



## Quarterly Report and Appendix 5B for the Period ended 30 June 2008

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

<i>Issued Capital</i>	<b>185 M*</b>	<i>ASX Code</i>	<b>NKP</b>	<i>Closing price</i>	<b>\$1.025*</b>
<i>Market Cap</i>	<b>\$190m *</b>				
<i>* as at 30 June 2008</i>					

### Highlights

- An initial JORC resource for portions of the farms Eerste Geluk and Nooitverwacht of 12.4moz (3PGE+Au) was announced and subsequently updated to 20.4moz (3PGE+Au) on 4 July 2008. The southern project (Nkwe has an option for 59% of this project) has been named the "Tubatse Project"
- Drilling completed to date on the northern Garatau Project includes a total of 15 holes with 15,500 of core having been logged.
  - High grade UG2, averaging 7.7g/t 3PGE+Au over an average 0.69 meters reef widths
  - Merensky Reef averaging 2.9g/t 3PGE+Au with an average reef width of 2.24 meters over the full Merensky reef.
- Nkwe appointed respected South African investment banking group, Nedbank Capital, a division of Nedbank Limited to act as its exclusive investment bank, corporate advisor and Sponsor for its inward dual listing on the JSE Limited later this year.

## Corporate

During the quarter the Company continued to consolidate its PGM interests on the Eastern Limb of the Bushveld Igneous Complex and work towards developing a world-class mine to market operation on its Eastern Limb properties.

This will allow the Company to fast track the exploration and feasibility process on this flag ship project.

The Eastern Limb project consists of five contiguous farms in strike length of more than 30km, as illustrated in Figure 1

