

Fluorspar Resource Upgrade

ANNOUNCEMENT

25 August 2009

HIGHLIGHTS

- Significant 22% increase in Fluorite Resource tonnage.
- Indicated and Inferred Resources totalling 6.7 Mt at 24.6% (within high grade domains at 10% CaF₂ cut-off grade), comprising:
 - Indicated Resource of 4.1 Mt at 25.3% CaF₂;
 - Inferred Resource of 2.6 Mt at 23.6% CaF₂.
- Further resource report expected once 2009 drilling programme is completed and assays are received.

Fluorite Project

NiPlats Australia Limited (ASX: NIP) is pleased to announce an updated Mineral Resource estimate for the Speewah Dome Fluorite Project based on the exploration programme completed in 2008.

The resource upgrade comprises the following total fluorite resource:

- Indicated and Inferred Resources totalling 6.7 Mt at 24.6% (within high grade domains at 10% CaF₂ cut-off grade), comprising:
 - Indicated Resource of 4.1 Mt at 25.3% CaF₂;
 - Inferred Resource of 2.6 Mt at 23.6% CaF₂.
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This represents an increase of 22% in tonnage as well as an improvement in grade over the resource reported in October 2008, which was:

- Indicated and Inferred Resources totalling 5.5 Mt at 24.5% (within high grade domains at 10% CaF₂ cut-off grade), comprising:
 - Indicated Resource of 4.4 Mt at 24.9% CaF₂;
 - Inferred Resource of 1.1 Mt at 23.0% CaF₂.

It is important to note that the resource upgrade has been completed from the drilling results obtained from the 2008 exploration programme. A further resource upgrade will be finalised when the 2009 exploration programme is completed and assays received. The Indicated resource tonnage has decreased slightly as the +10% CaF₂ grade was wireframed to better constrain the high grade veins which may be selectively mined in any potential underground mining operation.

Mineral Resource

Table 1: NiPlats August 2009 Mineral Resource Estimate (within high grade domains at 10% CaF₂ cut-off grade):

Speewah Fluorite Deposit August 2009 Resource Estimate							
Type	Indicated		Inferred		Total		
	Tonnes Mt	CaF ₂ %	Tonnes Mt	CaF ₂ %	Tonnes Mt	CaF ₂ %	CaF ₂ Mt
High Grade	4.1	25.3	2.6	23.6	6.7	24.6	1.7

The results from the 2007 RC and diamond drilling programmes have been modelled by Runge Limited, an experienced geological consultancy group, and the mineral resource information included in this announcement has been approved by Runge Limited for release.

The following information has been taken from the Runge Limited resource estimate:

The resource estimate was completed using the following parameters:

- The Speewah resource area extends over a strike length of 2,175m (from 9,745mN – 11,920mN) and includes the 230m vertical interval from 230mRL to 0mRL.
- Drill holes used in the resource estimate included 134 RC holes and 30 diamond/RC holes for a total of 6,116m within the resource wireframes. The vast majority of these holes were drilled by Doral and NIP after 2003. The full database contained records for 389 drillholes for 28,207m of drilling.
- A site visit was conducted in August 2008 by Aaron Green (Runge) to review the project and deposit geology, drill core and site procedures.
- Holes in the Speewah area were drilled at section spacings of approximately 40m.
- NIP conducted RC drilling using 53/4 inch drill bits with samples collected at the rig using a cone splitter. RC holes were sampled at 1 metre intervals. The sampling method involved riffle splitting each 1 metre sample to collect approximate 2kg samples in calico bags, with the remaining sample retained on site in plastic bags. Historical sampling methods are unknown.
- Core was generally NQ size. The core was sampled at varying intervals based on logged geological contacts, although the sampling method is unknown.
- The majority of RC (SRC prefix) holes were surveyed at the collar and the end-of-hole with an Eastman single-shot camera. The most recent holes drilled by NIP (SRC097-297 and SD08-1 & 2) have been surveyed using a GlobalTech Pathfinder Digital Survey tool with 3 surveys for each RC hole and a survey every 50m downhole for diamond core holes. The diamond/percussion holes (SF prefix) were not surveyed and have been assigned a nominal dip and azimuth.
- All logging and sampling methods for the NIP drilling have been reviewed by Runge and are considered to be of a high standard.
- The assay method used X-Ray Fluorescence Spectrometry (XRF) to determine Ba, Ca and F percentages which were then used to determine the CaF₂ percentage. Assaying for all Doral and NIP drilling was undertaken by Ultra Trace Laboratories in Perth, Western Australia.
- A program of field duplicate sampling was undertaken for the most recent drilling by NIP which resulted in a total of 320 duplicate samples. The results of the duplicate sampling show an almost perfect one-to-one correlation between the original and duplicate values with only 5 outliers being reported.
- Wireframes were constructed using cross sectional interpretations based on mineralised envelopes constructed at a 2% CaF₂ cut-off grade. Within these mineralised envelopes, high grade (>10% CaF₂) pods were identified and wireframed individually. Samples within the wireframes were composited to even 1.0m intervals.
- No high grade cuts were used in the resource based on a review of the deposit statistics.
- A Surpac block model was used for the estimate with a block size of 20m NS by 4m EW by 20m vertical with sub-cells of 5m by 1m by 5m.
- OK grade interpolation used an oriented 'ellipsoid' search with a first pass radius of 70m for Low Grade zones (60m for High Grade zones) and a second pass of 140m (120m). A third pass search radius of 300m was used to fill the model. Greater than 98% of the blocks were filled in the first two passes.
- A bulk density value of 2.70t/m³ was assigned to the waste rocks. A value of 2.63t/m³ was assigned to low-grade domains (<10% CaF₂) and a value of 2.68t/m³ was assigned to the domain defining high-grade, fluorite rich material (>10% CaF₂). Values were based on results of test work carried out on drill core.
- The resource has been classified as Indicated and Inferred on the basis of continuity of structure, drill spacing and surface mapping.
- Preliminary economic analysis carried out in 2004 suggests that the project has reasonable prospects for eventual economic extraction.

