

PLATMIN LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED NOVEMBER 30, 2009



January 14, 2010

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") for the three and nine months ended November 30, 2009 contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial and operating performance of Platmin Limited (the "Company" or "Platmin"), its subsidiaries and affiliated companies, and its mineral projects, the future price of platinum or other Platinum Group Elements ("PGEs"), PGE production levels, mining rates, the future price of other base metals, future exchange rates, the establishment of debt and/or credit facilities, the estimation of mineral resources and reserves, the realization of mineral resource estimates or their conversion into reserves, costs and future costs of production, capital and exploration expenditures, including remaining project development expenditure at the Pilanesberg Platinum Mine ("PPM"), costs and timing of the development of new deposits, costs and timing of the development of new mines, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations and exploration operations, timing and receipt of approvals, licenses, and conversions under South African mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and the timing and outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements in this MD&A include, among others, the operation of open-cast mining; forecast average annualized production rate of 160,000 ounces of 3PGE+Au metals at PPM for the 12 month period ending December 31, 2010; ramp-up to steady state production at PPM to achieve the Bankable Feasibility Study ("BFS") numbers of about 20,000 ounces per month (250,000 ounces per annum on an annualized basis) by early calendar 2011; the rate and stock piling of ore at PPM; and the timing and completion of definitive feasibility work at the Mphahlele, Grootboom and Loskop Projects.

Such forward-looking statements are based on a number of material factors and assumptions, including, that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for construction and development is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred, that plant and equipment functions as specified, that geological or financial parameters do not necessitate future mine plan changes, and that no unusual geological or technical problems occur.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Platmin and/or its subsidiaries and/or its affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations and studies; fluctuations in the value of the United States dollar relative to the Canadian dollar or South African rand; changes in project parameters as plans continue to be refined; future prices of platinum or other PGEs; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, industrial unrest and strikes and other risks of the mining industry; political instability, insurrection or war; the effect of HIV/AIDS on labour force availability and turnover; delays in obtaining governmental approvals or financing or in the completion of development or construction activities, as well as those factors communicated in the section entitled "Risk Factors" of Platmin's current annual information form ("AIF") which can be viewed at www.sedar.com. Although Platmin has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A and Platmin disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

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(A development stage company)

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1. Introduction

The Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is provided to enable the reader to assess and understand the financial position and results of operations for the three and nine months ended November 30, 2009, in comparison to corresponding periods. Certain information in this MD&A must be read in conjunction with the audited consolidated financial statements of Platmin for the year ended February 28, 2009 (prepared in accordance with Canadian generally accepted accounting principles).

In July 2009, the applicable provincial securities commissions granted the Company exemptive relief to adopt International Financial Reporting Standards ("IFRS") with an adoption date of March 1, 2009 and a transition date of March 1, 2008. On July 13, 2009, the Company refiled under IFRS, the MD&A for the year ended February 28, 2009.

The MD&A should be read in conjunction with the condensed consolidated interim financial statements for the three and nine months ended November 30, 2009 and supporting notes. A reconciliation of the previously disclosed comparative periods' financial statements prepared in accordance with Canadian GAAP to IFRS is set out in Note 22 to the condensed interim financial statements.

The MD&A should also be read in conjunction with the company's Annual Information Form ("AIF") and the technical reports prepared by qualified persons in accordance with NI 43-101 on file with the Canadian provincial securities regulatory authorities. These documents can be found at www.sedar.com and at www.platmin.com.

All dollar amounts in this MD&A are expressed in United States dollars ("US\$"), unless otherwise specified. When used, C\$ refers to Canadian dollars. References to quarters are to financial quarters and not to calendar quarters, unless otherwise specified.

2. Overview

Platmin Limited (the "Company" or "Platmin") is continued under the laws of British Columbia, Canada and its common shares are listed on the Toronto Stock Exchange ("TSX") and the Alternative Investment Market ("AIM") of the London Stock Exchange. The Company trades under the symbol "PPN" on both exchanges. On July 22, 2009, the Company obtained a secondary listing on the Johannesburg Securities Exchange Limited ("JSE") with the symbol "PLN" and the trading of common shares on the JSE commenced on that date.

Platmin is a mineral exploration, development and operating company engaged in the exploration for, development of and operation of mines exploiting Platinum Group Element ("PGE") deposits in South Africa. The Company has developed and completed the construction of PPM, which is currently ramping up to full production, and is exploring for PGEs on its other three key projects namely Mphahlele, Grootboom and Loskop.