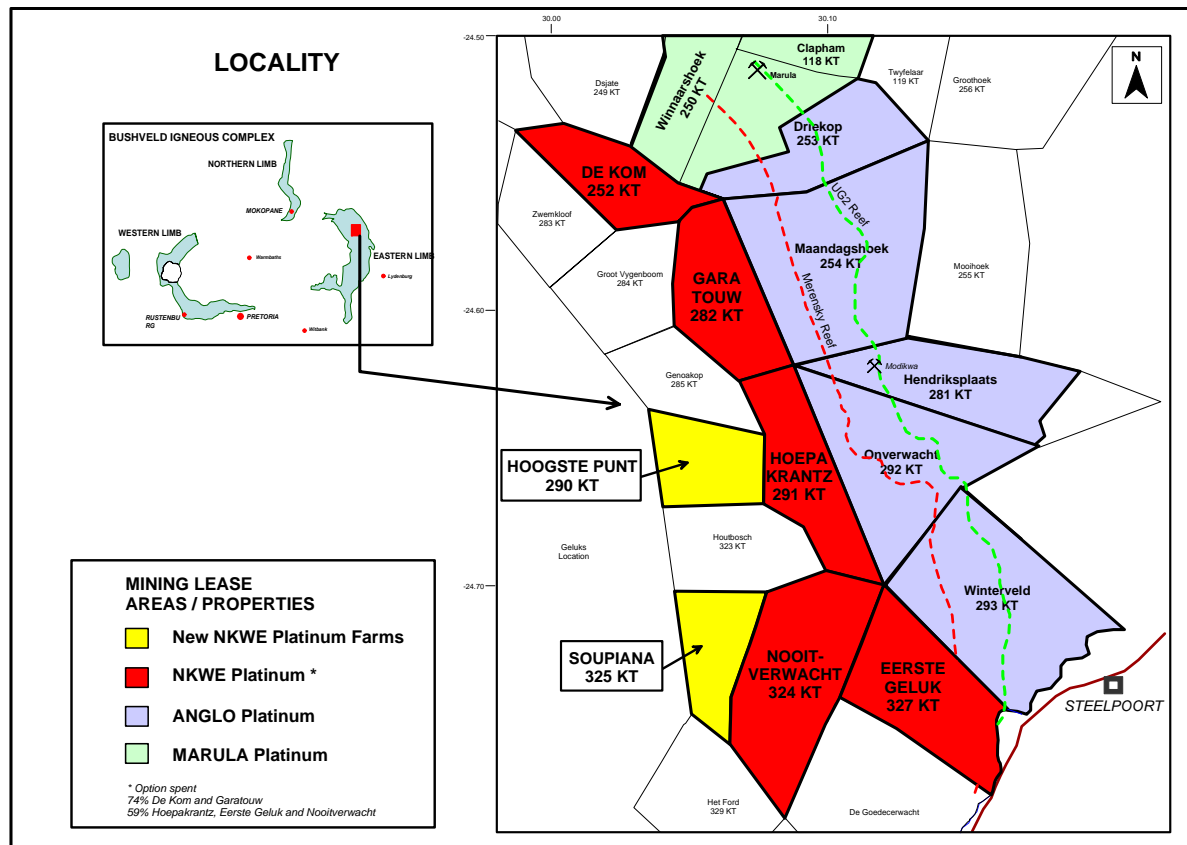


Figure 1: Locality of Eastern Limb properties

The US\$12m sale of the de Wildt properties to Xstrata is scheduled for completion in August with final regulatory approvals pending.

## Operations

### Garatau Project

Drilling continued on the Garatau Project (Garatouw and De Kom farms) during the quarter with a total of 6 rigs active on the project. During the first half of 2008 a total of 14 diamond drill holes comprising some 84 reef intersections and totalling 15,900m of core have been completed and logged. 960 assay results have been received. The establishment of an initial independent Mineral Resource is scheduled to be available during the current quarter.

