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Australian Securities Exchange
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Via E-mail

Nkwe Has Interest in Key Asset Returned Through DMR Application Process

Key points:

- The Roka Phasha community, with NKWE Limited's major shareholder Genorah Resources as the economic partner, have been awarded the rights to the farm Eerste Geluk 327KT (effectively returning NKWE with its previous 64% interest in the farm),
- Of the two farms set aside, Eerste Geluk is the primary farm, having the most accessible PGM resources at the shallowest depth and approximately 80% of the JORC resources that were previously 'set aside',
- The issuing of the key Eerste Geluk rights will now trigger the recommencement of trading of Nkwe shares on ASX.

The Board of Nkwe Platinum Limited (ASX: NKP) ("**Nkwe**" or "**the Company**") is pleased to advise that it has regained its 64% interest for rights to the farm Eerste Geluk 327KT, with the South African DMR successfully processing the Section 104 Application and awarding the Prospecting Rights to this farm to the Roka Phasha community, with Genorah Resources Limited as the economic partner.

Eerste Geluk and Nooitverwacht Farms

Genorah Resources is a major shareholder of NKWE and by virtue of back-to-back arrangements with Genorah, NKWE will now have its 64% interest in the Eerste Geluk farm returned.

The formal awarding of the decision in respect to the Nooitverwacht farm is yet to take place but Nkwe expects an outcome which will provide a joint ownership scenario with Nkwe's partners having a 50% interest.

The farms Eerste Geluk and Nooitverwacht have a JORC Resource of 20.4 Moz 3PGE+Au as per the table below. The Eerste Geluk resources represent over 80% of the resources that were affected by the recent Constitutional Court decision (refer ASX announcement dated 1 December 2010). Further, and of strategic importance, the Merensky reef mineralisation on the farm commences at surface and the UG2 chromite seam approximately 250-300m below.

Eerste Geluk is seen as significant strategic importance to NKP, given its ability (through surface mineralization) to provide necessary resources to expedite mine development.

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	Tonnage after 20% Geological Loss (M)	Resource cut (m)	Estimated 4E Bulked Grade (g/t)	4E Metal Content (Moz)
INFERRED				
UG2 Reef	48.1	0.68	8.2	12.6
Merensky Reef	54.5	1.22	5.0	7.8
TOTAL				
TOTAL	102.6			20.4

Eerste Geluk / Nooitverwacht Resource Statement – July 2009

In respect of the Nooitverwacht farm, Nkwe makes the following comments:

- the farm is not yet factored into any of Nkwe's current or future mine development plans as to date only six (6) intersected holes have been drilled on the farm for an initial general geological understanding. The Merensky reef mineralisation commences at 450m below surface on Nooitverwacht 324KT with the UG2 reef a further 300m deeper (ie. 750m below surface);
- current delineated resources on the farm would represent approximately 7% of total resources held by NKWE prior to the Constitutional Court decision (not taking into account the ability of Nkwe to potentially obtain a 50% interest in the farm); and
- Nkwe is currently evaluating how the farm would integrate into future development plans. This assessment is underway and will be communicated to shareholders once a decision is made. In the Boards opinion, the decision on the farm is not material to the current short or medium term economic prospects of Nkwe.

As a result of the awards process having now been completed, the Company has requested to ASX that its shares be re-admitted for trading on ASX.

Nkwe is pleased that the DMR decision has been made and that all parties concerned can now move forward with certainty. The Company would like to thank shareholders for their patience during this time, particularly given the amount of rumour, innuendo, and false information that was being circulated.