Future Developments for the Fluorite Project

Significant increases in the price of fluorite in recent years has improved the potential for future open cut and underground development of the fluorite project.

NiPlats will use the resource upgrade to raise further market awareness of the potential for a fluorite project through participation in Fluorspar 09, the major annual fluorite industry conference. NiPlats' objectives, through participation at the conference are:

- Raise market awareness of NiPlat's fluorite deposit as a potential supplier of acid grade fluorspar;
- Provide the market with an update of the current resource and deposit potential;

- Develop relationships to further the opportunity for the future development of the fluorite project.

NiPlats will follow this up with a further resource upgrade based on the drilling results from the 2009 exploration drilling programme.

NiPlats' primary exploration objective at this time is to focus on the further exploration for PGE+Au and the further evaluation of the vanadium deposit and exploration targets. NiPlats' short term objective is to report the results of a pre-feasibility study on the large vanadium resource in the first half of 2010.

Opportunities to develop the fluorite project, which could share infrastructure with any future vanadium project, are being investigated.

Mr KA Rogers (Member of the Australian Institute of Geoscientists), acting Chief Geologist for NiPlats Australia Limited, compiled the technical aspects of this report relating to the Speewah Fluorite 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.

The information in this report that relates to the Mineral Resource estimates is based on information compiled by Mr A Green, of Runge Limited. Mr Green is a Member of The Australian Institute of Geoscientists and has 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 Ore Reserves' (the JORC Code). Mr Green consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

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.

The tenements contain a very large vanadium deposit with Indicated and Inferred Resources totalling 851 Mt at 0.32% (at 0.23% V₂O₅ cut-off grade), comprising an Indicated Resource of 334 Mt at 0.32% V₂O₅ and an Inferred Resource of 517 Mt at 0.32% V₂O₅ which includes a high grade zone of 279 Mt at 0.39% (at 0.365% V₂O₅ cut-off grade), comprising an Indicated Resource of 107 Mt at 0.4% V₂O₅ and an Inferred Resource of 172 Mt at 0.39% V₂O₅.

Reconnaissance drilling has also identified very large exploration targets for vanadium at the Red Hill and Buckman Prospects. The Buckman exploration target is 1 to 2 Billion tonnes at 0.3-0.35% V₂O₅, and the Red Hill exploration target is 400 to 600 million tonnes at 0.3-0.35% V₂O₅. These exploration targets are based on RC drilling (vanadium assays and geological logging in 46 holes), geological mapping, copper and vanadium-in-soil geochemistry and airborne magnetic imagery. The potential quantity and grade of these targets is conceptual in nature and is not a Mineral Resource.

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 100 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 mineralisation and carbonatites in the Speewah area.

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