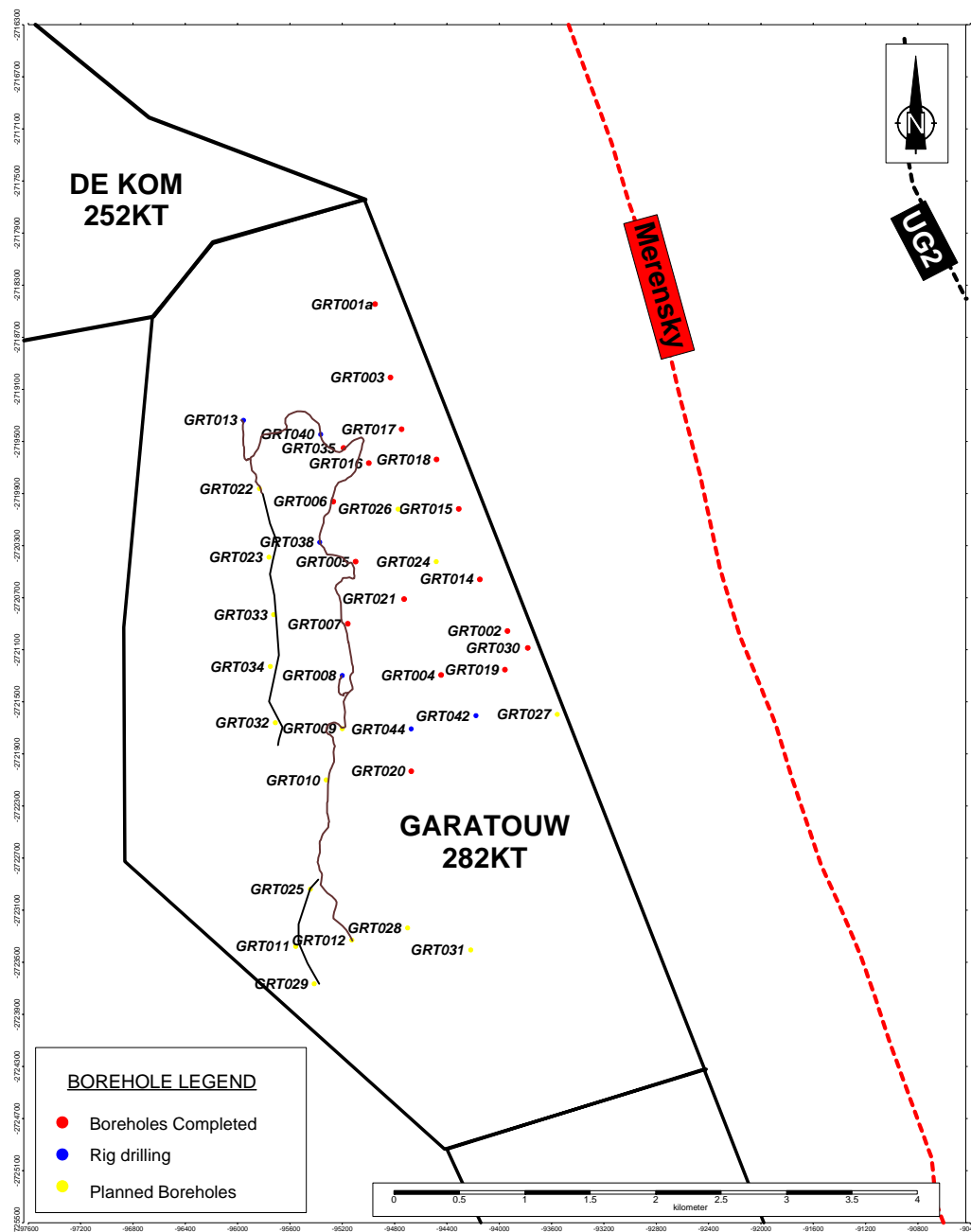


Figure 2: Plan of Garatau Project, showing both the completed, current and the planned drilling with the road network developed on site.

To date the assay results have continued to be in line with Nkwe's expectation of the area, based on the results of the surrounding operations. Included within Table 1 below are the latest assay results available for the UG2 reef, with a composite grade of 7.8g/t 3PGE+Au over a reef width of 0.69m.

Bh	Northing	Easting	Depth	Defl.	FROM	TO	Width	3E+Au
GRT006	95,269.2	2,719,962.0	1,021.5	D0	924.81	925.51	<b>0.70</b>	<b>7.44</b>
				D1	924.78	925.68	<b>0.90</b>	<b>9.81</b>
				D2	924.76	925.46	<b>0.70</b>	<b>7.93</b>
GRT015	94,309.8	2,720,018.2	972.7	D0	765.96	766.64	<b>0.68</b>	<b>6.86</b>
GRT016	94,997.2	2,719,666.3	1,011.9	D1	853.59	854.29	<b>0.70</b>	<b>7.91</b>
				D3	853.66	854.38	<b>0.72</b>	<b>8.85</b>
GRT017	94,746.7	2,719,406.2		D2	805.04	805.67	<b>0.63</b>	<b>6.28</b>
				D3	804.95	805.55	<b>0.60</b>	<b>6.33</b>
GRT019	93,956.9	2,721,252.6	1,008.0	D0	777.04	777.75	<b>0.71</b>	<b>6.95</b>
				D1	776.95	777.54	<b>0.59</b>	<b>9.42</b>
				D2	777.09	777.68	<b>0.59</b>	<b>8.88</b>

**Table 1 – Nkwe Garatau Project UG2 intersections – released 4 July 2008**

*Nickel Sulphide Collection Fire Assay for PGE – Genalysis Laboratory Services are ISO/IEC 17025 accredited*

The corresponding Merensky reef intersections presented in Table 2 below are for the entire reef intersections – Top Chrome to Bottom Chrome contact, with no mineralized cut having been applied to these results to date, and are similar to those values reported on the surrounding mining operations, with a composite grade of 2.9g/t 3PGE+Au over a reef width of 2.24m

Bh	Northing	Easting	Depth	Defl.	FROM	TO	Width	3E+Au
GRT006	95,269.2	2,719,962.0	1,021.5	D5	565.92	568.31	<b>2.39</b>	<b>4.25</b>
GRT015	94,309.8	2,720,018.2	972.7	D1	412.05	414.34	<b>2.29</b>	<b>3.33</b>
				D2	412.09	414.36	<b>2.265</b>	<b>1.90</b>
GRT017	94,746.7	2,719,406.2	1,006.3	D4	452.27	454.53	<b>2.255</b>	<b>2.12</b>
				D6	452.29	454.56	<b>2.27</b>	<b>3.08</b>
GRT019	93,956.9	2,721,252.6	1,008.0	D5	410.13	412.35	<b>2.22</b>	<b>3.54</b>
				D6	410.06	412.30	<b>2.24</b>	<b>3.61</b>
				D7	410.33	412.43	<b>2.105</b>	<b>2.17</b>
GRT020	94,672.8	2,722,033.0	1,022.2	D0	573.55	575.76	<b>2.215</b>	<b>2.28</b>
				D1	573.72	575.91	<b>2.19</b>	<b>2.25</b>
				D3	573.69	575.90	<b>2.21</b>	<b>3.18</b>

**Table 2 – Nkwe Garatau Project Merensky intersections – released 4 July 2008**

*Nickel Sulphide Collection Fire Assay for PGE – Genalysis Laboratory Services are ISO/IEC 17025 accredited*

Current drilling has shown the area to be free of any significant structural interference, with Figure 2 illustrating the areal extent of both the completed and planned drilling still to be undertaken. Figure 3 below illustrates consistent dip and structural consistency of the mineralisation.

