



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

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

<i>Issued Capital</i>	181 M*	<i>ASX Code</i>	NKP	<i>Closing price</i>	\$1.16*
<i>Market Cap</i>	\$210m				
* as at 30 September 2007					
+ includes 63m shares subject to voluntary escrow					

Highlights

- Nkwe enters into 18 mnth option agreement to acquire a 59% interest on the three Genorah Platinum farms, Eerste Geluk, Nooitverwacht and Hoepakrantz. The farms are adjacent to Nkwe's existing farms, De Kom and Garatouw;
- The exercise of the option will more than double Nkwe's attributable mineralisation potential of the De Kom and Garatouw properties with a total surface area of the prospective farms increasing from 3,300 ha to more than 10,500 ha; underlain by both the Merensky Reef and UG2 chromitite seam;
- The South African Department of Minerals and Energy confirmed that Genorah holds a valid prospecting right over the five farms: De Kom, Garatouw, Hoepakrantz, Eerste Geluk and Nooitverwacht;
- Drilling on Eerste Geluk (one of the optioned farms) shows that the Merensky Reef and UG2 seam are present from surface to a depth of less than 600 meters with positive assay results;
- Drilling has recommenced on the northern Garatouw farm.

AUSTRALIAN OFFICE
34 Parliament Place
West Perth WA 6005
Australia

PO Box 684
West Perth WA 6872
Australia

Tel: +61 8 9488 5244
Fax: +61 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



Corporate

AS announced on 19 September 2007, the Company secured an option to acquire a 59% interest in the prospecting rights to three platinum group metal (PGM) farms on the Eastern limb of the Bushveld Complex. The farms are contiguous with the

Company's existing farms De Kom and Garatouw farms. 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.

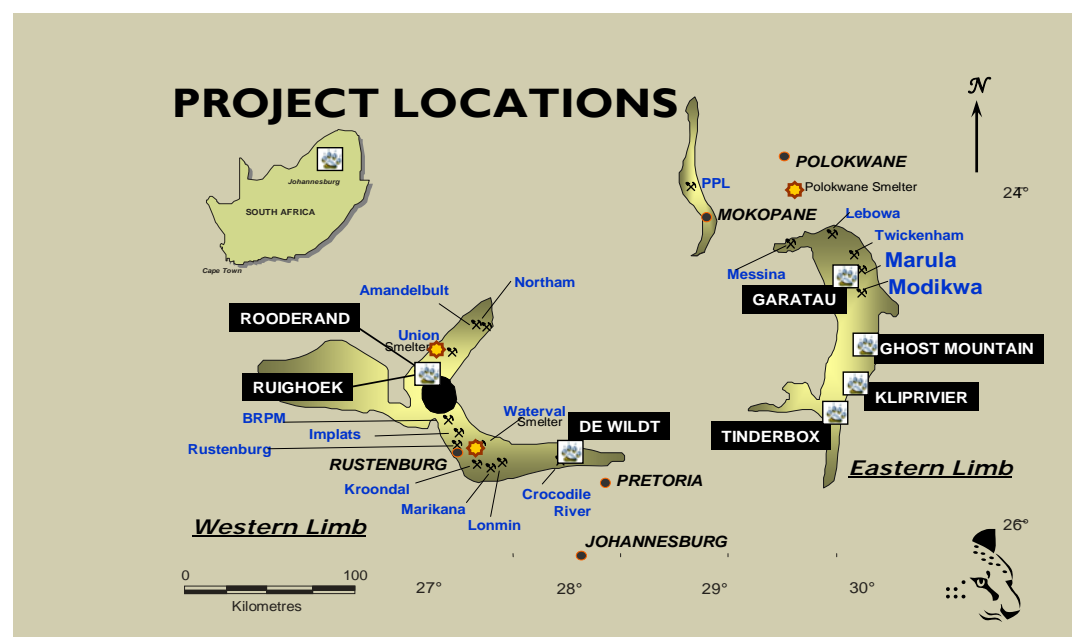
During the quarter the Company received correspondence from the Department of Minerals and Energy (DME) confirming the validity of the prospecting rights granted to Genroah Resources (Pty) Ltd for the PGM farms that the Company has an option agreement to purchase.

