

30 January 2015

The Manager
Companies Announcements
Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

QUARTERLY REPORT AND APPENDIX 5B FOR THE QUARTER ENDED 31 DECEMBER 2014

OPERATIONS

Garatau Project

The Garatau Project is located in the Limpopo Province in the northeast of South Africa. The Project comprises three individual but contiguous properties namely De Kom 252KT, Garatouw 282KT and Hoepakrantz 291KT that are underlain by the Platinum-bearing Merensky Reef and UG2 Chromitite.

The Project of 5,312.9ha in surface area is situated immediately down-dip from the Modikwa Mine of Anglo American Platinum and the Marula Mine of Impala Platinum. Within close proximity there are the Bokoni platinum mine and six ferrochrome mines.

After intensive exploration and predevelopment work, a total resource of 43.689 million ounces (Moz) of 3 PGE + Au (20.514 Moz from Hoepakrantz, 21.78 Moz from Garatouw and 1.395 Moz from De Kom) has been estimated independently.

During November 2014, an independent update on the Hoepakrantz Merensky Reef resource estimate and classification was finalised, based on a greater mining height suitable for mechanised bord-and-pillar mining. This brought the Hoepakrantz Merensky Reef resource estimate in line with the mining method planned on the Garatouw farm. The Hoepakrantz resource estimate increased to 20.51 Moz of 3 PGE + Au from the previous 16.77 Moz of 3 PGE + Au.

During September 2014, the Company submitted the final environmental impact assessment report to the Department of Environmental Affairs and is awaiting the decision on the integrated environmental authorisation and waste management license. Following on from several meetings during the quarter with ESKOM, the national power utility, the Company received a feasibility cost estimate for delivery of an 80MVA service to the Garatau for the mine operation. ESKOM should be able to deliver grid power to the Garatau project by first quarter of 2018.

An Early Works Programme ('EWP') to prepare the Project for full scale mine construction to start has been designed in conjunction with DRA Group (Pty) Ltd. In preparation for the commencement of the EWP, the following activities are being finalised currently, in addition to the environmental authorisation and power supply application:

- i. water use license
- ii. main EPCM contract
- iii. block plan (surface lay-out).

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It is envisaged that the EWP will commence as soon as all the required permits have been issued.

During the EWP the following activities will be undertaken:

- i. finalise water supply for construction
- ii. finalise power supply for construction
- iii. bulk earthworks (access roads, terraces & box-cut)
- iv. trackless workshop on surface.

Garatau Project – Mineral Resource Statement

GARATOUW 282KT				
	Tonnage (Mt)	Mining cut (m) *	Estimated 4E Bulk Grade (g/t)	4E Metal Content (Moz) **
MEASURED				
Merensky Reef	26.419	2.20	3.41	2.90
UG2 Reef	19.139	1.10	5.42	3.33
TOTAL MEASURED	45.558		4.25	6.23
INDICATED				
Merensky Reef	46.440	2.20	3.20	4.78
UG2 Reef	18.758	1.10	5.13	3.09
TOTAL INDICATED	65.198		3.76	7.87
INFERRED				
Merensky Reef	31.874	2.20	3.10	3.18
UG2 Reef	26.210	1.10	5.36	4.51
TOTAL INFERRED	58.084		4.12	7.69
GARATOUW TOTAL				
All Categories	168.84		4.02	21.8

HOEPAKRANTZ 291KT				
	Tonnage after Geological Loss (M)	Mining cut (m) *	Estimated 4E Bulk Grade (g/t)	4E Metal Content (Moz) **
MEASURED				
UG2 Reef	21.666	1.10	5.62	3.91
INDICATED				
Merensky Reef	72.787	2.31	2.53	5.92
INFERRED				
Merensky Reef	42.138	2.31	2.66	3.60
UG2 Reef	39.258	1.10	5.63	7.08
TOTAL INFERRED	81.396		4.09	10.68
HOEPAKRANTZ TOTAL				
All Categories	175.849		3.63	20.51

DE KOM 252KT				
	Tonnage after Geological Loss (M)	Mining cut (m) *	Estimated 4E Bulk Grade (g/t)	4E Metal Content (Moz) **
INFERRED				
Merensky Reef	4.834	1.20	3.33	0.52
UG2 Reef	5.449	1.20	5.01	0.88
DE KOM TOTAL				
INFERRED	10.28		4.22	1.4

* 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 UG2 and Merensky Reefs dip consistently at shallow angles of between 8 and 10 degrees, which is amenable to mechanised mining methods. The Merensky Reef mineral resource commences from a depth of 350m below surface, with the UG2 horizon located an additional 330m below the Merensky Reef.