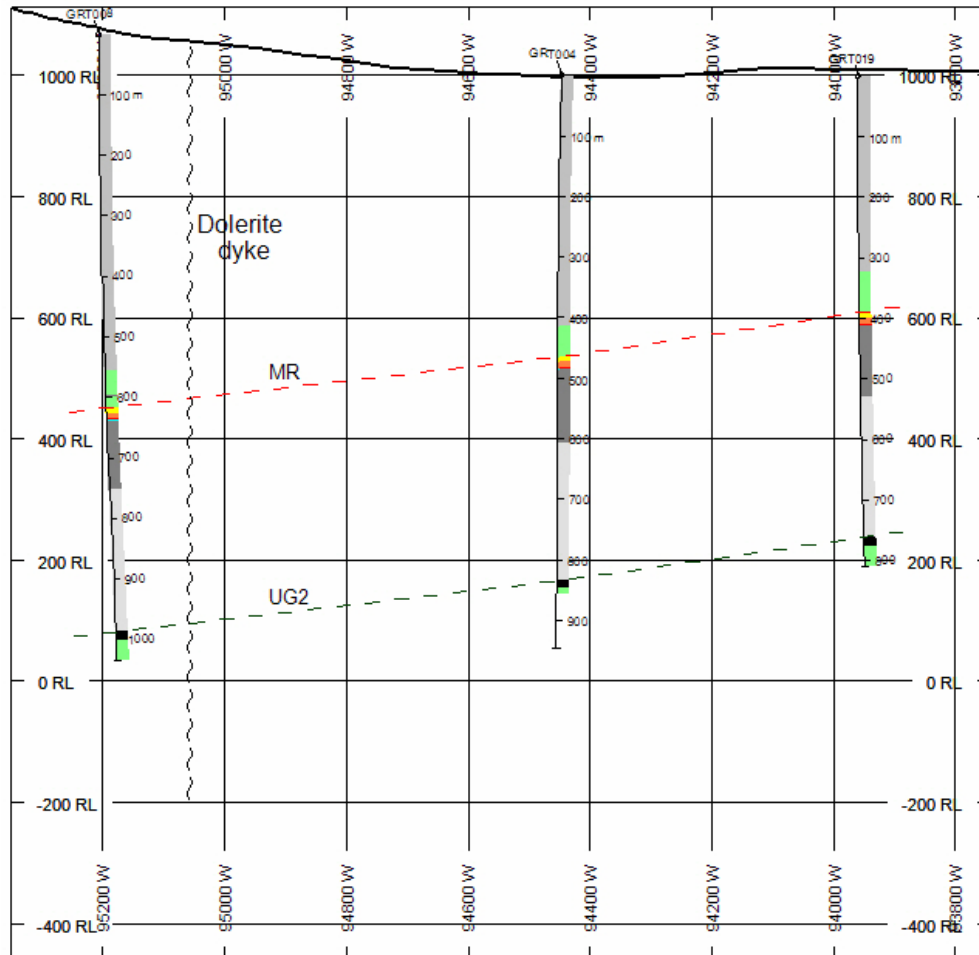


Figure 3. East-West cross section at Garatau Project, showing consistent dip and structural consistency of the mineralisation

### Tubatse Project

An initial JORC Mineral Resource for portions of the farms Eerste Geluk and Nooitverwacht were confirmed as 12.4Moz (3PGE+Au) during the quarter and subsequently upgraded on the 4<sup>th</sup> of July to 20.4Moz (3PGE+Au). The updated resource took into account additional assay results over the same area previously released to the market and comprises:

- Inferred Mineral Resource of 54.49Mt at 5.03g/t for 7.75Moz (3PGE+Au) over a Merensky average reef width of 1.22m.
- Inferred Mineral Resource of 48.09Mt at 8.17g/t for 12.62Moz (3PGE+Au) over a UG2 average reef width of 0.67m.

A summary of the updated resource statement is shown in table 3.