The Rustenburg Platinum Mines Limited (an Anglo Platinum company) review application against the DME to set aside the prospecting rights issued by the DME in September 2006 in respect to nine farms, including De Kom and Garatouw, continued during the quarter. Genorah has received correspondence from the DME confirming that the DME and Anglo Platinum are in discussions to resolve their various differences amicably and Anglo Platinum has not progressed their review application to date.

Nkwe Platinum has commenced plans to concurrently list on the JSE in South Africa and AIM in London in the first quarter of 2008.

Operations

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



Garatau Project

Nkwe Platinum has taken an option to acquire a 59% controlling interest in the remaining three Genorah platinum farms: Hoepakrantz 291KT, Eerste Geluk 327KT and Nooitverwacht 324KT. These properties are located adjacent to and contiguous with De Kom 252KT and Garatouw 282KT (Fig. 1).

This acquisition adds substantial mineralisation potential to Nkwe's attributable ounces on De Kom and Garatouw. These five farms will now be consolidated into one project. The project is potentially the largest independent PGM project in the world that is not controlled by the majors, and bears testimony to the successful transformation of the platinum industry by the South African government.

The Merensky Reef and the UG2 chromitite seam outcrops to the east of De Kom and Garatouw, in the northern part of the project, and continues over a strike distance of more than 30 kilometers south to where it outcrops on Eerste Geluk (see Fig.1). The Merensky Reef outcrops about 1,500 meters to the east of Garatouw. Both reefs dip gently to the west and underlie all the properties constituting the project.

Current drilling program on the farms Eerste Geluk and Nooitverwacht intersected both the Merensky Reef and UG2 chromitite seam and confirm the geological model and interpretation that underlie almost the entire project area. These results show that the Merensky Reef is present on Eerste Geluk from surface to a maximum depth of 450 m. The deepest intersection of the UG2 on Eerste Geluk is only 518 m (see Table 1 and Fig.1)

Both reefs continue onto Nooitverwacht where the UG2 chromitite seam is intersected at depths shallower than 1,000 m (Fig.1).

The shallow depths at which the reefs underlie Eerste Geluk and the eastern portion of Nooitverwacht, will have a positive impact on future mine development and the capital expenditure program.

The assay results (see Table 2a) of samples collected from the Merensky are generally in accordance with the width and grade as reported by adjacent mining operations at Modikwa Platinum Mine.

Assay results for the UG2 (see Table 2b) are also comparable to those at Modikwa Platinum Mine and the quality of the grades reported is particularly encouraging.

