Additional drilling programme for Copper/Gold targets

ANNOUNCEMENT **10 September 2009**

HIGHLIGHTS

- **Four additional diamond core (DC) holes have been planned for October 2009 to test copper/gold targets at depth along sections of Greenvale and Central faults that host copper and fluorite mineralisation.**
- **These targets are also now interpreted to be located within co-incident magnetic and gravity lows.**
- **The previously outlined exploration programme of RC and DC drilling is progressing well and on budget.**

NiPlats Australia Ltd ("NiPlats", ASX:NIP) is pleased to advise the following updates.

New DC drilling programme to test Copper-Gold at depth

Two diamond core drill rigs will be mobilised in October to extend the Diamond Core ("DC") drilling programme by up to 3,000 metres. This drilling will target copper/gold mineralisation thought to occur at depth on fault structures within the Speewah Dome. Copper and gold mineralisation has been recorded on the surface and in previous Reverse Circulation ("RC") drilling along a 2.5km zone of the Greenvale Fault that hosts the ABCE fluorite deposit.

The known occurrences of copper mineralisation are located marginal to the best fluorite veining and occur within co-incident magnetic and gravity lows, adjacent to linear magnetic and gravity ridges, in the Greenvale Fault Zone (Figure 1). The copper and gold mineralisation is associated with potash feldspar and hematite alteration, fluorite and barite mineralisation, bismuth (Bi), and elevated light rare earth elements lanthium (La) and cerium (Ce). An alkaline igneous association is also inferred from the presence of carbonatite dykes along splays in the Central Fault Zone within the Speewah Dome.

A DC hole (SDH08-2, Figure 1), drilled in 2008 below the A Vein of the fluorite deposit, terminated at 702 metres in strongly chlorite and iron oxide altered and veined magnetite-bearing gabbroic rocks with fine grained sulphides. Studies are ongoing to identify the type of sulphide and alteration assemblage. This hole ended at the edge of a gravity low (Figure 1).

Four deep DC holes are planned, testing targets selected on structural, gravity, magnetic and geochemical criteria, along the Greenvale Fault Zone (in the area of the fluorite deposit), and the Central Fault Zone in the centre of the Speewah Dome.

