

Quarterly Report and Appendix 5B for the Period ended 30 June 2010

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

<i>Issued Capital</i>	620 M *	<i>ASX Code</i>	NKP	<i>Closing price</i>	\$0.57*
<i>Market Cap</i>	\$353m *				
<i>* as at 30 June 2010</i>					

Highlights

- Optimisation of Initial Bankable Feasibility Findings
- Successful Capital Raising

Optimisation of Initial Bankable Feasibility Findings

Following the successful draft Bankable Feasibility Study ("BFS") process, Nkwe Platinum Limited ("Nkwe" or "the Company") has been finalising the BFS during the quarter with optimisation of major capital cost items and mine scheduling.

This process has continued subsequent to quarter end, with the final draft having been completed and submitted for independent review by technical consultants SRK Consulting and DRA Mineral Projects. The independent review is focussing on the major capital cost items and mine scheduling. From an operating perspective, the BFS has confirmed the deliverables of an operating mine of 3.6mtpa producing approximately 400,000 ozs per year at circa 84% recovery, operating costs of approximately \$400-430 oz with cash costs of ZAR500 /tonne against a revenue of ZAR1,100 /tonne (based on current PGM pricing), thereby providing a robust margin on the current basket price.

The projected operating costs referred above puts the Garatau Project in the lowest operating cost quartile for platinum producing companies in the Bushveld region of South Africa.

It should be noted that in addition to projected revenue above, a significant contribution will also come from the base metal credits (Nickel and Copper) with anticipated production of approximately 3,000 tonnes of Nickel and 1,000 tonnes of Copper per annum.



The delays in the release of the final BFS results has been due to the Company wanting to ensure that the capital costs and mine scheduling were independently reviewed and assessed by international and local expertise to ensure that the final BFS reflected the best possible scenarios for the Garatau Project. It is anticipated that this independent review will be completed in August 2010 with results released once received.

Negotiations with Xstrata will then be concluded in respect to the option over the Project. Xstrata are fully aware of the Company's actions with regards to the independent review being conducted and concurs with this strategy.

In response to the South African Department of Mineral Resources' recent release with regards to the stability of the ground at certain Bushveld PGM mines, it should be noted that the two large mines adjacent to Nkwe's Garatau and Tubatse Projects have not experienced similar problems in mining. In addition, Nkwe has had an extensive geotechnical evaluation done by TWP, in order to understand the rock mechanical environment as best as possible leading in to the mine design process.