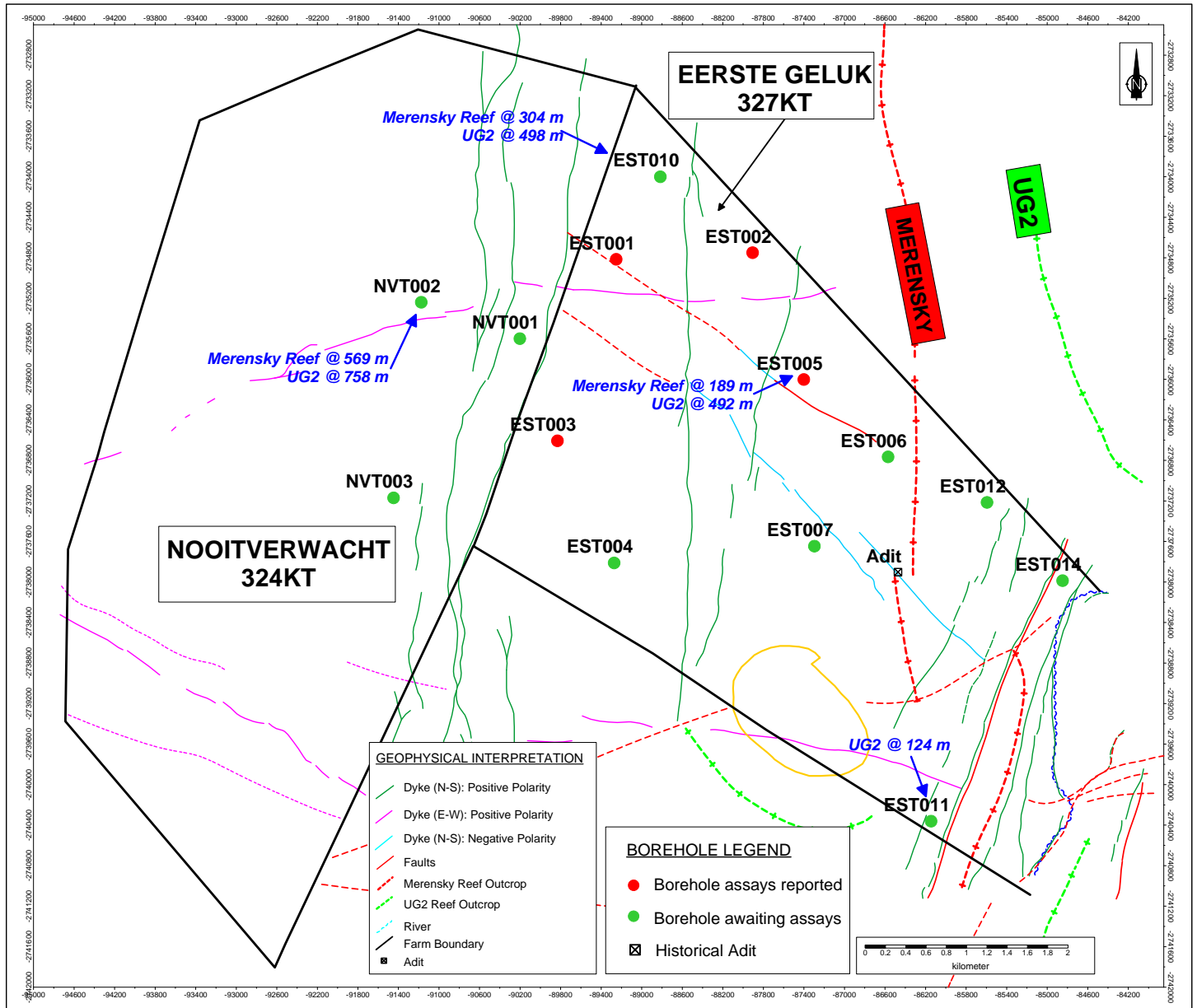


Figure 1: Boreholes drilled on Eerste Geluk and Nooitverwacht

Nkwe plans to establish and build JORC/SAMREC compliant resource for the Genorah farms over the next 3 to 12 months through the completion of the current drilling program. By the end of the Quarter, eight diamond drill rigs were active on the project.

De Wildt Project

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 discussion with possible strategic partners for mine development.

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. Processing of the application will trigger next stage development.

Kliprivier Project

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 Booyseindal 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. Nkwe will look to advance its interest in Kliprivier by way of farm out/joint venture or disposal

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 by way of joint venture in the near future.



Peter Landau
Company Secretary
31 October 2007

The geological information in this announcement has been prepared by Mr Andre van der Merwe, a geologist with 19 years experience in the South African minerals industry. Mr van der Merwe 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 is also a member of the AusIMM. He qualifies as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting for Exploration Results, Minerals Resources and Ore Reserves (the JORC Code). This report accurately reflects the information compiled by Mr van der Merwe. Mr van der Merwe has consented to the inclusion of this information in the form and context in which it appears in this report.

All Mineral Resources stated in this Quarterly Report are in accordance with the requirements of the JORC Code (2004).

Table 1. Reef Intersections on the Eastern Limb properties

EERSTE GELUK

Borehole	Collar Coordinates*			Merensky Reef			UG2 Layer		
	Y	X	Z	From (m)	To (m)	Thickness	From (m)	To (m)	Thickness
EST001	89251.640	2734815.291	876.908	324.12	324.32	0.20	517.56	518.10	0.54
EST002	87906.257	2734749.619	848.913	262.02	262.52	0.50	faulted out		
EST003	89831.422	2736606.678	841.820	429.75	430.11	0.36	464.58	464.95	0.37
EST004	89272.246	2737812.194	828.118	reefs modified					
EST005	87401.308	2736001.731	825.435	189.50	191.57	2.07	492.56	493.25	0.69
EST006	86569.858	2736765.402	804.236	39.15	41.05	1.90	333.49	334.53	1.04
EST007	87296.467	2737646.642	807.838	206.37	208.27	1.90	faulted out		
EST010	88816.433	2734000.553	893.888	304.31	304.88	0.57	498.21	499.04	0.83
EST011	86145.267	2740361.572	775.454	east of outcrop			124.01	124.60	0.59
EST012	85593.603	2737214.686	782.090	east of outcrop			211.28	211.79	0.51
EST014	84848.225	2737987.283	749.543	east of outcrop			faulted out		