3. Overall Performance

The Company recorded a loss for the quarter ended November 30, 2009 of US\$2.276 million, or a loss per share of US\$0.01, compared with a net profit of US\$6.686 million or a net profit per share of US\$0.06, for the quarter ended November 30, 2008. The decrease in profit quarter on quarter was principally the result of foreign exchange gains of US\$2.317 million in the quarter under review compared to foreign exchange gains of US\$11.207 million for the quarter ended November 30, 2008. The decline in the foreign exchange gain for the quarter under review is due to the strengthening of the South African Rand against other foreign currencies. For the quarter under review, the South African Rand exchange rate to the US Dollar moved within a range of ZAR7.86 and ZAR7.21 to US\$1.00 compared to a range of ZAR7.70 and ZAR11.43 to US\$1.00 for the quarter ended November 30, 2008.

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The Company recorded a net loss for the nine months ended November 30, 2009 of US\$9.239 million, or a loss per share of US\$0.02, compared with a net profit of US\$2.659 million or a net profit per share of US\$0.02, for the nine months ended November 30, 2008. The loss was principally the result of the increase in costs associated with ramping-up operations at PPM that were not capitalized and other corporate overheads, as well as a decrease in the foreign exchange gains.

The principal focus of the Company's operations is the development and operation of PPM. For a full description of the development activities, please refer to section 7.1 of this MD&A.

As at the quarter ended November 30, 2009, total plant capital expenditure at PPM amounted to US\$263.240 million (ZAR1.937 billion) compared to US\$186.423 million (ZAR1.450 billion) at the financial year ended February 28, 2009. As at November 30, 2009, the total outstanding plant capital expenditure to completion of the construction phase was US\$18.171 million (ZAR133.704 million) which will bring the total projected plant capital expenditure to US\$281.411 million (ZAR2.071 billion). This amount is higher than the original amount per the BFS of ZAR1.670 billion (which equated to US\$231.940 million based on an exchange rate of ZAR7.20 at the time of the study), due to changes in scope, particularly the inclusion of a 10MVA standby power station (see page 8 of this MD&A), cost increases experienced in general terms by the global mining industry over the past two years and variances in foreign exchange rates.

As at November 30, 2009, the total project capital expenditure, for the development of PPM, including capitalised pre-production costs, plant capital expenditure and offsetting revenue from metal sales during the pre-production phase amounted to US\$379.887 million (ZAR2.795 billion). Outstanding plant capital expenditure to completion of the construction phase of US\$18.171 million (ZAR133.704 million) will bring the total capital expenditure spent to US\$398.058 million (ZAR2.929 billion). During the quarter under review, the ramp-up of mining operations to commercial production continued with associated costs capitalized as part of the total project capital expenditure.

On May 15, 2009, the Company engaged GMP Securities LLP ("GMP"), to conduct a brokered private placement of common shares of Platmin on the AIM Stock Exchange. A total of 75,015,552 common shares at £0.52 pence per share (C\$0.92 cents per share) were issued for a gross consideration of £39.008 million (US\$62.111 million) or £37.277 million (US\$59.355 million) net of brokerage and legal fees. Proceeds have been used for additional working capital facilities and general funding requirements. If required, additional financing is expected to be raised through either debt finance facilities, or from the sale of new equity.

In light of the fact that the board has decided to focus cash resources and capacity on bringing the PPM into full production, the Mphahlele, Grootboom and Loskop projects have been placed on a reduced work program for the short term. Platmin will commit sufficient expenditure to these projects to ensure that the new order Prospecting and Mining Rights are preserved. This expenditure will be funded from existing cash on hand and where necessary, additional funding will be raised to fund future exploration and development expenditure.

Significant developments in the three months ended November 30, 2009 were as follows:

- On September 3, 2009 Platmin paid out and closed its bridge loan facility with The Standard Bank of South Africa Limited ("Standard Bank"). The bridge facility had an outstanding amount of ZAR404.354 million (US\$51.987 million);
- On September 9, 2009, mining activities that were interrupted on August 12, 2009 at PPM resumed following the resolution of the dispute between MCC Contractors (Pty) Ltd ("MCC"), the mining contractor at PPM, and its employees, regarding union representation at PPM;

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- On October 9, 2009, the Company signed a definitive agreement with Investec to provide a 12 (twelve) month renewable revolving commodity finance facility of up to ZAR400 million (US\$54.420 million at an exchange rate of ZAR7.35:US\$1.00) for working capital purposes. In terms of this facility Investec will finance up to 91% of PPM's platinum, palladium, gold, copper and nickel deliveries to Northam Platinum Limited ("Northam") in accordance with the previously agreed Concentrate Agreement concluded between PPM and Northam;
- On October 12, 2009 the Company announced that the CEO, Ian Watson would retire by the end of 2009 and on October 26, 2009 it was announced that Mr Tom Dale would be appointed as CEO with effect from December 1, 2009;
- On October 26, 2009 the Company announced that Mr Brian Gilbertson would be appointed as the new Non-executive Chairman with effect from December 1, 2009.