	Discounted Resource Tonnage (Mt)	Channel Width (m)	Grade (3PGE+Au g/t)	3PGE+Au Ounces (Moz)
<b>Merensky</b>				
Inferred	54.49	1.22	5.03	7.75
<b>UG2</b>				
Inferred	48.09	0.68	8.17	12.62
<b>Total / average</b>	<b>102.58</b>			<b>20.37</b>

**Table 3 – Updated Resource Statement – released 4 July 2008**

*The resource estimates were completed by N Denner, an independent Competent Person as defined by JORC.*

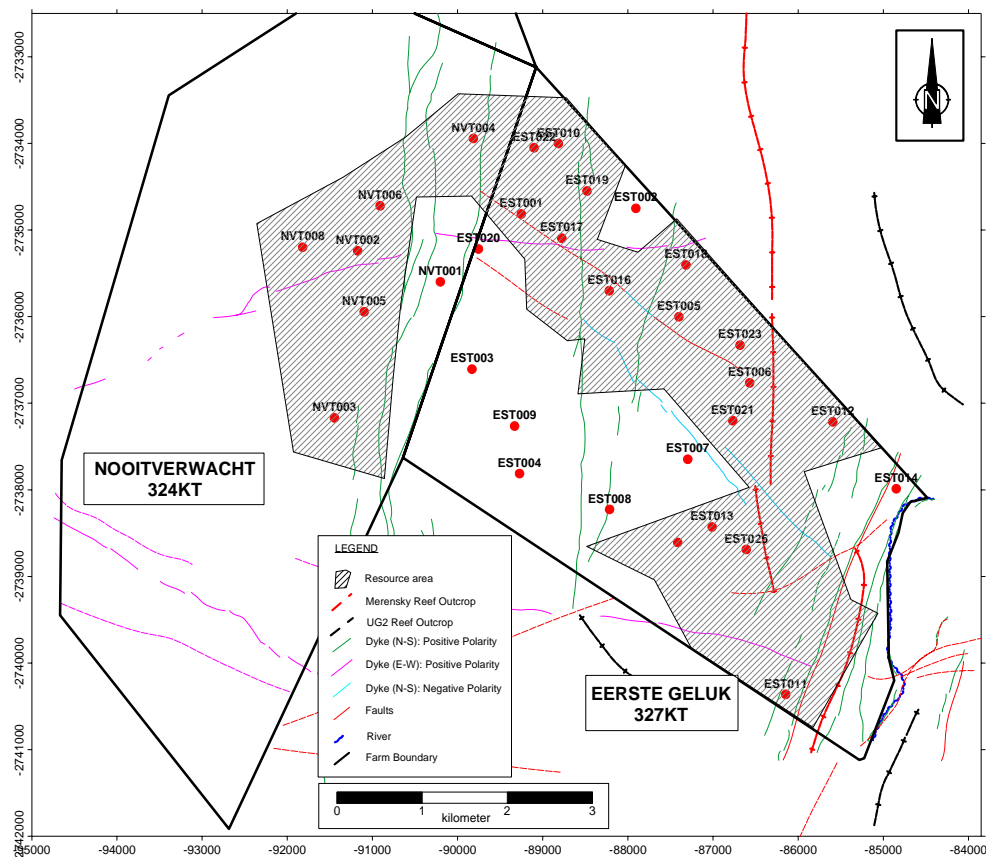


Figure 4. Plan map for Tubatse Project, with Mineral Resource area indicated

Given overleaf in Figures 5 & 6 are the depths below surface contours reflecting on the above quoted resource, illustrating the shallow nature of this project.