NOOITVERWACHT

Borehole	Collar Coordinates*			Merensky Reef			UG2 Layer		
	Y	X	Z	From (m)	To (m)	Thickness	From (m)	To (m)	Thickness
NVT001	90202.377	2735598.054	857.749	452.34	457.56	5.22	modified reef		
NVT002	-91200	-2735200	860#	569.35	570.50	1.19	758.50	759.00	0.50
NVT003	-91448	-2737170	914#	647.59	649.64	2.05	904.82	905.50	0.68

Note:

- * Coordinate system: South Africa Zone 31; Project Datum: Hartebeeshoek 94
- # GPS Coordinates – not yet surveyed
- Mineralised widths reported are as intersected in the drill holes and not true widths. The dips of the mineralised horizons are expected to be approximately 10 degrees.

Table 2a. Merensky Reef Assay Results on Eerste Geluk

Borehole	Deflection	From (m)	To (m)	Width (m)	4E (g/t)
EST001	D4	320.13	321.61	1.48	1.09
	D5	324.19	326.30	2.11	2.89
	D7	326.04	328.75	2.82	7.63
EST002	D0	262.02	264.28	2.26	1.62
EST003	D0	429.18	431.43	2.25	3.23
EST005	D0	189.48	191.70	2.22	2.99
	D4	189.50	191.62	2.12	2.69
	D5	189.41	191.55	2.14	1.92

Table 2b. UG2 Layer Assay Results on Eerste Geluk

Borehole	Deflection	From (m)	To (m)	Width (m)	4E (g/t)
EST001	D0	517.56	518.10	0.54	8.33
	D1	517.58	518.10	0.52	7.96
	D2	517.65	518.30	0.65	11.81
EST002	D0	Reef modified			
EST003	D0	Reef modified			
EST005	D0	492.42	493.42	1.00	5.15
	D1	492.47	493.31	0.84	8.94
	D3	492.70	493.65	0.95	7.86

Note:

- 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.
- Mineralised widths reported are as intersected in the drill holes and not true widths. The dips of the mineralised horizons are expected to be approximately 10 degrees.

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 September 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(1,100)	(1,100)
(b) development	-	-
(c) production	-	-
(d) administration	(606)	(606)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	213	213
1.5 Interest and other costs of finance paid	(17)	(17)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,510)	(1,510)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	(3)	(3)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	9	9
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	442	442
Net investing cash flows	448	448
1.13 Total operating and investing cash flows (carried forward)	(1,062)	(1,062)

Note: Item 1.12 relates to a refundable option fee received by the Company.

	Current quarter \$A'000	Year to date (3 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(1,062)	(1,062)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	750	750
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	(475)	(475)
Net financing cash flows	275	275
Net increase (decrease) in cash held	(787)	(787)
1.20 Cash at beginning of quarter/year to date	15,597	15,597
1.21 Exchange rate adjustments to item 1.20	(102)	(102)
1.22 Cash at end of quarter	14,708	14,708

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	343
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director Fees	\$134
Financial/Company Secretarial/Office Support Services	\$209

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	-
Total	1,000

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	3,283	579
5.2 Deposits at call	11,425	15,018
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	14,708	15,597

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	Preference +securities (description)	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	+Ordinary securities	181,495,425	118,495,425	N/A	N/A
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,100,000	1,100,000	0.5	0.5
7.5	+Convertible debt securities (description)	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7	Options (description and conversion factor)	2,110,000 1,500,000 1,650,000 17,867,942	- - - -	Exercise price \$1.10 \$1.25 \$1.00 \$0.90	Expiry date 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	1,100,000	-	\$0.50	30/06/2007
7.10	Expired during quarter	4,680,000	-	\$1.10	30/06/2007
7.11	Debentures (totals only)	-	-	-	-
7.12	Unsecured notes (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: 31st of October 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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