

31 July 2017

The Manager
Companies Announcements
Australian Securities Exchange
Level 40, Central Park
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PERTH WA 6000

QUARTERLY REPORT AND APPENDIX 5B FOR THE QUARTER ENDED 30 JUNE 2017

Nkwe Platinum Limited ("Nkwe Platinum" or "the Company") (ASX: NKP) is pleased to provide the following report on its activities for the quarter ended 30 June 2017 on the Company's operations in the Republic of South Africa.

SUMMARY

- Water Use Licence for the Garatau Project is imminent.
- Budget quote for Grid power for mine operation pending.
- Bulk water supply for the mine will be sourced from Lepelle Northern Water Board.

Company Overview

The Garatau Project consists of three contiguous properties Garatouw 282KT, Hoepakrantz 291KT and De Kom 252KT, located in the Eastern Limb of the Bushveld Complex, approximately 20 kilometres to the northwest of Steelpoort town, in an established mining district with extensive existing infrastructure. Nkwe Platinum owns 74% of the Mining Right.

To date the Garatau Project has an independently estimated total resource of 43.69 million ounces (Moz) of 3 PGE + Au (20.51 Moz from Hoepakrantz, 21.78 Moz from Garatouw and 1.40 Moz from De Kom). A summary of the Garatau Mineral Resource Statement is given in Table 1 below.

A technical feasibility and commercial viability of extracting these mineral resources has been demonstrated by the delivered definitive feasibility study. The critical mining regulatory authorisations such as the Mining Right and Environmental Authorisations are all in place except the Water Use Licence ("WUL") which is pending.

The Company is busy with certain upfront preparations before commencement of project execution. These preparatory works constitute the Company's Early Works Programme ("EWP"). Further, the company is working on an operational readiness plan to prepare the Company and the operational unit for safe and optimal production output during the transition from engineering and design to capital project implementation.

There are no exploration or mining activities currently taking place.

CORPORATE

Permitting

The Company has a Mining Right over the Garatau Project area, executed in January 2014.

On 4 December 2015, the Department of Environmental Affairs ("DEA") granted the environmental authorisation for the Garatau Mine.

On 13 October 2016, the Company announced that it had received correspondence from the South African Department of Mineral Resources ("DMR") in which a notice of intention to cancel the Mining Right under section 47 of the Mineral and Petroleum Resources Development Act

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HOEPAKRANTZ 291KT								
CATEGORY	TONNES (M)	REEF WIDTH (m)	Pt (g/t)	Pd (g/t)	Au (g/t)	Rh (g/t)	4E (g/t)	4E (Moz)**
MERENSKY REEF								
INDICATED	72.787	2.31	1.54	0.72	0.18	0.09	2.53	5.92
INFERRED	42.138	2.31	1.60	0.77	0.20	0.09	2.66	3.60
Sub-Total	114.925	2.31	1.56	0.74	0.19	0.09	2.57	9.52
UG2								
MEASURED	21.666	1.10					5.62	3.91
INFERRED	39.258	1.10					5.63	7.09
Sub-Total	76.155	1.1						11.00
Total	191.080							20.52

Note: No elemental splits for Hoepakrantz UG2.

De KOM 252KT								
CATEGORY	TONNES (M)	REEF WIDTH (m)*	Pt (g/t)	Pd (g/t)	Au (g/t)	Rh (g/t)	4E (g/t)	4E (Moz)**
MERENSKY REEF								
INFERRED	4.834	1.20	2.01	0.97	0.25	0.10	3.33	0.52
Sub-Total	4.834	1.20	2.01	0.97	0.25	0.10	3.33	0.52
UG2								
INFERRED	5.449	1.20	2.19	2.27	0.07	0.48	5.01	0.88
Sub-Total	5.449	1.20	2.19	2.27	0.07	0.48	5.01	0.88
Total	10.283							1.40

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

** Geological loss of between 17% and 20% applied to tonnages for recoverable ounces – loss estimates are based on the few disturbances observed in borehole intersections and on geophysical observations.

The information on above resource estimates was first reported by the Company in the December 2014 quarterly and subsequently in a market release dated 20th January 2016 to comply with ASX Listing Rule 5.21 and JORC 2012 requirements. The Company confirms that it is not aware of any new information or data that materially affects the information included in these original market announcements and that all material assumptions and technical parameters underpinning the ore resource estimate continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

COMPETENT PERSONS STATEMENTS

The mineral resources have been prepared and compiled under the guidance of Competent Persons who are registered with the Natural Sciences Institute of South Africa (SACNASP), to comply with the South African Mineral Resources Code (SAMREC) and the Joint Ore Reserves Committee Code (JORC Code). Each of the consultants have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they undertook to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The SACNASP is officially recognised on a reciprocal basis by the Australasian Institute of Mining and Metallurgy (AusIMM).

The following Competent Persons with the appropriate qualifications and experience have been involved in the reporting of the mineral resources and have given their consent to the inclusion in this report of the matters based on their information in the form and context in which it appears:

*D Subramani (Garatouw farm Merensky Reef)
K Lomborg (Garatouw farm UG2, De Kom property)
C Lemmer (Hoepakrantz farm UG2)
D MacGregor and Theodore Pegram (Hoepakrantz farm Merensky Reef)*

Desmond Subramani is employed by Caracal Creek International Consulting, a consultant to the Company and is a member of the South African Council for Natural Scientific Professions at the time of estimating these resources.

Dr Carina Lemmer is employed as a consultant of Geological and Geostatistical Services, a consultant to the Company and is a member of the South African Council for Natural Scientific Professions at the time of estimating these resources.

Duncan MacGregor is employed by Theo Pegram & Associates (Pty) Ltd as a consultant to the Company and is a member of the South African Council for Natural Scientific Professions and the Australasian Institute of Mining and Metallurgy.

Kenneth Lomborg is employed as a consultant of Coffey Mining, a consultant to the Company and is a member of the South African Council for Natural Scientific Professions at the time of estimating these resources.

Theodore Pegram is employed by Theo Pegram & Associates (Pty) Ltd, a founding member of the Company and is a member of the South African Council for Natural Scientific Professions, the Geological Society of South Africa and the Australasian Institute of mining and Metallurgy.

The Company confirms that it is not aware of any new information or data that materially affects the information included in these original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

For further information, please contact:

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

NKWE PLATINUM LIMITED

ARBN

105 979 646

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(300)	(514)
(b) development	-	-
(c) production	-	-
(d) staff costs	(69)	(138)
(e) administration and corporate costs	(388)	(804)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	27	72
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(730)	(1,384)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,105	5,820
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(730)	(1,384)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	305	244
4.6	Cash and cash equivalents at end of period	4,680	4,680

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	4,680	5,105
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,680	5,105

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	69
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors' fees – all payments are on normal commercial terms

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	200
9.2 Development	300
9.3 Production	-
9.4 Staff costs	250
9.5 Administration and corporate costs	250
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,000

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Company Secretary

Date: 31 July 2017

Print name: Keith Bowker

Notes

1. The 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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.