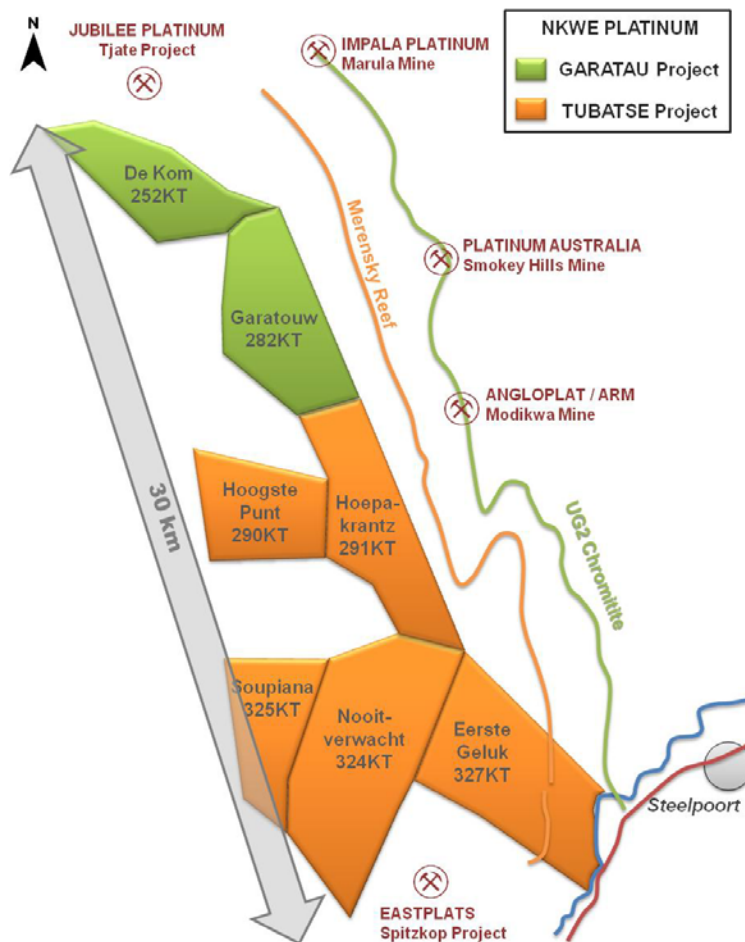


Figure 1 – Section view of Mine Shaft Infrastructure

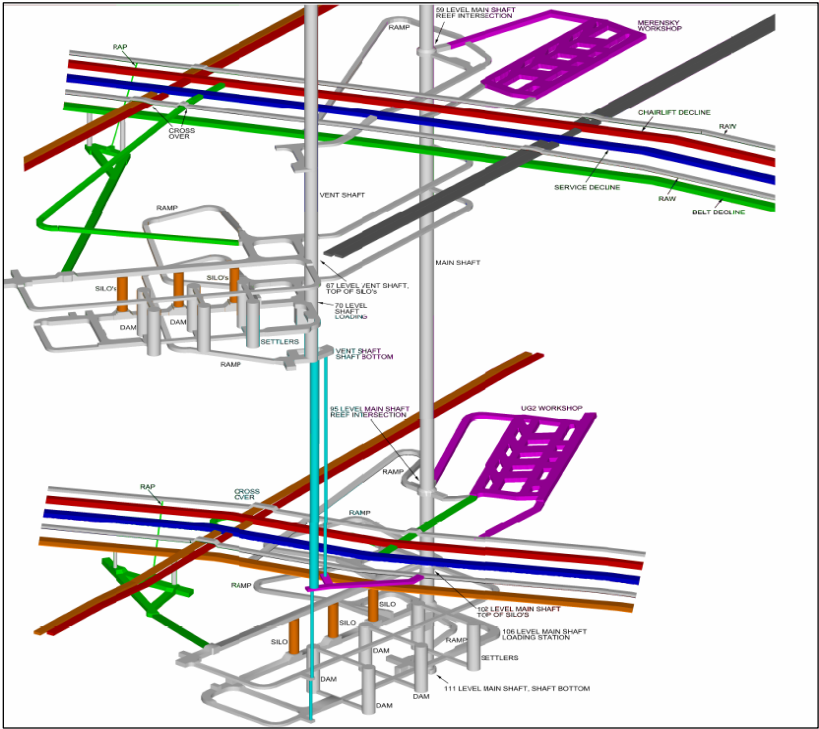
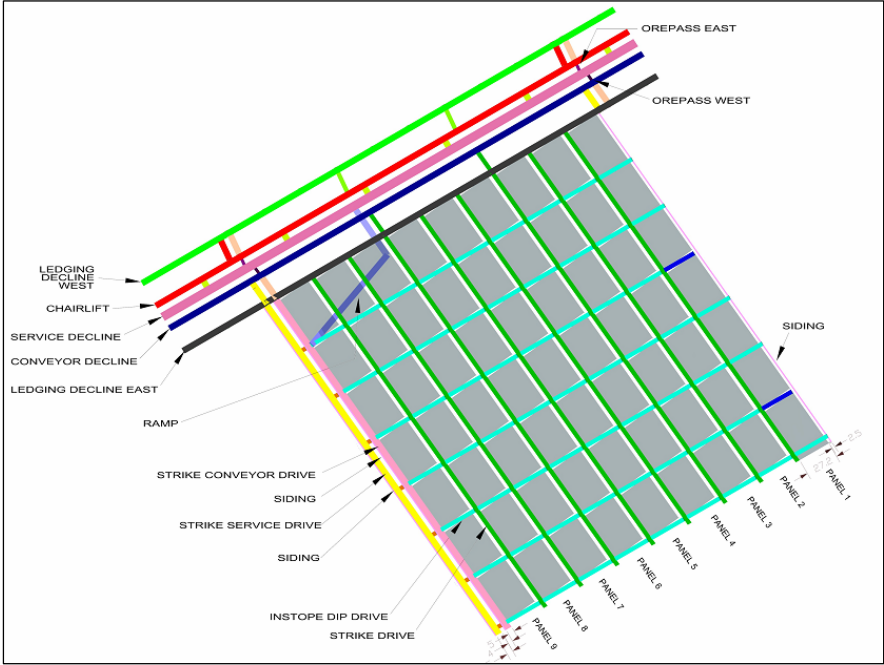


Fig 2 – Detail on Stope Layout



Operations

Garatau Project

Following on from the updated resource statement released in the prior quarter, drilling has continued on the Garatau Project to increase the Measured Resource with 5 boreholes completed which cover just over 6,892 meters of drilling. To date the Garatau Project has a Measured Mineral Resource of 14.2Moz 3PGE+Au and an Inferred Mineral Resource of 9.1Moz 3PGE+Au across the two properties, Garatouw and De Kom.