Managing Director, Maredi Mphahlele commented:

"Probably the most disappointing aspect of what has occurred has been the many misconceptions that have been circulated regarding what happened and the parties involved - I would like to point out a few salient points now that Nkwe has effectively regained all its material interests in the Tubatse Project:

- given tribal history and shifting allegiances there will always be issues regarding who does represent relevant communities but the key point that we have always made is that we actually have in the past and will continue to moving forward work closely and constructively with representative bodies to ensure all our responsibilities in empowering and assisting local communities are positively discharged;

- the key individuals behind the applicants in the case had been previously involved in the funding and running of prior 'community' land claims involving mineral rich farms and lawyers acting on a 'success fee' basis with an interest in the project moving forward should the case be successful. This was not an action driven by desperate and down trodden communities at the mercy of Nkwe's unconscionable actions as certain sections of the media would try and purport;

- at the end of the day none of this would have happened if their wasn't a general view that the farms have significant value through the exploration and development of the underlying PGM mineralisation - that is Nkwe's job from here - realise the inherent value for its shareholders."

BFS Update

As previously announced, the BFS in respect to the Garatau Project is completed from a key inputs perspective and it has highlighted all relevant cost inputs, the extremely robust nature of the geology, it confirmed that the metallurgy is not complicated by any intrusive factors and that processing will be consistent with existing operations on the Eastern Bushveldt complex. It has also confirmed that all necessary infrastructure is either available or will be made available to support a project of this magnitude.

Putting the foregoing aside as being satisfactory Nkwe focused on optimising the mining method, project timeline and cash flow timing. The Board felt that an innovative approach was worth investigating to bring the project to production in the shortest possible time frame.

To this end we engaged additional consultants to apply their expert knowledge of platinum mining and the construction and operation of PGM plants.

Proposals have been put forward which include rapid access to the Merensky Reef via decline and short shaft access. Revised mining methods designed to accelerate underground development and a staged development of the UG2 based on rapid main shaft development. Early development of a smaller scale 200,000 – 250,000 oz per annum plant followed by larger scale plant development.

Based on the recent re-award of the Eerste Geluk farm by the DMR, the development of a smaller initial plant is obviously enhanced by the potential for additional ore from that farm together with earlier stage ore from the Garatau decline access being available.

The current optimisation process provides for a substantial upgrade of overall project value and an enhanced potential for shareholder returns. The Company anticipates the final optimised project path forward being completed by May 2011 (given the potential for the Tubatse Project to now form part of the initial development) with a strategic partner and mine development decision soon thereafter.

ARM / Anglo Proceedings

Nkwe has been made aware of comments made by African Rainbow Minerals (ARM) and its Modikwa Deeps equity partner AngloPlatinum Ltd (Anglo) in respect to their intention to pursue (with Anglo) a challenge on the issue of nine (9) Platinum exploration farms including the five (5) farms awarded to Nkwe's black economic empowerment partner, Genorah Resources by the South African Department of Minerals and Energy in 2006.

Nkwe has to date made an unequivocal response that the matter (as it applies to the Garatau and Tubatse Projects) was, in its view, (supported by legal opinion) resolved between all relevant parties in February 2008 (as previously announced and publically released by all parties).

The assertion by ARM and Anglo that they intend to take further action has now meant that Nkwe has no choice but to further respond.

Nkwe considers the current purported action by the parties to be disingenuous and vexatious and is designed to do nothing more than gain some perceived

commercial advantage in negotiations with the DMR, Genorah and Nkwe to reach a commercial settlement of a dispute which has already been settled.

Nkwe has instructed its lawyers to pursue a vigorous defence against any action formally commenced by ARM/ Anglo and will update the market accordingly once (if) this process is initiated – as yet Nkwe is not a party to any action (despite being the registered holder of a 74% interest in the Garatau Project and 64% of the Hoepakrantz farm. Obviously today's announcement on the two other Tubatse farms has an impact on the ARM/Anglo claim given the rulings made by the Constitutional Court and subsequent awarding of the prospecting rights without ARM/ Anglo lodging an application.

Nkwe has been invited by the DMR to enter into further negotiations regarding the matter and will continue to be part of the process where meaningful Company benefits are readily part of any solution.

As with previous announcements, Nkwe confirms its stated position with regards to its ability to retain and develop its interests in both the Garatau and Tubatse projects.

Yours faithfully



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The information in this announcement that relates to initial 20.4Moz Mineral Resources for the Tubatse Project is based on a source 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.