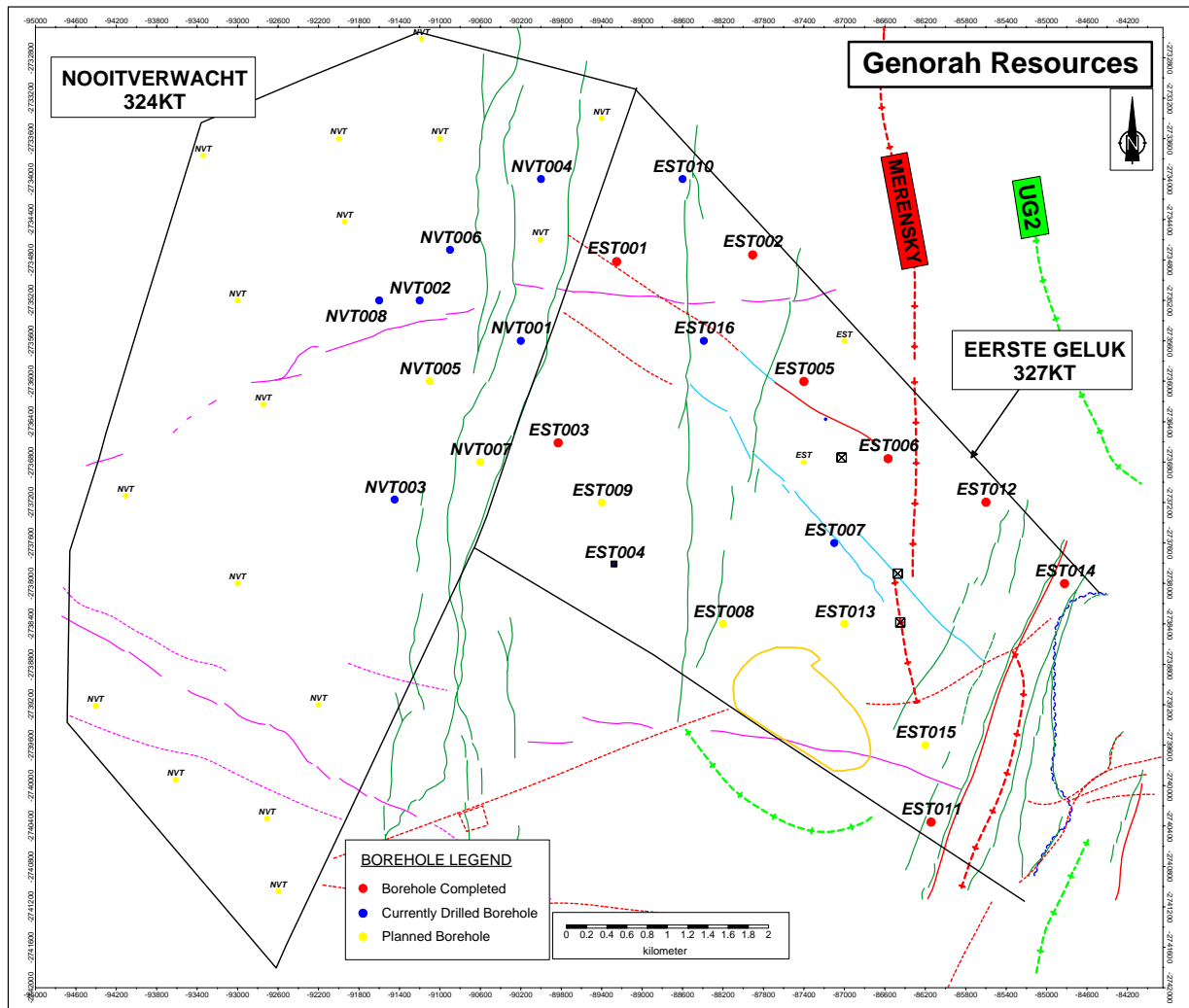
**Peter Landau**  
Executive Director  
Tel +61 8 9488 5244

*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. 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 is registered as Pr. Sci. Nat. under the South African Council for Natural Scientific Professions. He qualifies as a Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting for Exploration Results, Minerals Resources and Ore Reserves. 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.*

*The table on page3 was prepared by SRK Consulting exclusively for NKWE Platinum Limited.*



## ANNEXURE A – Borehole Positions on Eerste Geluk and Nooitverwacht



## Table of Reef Intersections and Drilling Progress

### EERSTE GELUK

Borehole	Merensky Reef			UG2 Reef		
	From (m)	To (m)	Thickness	From (m)	To (m)	Thickness
EST001	324.12	324.32	0.20	517.56	518.10	0.54
EST002	262.02	262.52	0.50	faulted out		
EST003	429.75	430.11	0.36	464.58	464.95	0.37
EST004	reefs modified					
EST005	189.50	191.57	2.07	492.56	493.25	0.69
EST006	39.15	41.05	1.90	333.49	334.53	1.04
EST007	206.37	208.27	1.90	currently drilling		
EST010	304.31	304.88	0.57	498.21	499.04	0.83
EST011	not present at this elevation*			124.01	124.60	0.59
EST012	not present at this elevation*			211.28	211.79	0.51
EST014	not present at this elevation*			reef faulted out		
EST016	currently drilling					

\*Boreholes are above outcrop and drilled for UG2 definition.

### NOOITVERWACHT

Borehole	Merensky Reef			UG2 Reef		
	From (m)	To (m)	Thickness	From (m)	To (m)	Thickness
NVT001	452.34	457.56	5.22	464.58	464.95	0.37
NVT002	569.35	570.50	1.19	currently drilling		
NVT003	647.59	649.64	2.05	904.82	905.50	0.68
NVT004	currently drilling					
NVT006	561.10	563.10	2.00	currently drilling		
NVT008	currently drilling					

Nkwe has been advised that there is currently enormous pressure on the analysing laboratories in South Africa. The decision has been made to engage an Australian laboratory to analyse the current assay results. The first lot of samples have been shipped for assay.