A summary of the Garatau Resource Statement is included in Table 1.

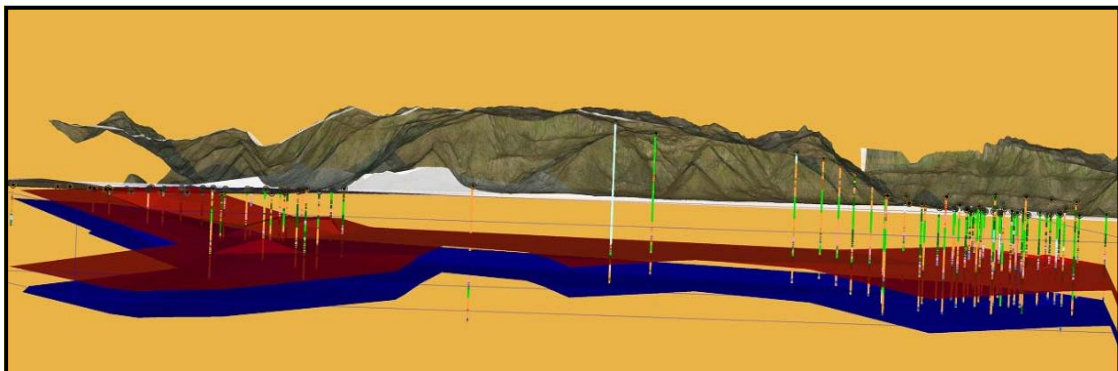
Table 1 – Garatau Project – Mineral Resource

	Tonnage after Geological Loss (M)	Mining cut (m) *	Estimated 4E Bulk Grade (g/t)	4E Metal Content (Moz) **
MEASURED				
Merensky Reef	42.7	1.20	4.40	5.9
UG2 Reef	48.1	1.20	5.35	8.3
Total Measured	90.7			14.2
INFERRED				
Merensky Reef	27.0	1.20	4.40	3.8
UG2 Reef	30.5	1.20	5.35	5.2
Total Inferred	57.5			9.1
TOTAL				
TOTAL	148.2	1.20	4.90	23.3

* The widths are intended mining cuts, and the estimated resources are thus *mineable* resources, and not *in situ* resources.

** Geological loss of 20% applied to tonnages for recoverable ounces – loss estimates are based on the few disturbances observed in borehole intersections and on geophysical observations.

