



NiPlats

Soil Programme Update

ANNOUNCEMENT

30 August 2010

HIGHLIGHTS

- There is a direct relationship between soil samples assays and the exceptional surface sample assays reported in recent weeks.
- The Board is confident that the soil programme results will be highly beneficial in both the identification and prioritisation of drilling targets especially where surface mineralisation is not able to be identified.
- Soil assay result will also assist in determining the size of the target area and orientation of drill holes.
- Allocation of Shareholder Capital to Exploration/Pre-feasibility greater than 100%.
- Diamond drill rig has arrived onsite.

SOILS PROGRAMME UPDATE

NiPlats Australia Limited ("NiPlats" or "the Company") (ASX: NIP) is pleased to provide an update on the soil sampling programme that is a **key component of the process of identifying and prioritising drill targets for the 2010/11 drilling programme.**

NiPlats has completed collecting approximately 4,042 of some 6,000 planned soil samples on 200m spaced lines with samples at 50m intervals. The original programme was planned for 4,000 samples but was expanded following successful capital raising in recent weeks. With drilling commencing this week and priority targets already identified in areas where the soil sampling programme is complete, the remaining samples will be collected while drilling is underway with the purpose of providing new drill targets later in the drilling season.

The samples are focused along major structural corridors within the Speewah Dome area that are known to host poorly outcropping, altered gabbros and scattered outcrops of epithermal-textured quartz veins and are potential sites for gold and base-metal mineralization.

During sampling, mapping has located a number of sites reporting visible concentrations of copper-oxides and/or galena that have been rock-chip sampled.

The rock-chip samples include values of Cu to 16.5%, Ag to 26oz/t, Au to 5 g/t and Pb to 4.98% (see announced results). **The available soil sample results indicate that mineralized gossanous outcrops are associated with well developed multi-element dispersion halos that are typically more extensive than the outcrop areas.** These geochemical halos will be the focus of further work that includes infill sampling, detailed geological mapping, geophysical surveying and first-pass RC and diamond-drilling.

In the Speewah Dome region where there has been relatively little previous exploration in respect of Copper, Gold and Silver to guide methodology, the success of the components of the exploration programme supports broader exploration success that will impact shareholder value.

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ALLOCATION OF SHAREHOLDER CAPITAL TO EXPLORATION/FEASIBILITY > 100% EFFICIENT

The Board is pleased to announce that for the current 2010/11 financial year the Total Non-Exploration/Feasibility costs planned are more than met by Federal tax rebates, State government grants and interest revenue from cash at bank that the Company is entitled to receive.

Total Non-Exploration/Feasibility costs are effectively all costs incurred that are not directly related to the progression of the Copper/Gold/Silver exploration and Pre-feasibility costs associated with the vanadium project. These include corporate, directors' fees, regulatory, legal, administrative, corporate travel, marketing amongst others that are required to maintain an ASX listed entity.

As a result the Board makes a commitment to shareholders that it will be able to apply every dollar of capital raised from shareholders in the recent Placement and Share Purchase Plan directly into the Exploration and Feasibility programmes that are primarily responsible for adding shareholder value as all other costs can be met through non-shareholder capital sources.

This commitment is made to provide shareholders with the confidence that shareholders funds invested will be 100% directed to value adding projects.

DRILL RIG ONSITE

The Company advises that the Diamond Drill Rig has arrived on site and that the RC drill rig will be onsite in the next few days.

R Wolanski
DIRECTOR

Competent Persons Statement

Mr Ken Rogers, Member of the Australian Institute of Geoscientists, Chief Geologist of NiPlats Australia Limited, compiled the technical aspects of this report relating to the Speewah Project and content of this release. Mr Rogers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code). Mr Rogers consents to the inclusion in the report of the matters in the form and context in which it appears.

Background

NiPlats Australia Limited ("NiPlats") is a mining and exploration company whose prime focus is the definition and development of its vanadium, platinum and fluorite discoveries in the East Kimberly region of Western Australia. Newly discovered copper and gold prospectivity is a major focus in 2010 in addition to completing studies on the vanadium and fluorite projects.

The tenements contain a very large vanadium deposit with combined Measured, Indicated and Inferred Resources totalling 3,159 Mt at 0.30% (at 0.23% V₂O₅ cut-off grade) in three deposits.

This includes the Central deposit with Measured, Indicated and Inferred Resources totalling 854 Mt at 0.32% (at 0.23% V₂O₅ cut-off grade), comprising a Measured Resource of 201 Mt at 0.33% V₂O₅, Indicated Resource of 175 Mt at 0.32% V₂O₅ and an Inferred Resource of 478 Mt at 0.31% V₂O₅ which includes a high grade zone of 434 Mt at 0.37% (at 0.23% V₂O₅ cut-off grade), comprising a Measured Resource of 115 Mt at 0.37% V₂O₅, Indicated Resource of 85 Mt at 0.38% V₂O₅ and an Inferred Resource of 234 Mt at 0.37% V₂O₅.

In addition, maiden vanadium Mineral Resources have been estimated at the Red Hill and Buckman Prospects. The Buckman deposit contains an Inferred Resource of 1,170 Mt at 0.30% V₂O₅ (at 0.23% V₂O₅ cut-off grade), and the Red Hill deposit contains an Inferred Resource of 1,135 Mt at 0.30% V₂O₅ (at 0.23% V₂O₅ cut-off grade).

The tenements also contain a high-grade, high-quality fluorite deposit with Indicated and Inferred Resources totalling 6.7 Mt at 24.6% (at 10% CaF₂ cut-off grade), comprising an Indicated Resource of 4.1 Mt at 25.3% CaF₂ and an Inferred Resource of 2.6 Mt at 23.6% CaF₂.

NiPlats Australia Limited has a 100% interest in three granted Mining Leases (M80/267, M80/268 and M80/269) and two granted exploration licences (E80/2863 and E80/3657) covering 473 km² located about 110 km southwest of Kununurra. The tenements cover the Speewah Dome where Proterozoic-age Hart Dolerite intrudes older sediments of the Speewah and Kimberley Groups, which has been disrupted by fault and fault splays of the Greenvale Fault Zone that hosts both fluorite and copper mineralisation in the Speewah area.