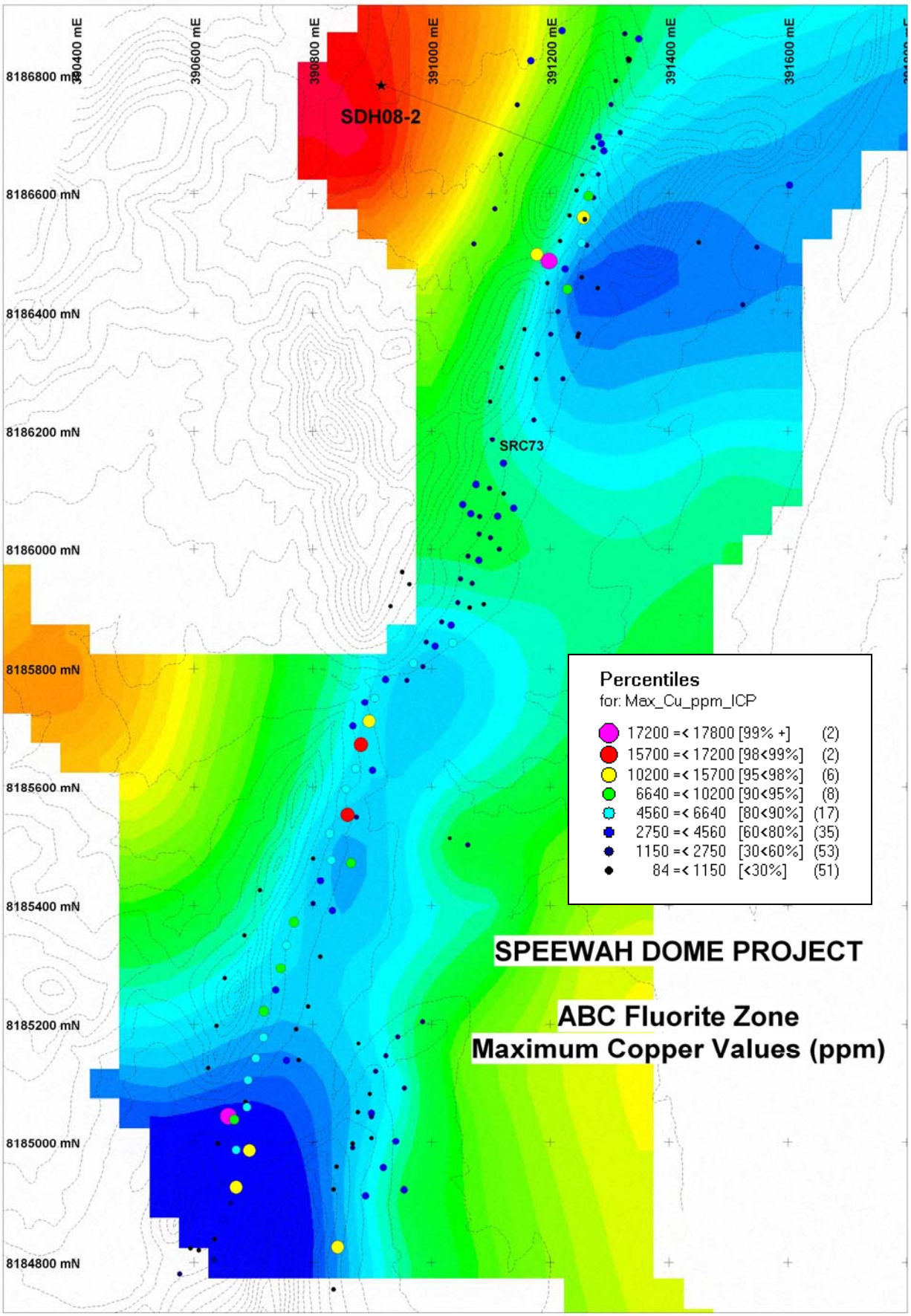

Figure 1. Locations of drill-holes used to examine the distribution of copper mineralisation along the Speewah fluorite deposit. RC drill-holes from the 2002 to 2008 programmes colour coded for Cu (in ppm) on percentile ranges. The geochemical data has been displayed on a residual gravity image with an overlay of 5 metre topography contours.

Drilling progress update

The RC and DC drilling is progressing as planned and on budget. To 8 September 2009, 3,765 metres of RC drilling (in 85 holes) and 970.2 metres of DC drilling (in 6 holes) had been completed. This completes the planned DC drilling and another 2,250 metres of RC drilling remains to be completed before the end of September.

The RC programme has prioritised infill drilling of the vanadium deposit and targets at Central, Red Hill and Buckman to complete resource upgrades and better define the platinum group element plus gold ("PGE+Au") targets previously reported within the vanadium mineralisation. Drilling has also targeted specific parts of the vanadium zone where previous drilling programmes and a new gravity survey completed in 2009 have suggested thickening of the vanadium- and PGE+Au-bearing magnetite gabbro unit as a possible vector to the feeder conduits for this intrusion. These conduits are thought to have the potential for better vanadium and PGE+Au grades.

All assay results are pending. Thicker drill intersections have been recorded in the Central vanadium deposit at the sites targeted. The significance of these intersections will be analysed on receipt of all the vanadium and PGE+Au assays.

Assays results will be announced to the market in a timely manner as the information comes to hand.

The information in this report that relates to exploration results is based on information compiled by Mr KA Rogers (Member of the Australian Institute of Geoscientists), Chief Geologist for NiPlats Australia Limited. 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. Mr Rogers consents to the inclusion in the report of the matters in the form and context in which it appears.

FOR FURTHER INFORMATION, PLEASE CONTACT:
NiPlats Australia Limited
Level 22 Allendale Square
77 St Georges Terrace
Perth WA 6000
Telephone: +61 8 9221 8055
Fax: +61 8 9221 7866

Anthony Barton – Non Executive Chairman
Richard Wolanski – Executive Director

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 (Figure 2).

The tenements contain a very large vanadium deposit with Indicated and Inferred Resources totalling 851 Mt at 0.32% (at 0.23% V_2O_5 cut-off grade), comprising an Indicated Resource of 334 Mt at 0.32% V_2O_5 and an Inferred Resource of 517 Mt at 0.32% V_2O_5 which includes a high grade zone of 279 Mt at 0.39% (at 0.365% V_2O_5 cut-off grade), comprising an Indicated Resource of 107 Mt at 0.4% V_2O_5 and an Inferred Resource of 172 Mt at 0.39% V_2O_5.

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% V_2O_5, and the Red Hill exploration target is 400 to 600 million tonnes at 0.3-0.35% V_2O_5. 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% CaF_2 cut-off grade), comprising an Indicated Resource of 4.1 Mt at 25.3% CaF_2 and an Inferred Resource of 2.6 Mt at 23.6% CaF_2.

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.

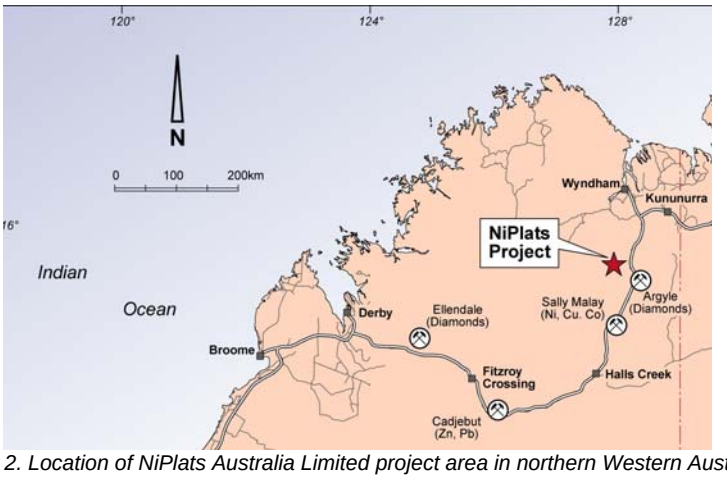

Figure 2. Location of NiPlats Australia Limited project area in northern Western Australia.