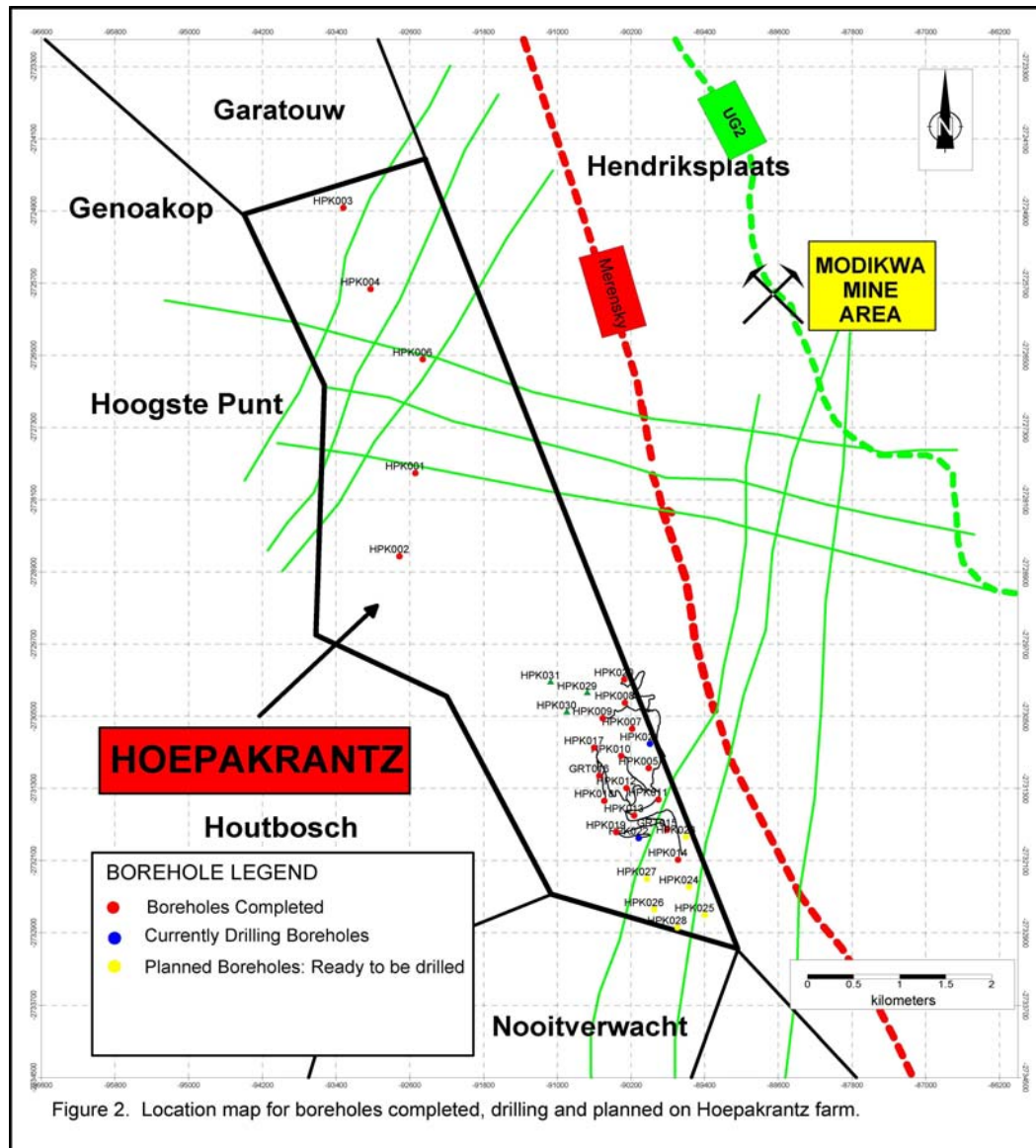
Fig 3 – 3D cross section of the Garatau / Tubatse Project (showing drill holes completed with reef intersections)



Tubatse Project

During the quarter, drilling also continued on the Tubatse Project, on the Farm Hoepakrantz. 7 boreholes were completed which cover just over 6,524 meters of drilling. To date the Tubatse Project has an Inferred Mineral Resource of 45.3Moz 3PGE+Au (JORC compliant) across the three properties, Eerste Geluk, Nooitverwacht and Hoepakrantz. The inferred resource includes both the Merensky and UG2 horizons across these three farms.

Fig 4 – Location map for boreholes completed, drilling and planned on Hoepakrantz



The current Mineral Resource statement for the Tubatse Project is given in Table 2.



Table 2 – Tubatse Project – Mineral Resource Statement

	Discounted (20%) Resource Tonnage (Mt)	Bulked Width (m)	Grade (3PGE+Au g/t)	3PGE+Au Ounces (Moz)
EERSTE GELUK / NOOITVERWACHT				
Merensky Inferred	54.49	1.22	5.03	7.75
UG2 Inferred	48.09	0.68	8.17	12.62
HOEPAKRANTZ				
Merensky Inferred	98.73	1.98	4.13	13.11
UG2 Inferred	57.67	1.00	6.35	11.77
Total / average	258.98			45.25

Following on from completion of the Garatau BFS, work will begin on the Tubatse BFS which is envisaged to take approximately 18 months to complete. Priority work includes:

- Drilling to upgrade the Mineral Resource to Measured and Indicated categories;
- Seismic surveying to define geological structure to allow mine planning;
- Metallurgical sampling and testwork;
- Environmental assessments and management plans; and
- Applications for bulk water and electricity supply.

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 successful exploration during 2006 increased the JORC compliant resource to 36.7m Mt @ 3.8 g/t for 4.5Moz (3PGM+Au), geologically discounted. A new order prospecting right has been issued on this project.

Corporate

During the quarter the Company completed a successful capital raising of approximately \$10m at a price of \$0.50 with a free attaching unlisted option (\$0.50, 30 June 2012) for every two shares subscribed for.