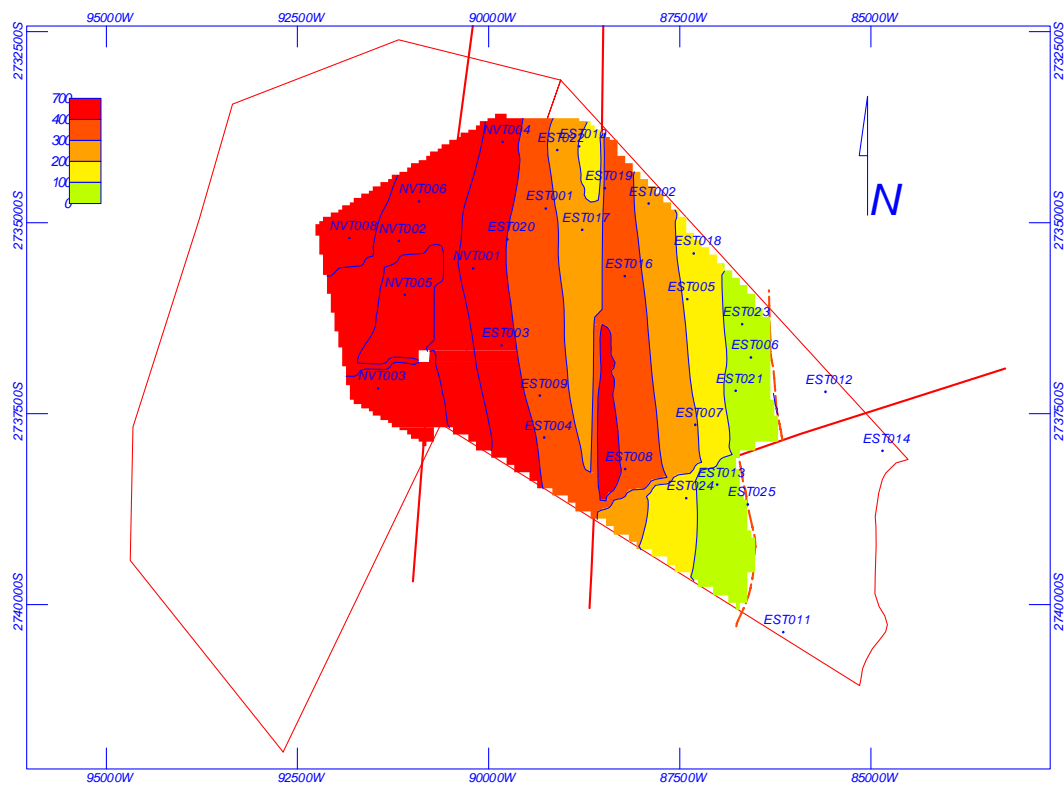


Figure 5. Structural map for Merensky Reef, showing depth below surface contours

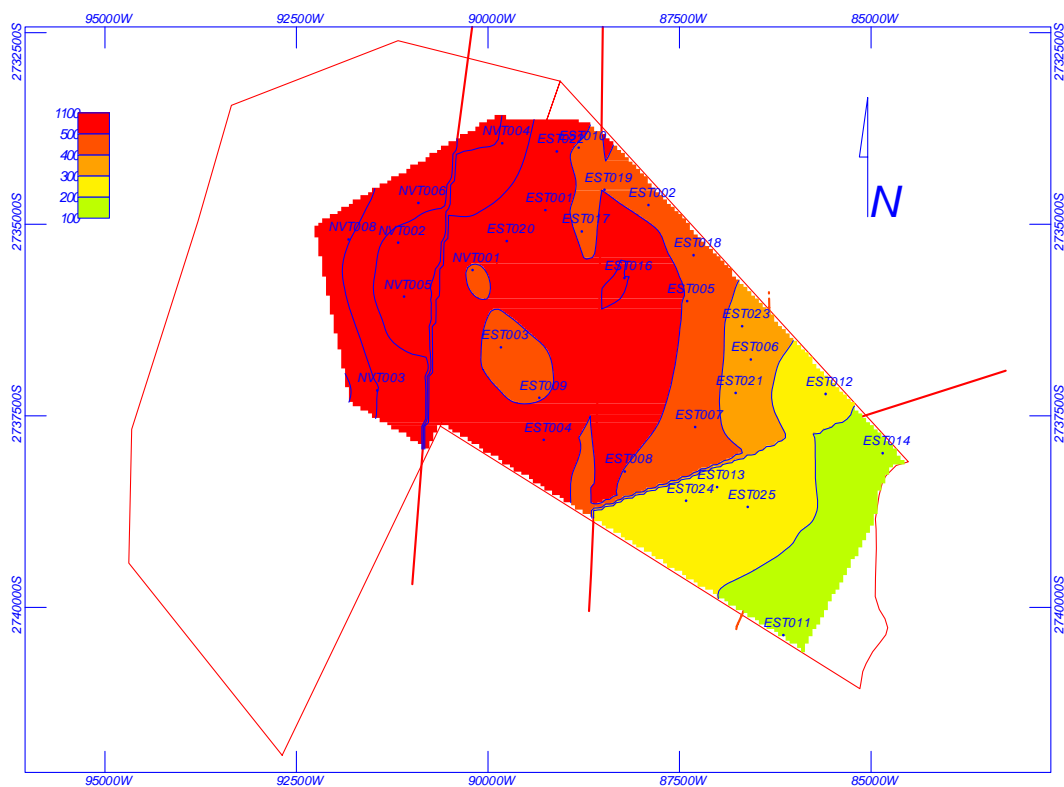


Figure 6. Structural map for UG2 Chromitite, showing depth below surface contours

## **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 2,500ha. 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 the next stage of exploration development.