Tubatse Project

The prospecting rights originally granted by the Minister for Mineral Resources in respect of the 2 farms comprising the Tubatse Project (namely, Eerste Geluk 337KT and Nooitvewacht 324KT) were set aside by the Supreme Court resulting in the Company losing its indirect interest in the areas the subject of the prospecting rights. Applications for leave to appeal were subsequently filed in the Constitutional Court of South Africa. The application has since been dismissed by the Constitutional Court of South Africa. However, the Board is still considering its options concerning the properties going forward.

ASX Additional Information for Quarterly Report to 31 December 2014

License/Tenement Reference	Location	Working Interest at beginning of Quarter	Acquired/Disposed of during the Quarter	Working Interest at end of Quarter
Rooderand	Northwest Province, South Africa	100%	nil	100%
Ruighoek	Northwest Province, South Africa	49% of ~53/100 undivided shares over certain portions	nil	49% of ~53/100 undivided shares over certain portions
Garatau Project	Limpopo Province, South Africa	74%	nil	74%
Tubatse Project	Limpopo Province, South Africa	64%	nil	64%

Yours faithfully

Zhilin (Abraham) Li

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:

K Lomberg (Garatouw property UG2, De Kom property)

D Subramani (Garatouw property Merensky Reef)

C Lemmer (Hoepakrantz property UG2)

D MacGregor (Hoepakrantz property Merensky Reef)

Kenneth Lomberg 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.

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.

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.

All of the above have sufficient experience with the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to be qualified as a Competent Person as defined in the 2012 edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

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, 01/05/2013

Name of entity

NKWE PLATINUM LIMITED

ACN or ARBN

105 979 646

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(228)	(530)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(650)	(1,414)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	104	156
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other income (Insurance recoveries)	5	5
Net Operating Cash Flows		(769)	(1,783)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(4)	(5)
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		(4)	(5)
1.13	Total operating and investing cash flows (carried forward)	(773)	(1,788)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(773)	(1,788)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(773)	(1,788)
1.20	Cash at beginning of quarter/year to date	5,363	6,386
1.21	Exchange rate adjustments to item 1.20	(447)	(455)
1.22	Cash at end of quarter	4,143	4,143

Payments to directors of the entity, associates of the directors, 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	112
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors Fees

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

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	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	500
4.2 Development	-
4.3 Production	-
4.4 Administration	250
Total	750

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	4,143	5,363
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (loan notes)	-	-
Total: cash at end of quarter (item 1.22)	4,143	5,363

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A		

6.3 Interests in mining tenements at end of the quarter

Location	License/ Tenement Reference	Ownership ¹
North West Province, South Africa	Rooderandt	100%
North West Province, South Africa	Ruighoek	49% of ~53/100 undivided shares over certain portions
Limpopo Province, South Africa	Garatau Project	74%
Limpopo Province, South Africa	Tubatse Project	64%

¹ Nkwe Platinum Ltd is 70% owner of Nkwe Platinum SA Pty Ltd. Nkwe Platinum SA Pty Ltd owns 100% of the Projects however, under the *Mineral and Petroleum Resources Development Act 2002* there is a requirement for Black Economic Empowerment ('BEE') participation of 26% for private applications and 51% for state applications. Nkwe Platinum SA Pty Ltd agreed a BEE transaction with Blue Nightingale Trading 709 (Pty) Ltd so that it will own 30% of the issued capital of Nkwe Platinum SA Pty Ltd and has no direct interest in the Project areas.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	896,333,973	896,333,973		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	268,840,028	268,840,028	<i>Exercise price</i> \$0.10	<i>Expiry date</i> 31 March 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Company secretary)

Date: 30 January 2015

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 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 and petroleum 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 or petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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+ See chapter 19 for defined terms.