A recently released research note on Nkwe by DJ Carmichael is available on the Company website – www.nkweplatinum.com





Peter Landau
Executive Director / Joint Company Secretary



Staff Sithole
Joint Company Secretary

The geological information in this announcement has been prepared by Mr Andre van der Merwe, Operations Manager and geologist with 21 years experience in the 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 of 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 initial 20.4Moz Mineral Resources for the Tubatse Project 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 Denner is registered as Pr. Sci. Nat. under the South African Council for Natural Scientific Professions. Mr Denner consents 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 upgraded 24.9Moz Mineral Resources for the Tubatse Project is based on a resource estimate completed by Mr Andy Clay who is employed by Venmyn. Mr Clay is a Geologist with 12 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 Clay is registered as Pr. Sci. Nat. under the South African Council for Natural Scientific Professions. Mr Clay consents 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 for the Garatau Project is based on a resource estimate completed by Dr Carina Lemmer who is employed by Geological & Geostatistical Services. Dr Lemmer is a Geostatistician with 33 years experience in the Mining Industry and sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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. Dr Lemmer is registered as Pr. Sci. Nat. under the South African Council for Natural Scientific Professions, a Fellow of the South African Geological Society and a Member of the Geostatistics Association of South Africa. Dr Lemmer 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)

For further information please contact:

Maredi Mphahlele
Managing Director
Tel.: +27 11 445 2162/3/7
Em: mmphahlele@nkweplatinum.co.za

Peter Landau
Executive Director
Tel.: +61 407 751 115
Em: plandau@nkweplatinum.com

About Nkwe

Nkwe Platinum's main Tubatse and Garatau Projects consist of five contiguous farms with a strike length of more than 30km. These Projects are located in an established mining district with well developed infrastructure. It borders Anglo Platinum's Modikwa Joint Venture to the east, Implats' Marula mine to the north and Eastplat's Spitzkop – Kennedy's Vale project in the south. In ongoing exploration, Nkwe has delineated a Mineral Resource of 68.6 Moz 3PGM+Au across the Tubatse and Garatau Project areas (JORC compliant), including 14.2 Moz of measured resource on the Garatau Project area.



Nkwe Platinum's Tubatse and Garatau Projects have a surface footprint of more than 10,500 hectares, underlain by both the Merensky Reef and UG2 chromitite seam from surface to a depth of 1,500m.

Nkwe is currently conducting a Feasibility Study on the Garatau Project Area in the north, with exploration continuing on both its Garatau and Tubatse Project Area in the south. The company's view is to develop two mines with a combined annual production of around 700,000 ozs of PGM from a targeted mineralisation base in excess of 100 Moz 3PGM+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 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 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	(5,051)	(18,843)
(b) development	-	-
(c) production	-	-
(d) administration	(1,711)	(4,797)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	186	564
1.5 Interest and other costs of finance paid	-	(7)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
Net expenditure paid on behalf of Genorah	(545)	(325)
Net Operating Cash Flows	(7,121)	(23,408)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	(15)	(10,032)
(b)equity investments	-	-
(c) other fixed assets	(3)	(12)
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)	-	-
Net investing cash flows	(18)	(10,044)
1.13 Total operating and investing cash flows (carried forward)	(7,139)	(33,452)

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(7,139)	(33,452)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	10,560	36,943
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	1,500	1,500
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Issue expenses	(493)	(2,034)
Net financing cash flows	11,567	36,409
Net increase (decrease) in cash held	4,428	2,957
1.20 Cash at beginning of quarter/year to date	2,057	4,204
1.21 Exchange rate adjustments to item 1.20	296	(380)
1.22 Cash at end of quarter	6,781 *	6,781 *

* Does not include US\$10m option fee from Xstrata due Q3 2010 and US\$5m in receivables

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	390
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

Director Fees	\$201k
Financial/Company Secretarial/Office Support Services	\$189k

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	2,500
4.2 Development	-
Total	2,500

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	6,781	2,057
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	6,781	2,057

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	619,627,684	619,627,684	N/A	N/A
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	22,000,000 -	22,000,000 -	NA NA	NA NA
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)	15,000,000 50,672,387 45,579,502 11,500,000 122,751,889	- - 45,579,502 - 45,579,502	Exercise price \$0.90 \$0.90 \$0.35 \$0.50	Expiry date 30/06/2010 31/12/2010 31/08/2011 30/06/2012
7.8	Issued during quarter	1,500,000 11,500,000	1,500,000 -	\$0.35 \$0.50	31/08/2011 30/06/2012
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
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: 30 July 2010

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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