## **Kliprivier Prospect**

The Kliprivier Prospect consists of new order prospecting rights over all strategic areas and is an advanced stage exploration project. 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 Booyendal project. An inferred UG2 resource has been defined of 109.6Mt @ 2.3 g/t (3PGE+Au) for 7.6 Moz (undiscounted) from surface over a 6km strike length on its 3,300 ha permitted share of Kliprivier, with a lower chromite band having the potential to host an additional 4.5Moz of PGE mineralisation.

The Tinderbox project, located a further 10km south west of Kliprivier has been revisited during the Quarter under review. Current planning includes the drilling of a further hole at this project during the third quarter, with the intent to further develop an understanding as to the geology of the southern area of the eastern limb. This area was previously subject to a joint venture with Placer Dome, and is an early stage exploration project.



**Peter Landau**  
Executive Director / Company Secretary

*The geological information in this announcement has been prepared by Mr Andre van der Merwe, Project Manager and 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.*

*The information in this report that relates to Mineral Resources is based on a resource estimate completed by Mr Nico Denner who is employed by Geological and Mine Evaluation Computer Services. Mr Denner is a Geologist with 14 years experience in the South African Mining Industry and sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and the Ore Reserves. Mr NJ Denner is a Member of South African Council for Natural Scientific Professions (Membership No. 400060/98). Mr Denner consents 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)*



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## **About Nkwe**

In addition to existing projects with JORC resources of approximately 10m ounces pgm+au, Nkwe Platinum has acquired a controlling interest in a quality land holding on the Eastern Limb of the Bushveld Complex. The project consists of five contiguous farms in strike length of more than 30km, stretching all the way from Implats Marula mine in the north, past Angola Platinum's Modikwa Joint venture to the border of Eastplat's Spitkop – Kennedy Vale's project in the south.

Nkwe Platinum's Eastern Limb project is located in an established mining district with well developed infrastructure with a surface footprint of more than 10,500 hectares, underlain by both the Merensky Reef and UG2 chromite seam from surface to a depth of 1,500m.

Nkwe is currently conducting a Feasibility Study on the Garatau farm in the north and Eerste Geluk farm in the south with a view to develop two mines with a combined annual production of more than 1 million ounces pgm+au. The potential size and quality of Nkwe's pgm assets make it possible for Nkwe to become an independent pgm producer and strategically utilize independent or joint ventured smelting and refining capabilities.

# 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 2008

### 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	(1,936)	(4,934)
(b) development	-	-
(c) production	-	-
(d) administration	(1,163)	(3,070)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	198	788
1.5 Interest and other costs of finance paid	(8)	(53)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
Net expenditure paid on behalf of Genorah	(309)	(311)
<b>Net Operating Cash Flows</b>	<b>(3,218)</b>	<b>(7,580)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects	(170)	(369)
(b)equity investments	-	-
(c) other fixed assets	(5)	(37)
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	(1,639)	(3,486)
1.11 Loans repaid by other entities	2,539	2,539
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>725</b>	<b>(1,353)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(2,493)</b>	<b>(8,933)</b>

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(2,493)	(8,933)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares, options, etc.	-	2,250
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	(3)	(484)
<b>Net financing cash flows</b>	(3)	1,766
<b>Net increase (decrease) in cash held</b>	(2,496)	(7,167)
1.20 Cash at beginning of quarter/year to date	10,294	15,597
1.21 Exchange rate adjustments to item 1.20	(90)	(722)
1.22 <b>Cash at end of quarter</b>	7,708	7,708

## 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	542
1.24 Aggregate amount of loans to the parties included in item 1.10	1,639
1.25 Explanation necessary for an understanding of the transactions	
Director Fees	\$247k
Financial/Company Secretarial/Office Support Services	\$295k
\$784k loan (relating to Bushveld Projects) to Continental Capital Ltd, an ASX listed company in which Mr Landau is a Director.	

## 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	3,601	2,357
5.2 Deposits at call	4,107	7,937
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>7,708</b>	<b>10,294</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>	185,247,680	185,247,680	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	486,700	486,700	NA	NA
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)	2,110,000 1,500,000 1,650,000 17,812,387	- - - -	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	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
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<sup>st</sup> of July 2008

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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