Important events which occurred subsequent to November 30, 2009 include:

- On December 2, 2009 the Company announced the appointment of Mr Tom Dale to the Company's Board of Directors and as Chief Executive Officer effective December 1, 2009;
- On December 2, 2009 the Company announced that it would change its financial year-end to December 31 of each calendar year. At present, Platmin's financial year-end is the last day in February of each calendar year. Platmin's financial year ended on December 31, 2009, and its current financial year commenced on January 1, 2010.

4. Selected Quarterly Results

Expressed in US\$'000 except per share amounts.

	In accordance with IFRS						As per Canadian GAAP
	Nov'09	Aug'09	May '09	Feb '09	Nov '08	Aug '08	Feb '08
Loss / (profit) for the period	2,276	(6,620)	13,585	12,491	(6,686)	3,387	3,201
Basic and diluted loss / (profit) per share	0.01	(0.02)	0.03	0.07	(0.06)	0.03	0.03

5. Results of Operations

Quarter ended November 30, 2009 compared to the quarter ended November 30, 2008

For the quarter ended November 30, 2009, mining and processing activities continued in the ramp-up phase to commercial production and the delivery of PGE concentrate to Northam continued at regular intervals. As a development stage company, Platmin will offset revenue from mining activities against capitalised operating costs until such time as PPM is brought into commercial production. In accordance with IFRS, revenue is recognised when the transfer of the risks and rewards of ownership takes place. During the quarter under review, revenue recognised in respect of concentrate deliveries made to Northam was offset against capitalized project development costs.

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For the quarter ended November 30, 2009, development expenditure at PPM capitalized against project capital expenditure of US\$30.993 million (ZAR228.056 million) was offset by US\$16.246 million (ZAR119.545 million) of operating revenue. For the quarter ended November 30, 2008, development expenditure at PPM capitalized against project capital expenditure was US\$14.729 million (ZAR148.470 million). As PPM was still in the development phase, there was no operating revenue for the quarter ended November 30, 2008.

The Company recorded a net loss for the quarter ended November 30, 2009 of US\$2.276 million, or US\$0.01 per share, compared with a net profit of US\$6.686 million, or a profit of US\$0.06 per share, for the quarter ended November 30, 2008. The results are summarized as follows:

	For the three months ended	
	November 30, 2009 \$ 000	November 30, 2008 \$ 000
General expenses	(3,881)	(2,861)
Other income	2,254	11,123
Finance (costs) / income	(641)	(1,576)
(Loss) / profit before taxation	(2,268)	6,686
Income tax (expense)	(8)	-
(LOSS) / PROFIT FOR THE PERIOD	(2,276)	6,686

General expenses totalled US\$3.881 million for the quarter ended November 30, 2009, compared to the corresponding prior year quarter of US\$2.861 million. The increase in general operating expenses was principally the result of increased costs associated with ramping-up operations at PPM which were not capitalized against project costs, plus other corporate overheads.

Other income includes foreign exchange gains of US\$2.317 million for the quarter ended November 30, 2009, compared to foreign exchange gains of US\$11.207 million for the quarter ended November 30, 2008. The net decrease in foreign exchange gains was due to the strengthening of the South African Rand against other foreign currencies and the resultant differences in the closing and average exchange rates quarter on quarter. For the quarter under review, the South African Rand exchange rate to the US Dollar moved within a range of ZAR7.86 and ZAR7.21 to US\$1.00 compared to a range of ZAR7.70 and ZAR11.43 to US\$1.00 for the quarter ended November 30, 2008.

Finance costs of US\$0.641 million were recorded in the quarter ended November 30, 2009, compared to US\$1.576 million in the quarter ended November 30, 2008. The net decrease in finance costs is due to the bridge loan facility being repaid on August 31, 2009.

A total of US\$0.592 million of deferred exploration expenditure was capitalized in the quarter ended November 30, 2009 compared with US\$1.580 million in the quarter ended November 30, 2008. This decrease in costs is due to reduced activities on all projects in the short term, whilst PPM ramps up to commercial production.

6. Liquidity and Capital Resources

The Company had cash and cash equivalents of US\$42.160 million at November 30, 2009, as compared with US\$10.617 million at November 30, 2008. The net increase in cash and cash equivalents is primarily due to the additional cash raised and revenue from the sale of metals

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produced, offset by the settlement of the bridging finance facility, costs associated with plant capital expenditure and pre-production costs incurred during the ramp-up of operations at PPM.

The Company finances its exploration and development activities by raising capital from equity markets or debt funding and through contributions by joint venture partners. Funding requirements for the Company's projects have historically been satisfied through the advance of shareholders' loans, by Platmin and Boynton Investments (Pty) Ltd ("Boynton") or subscription for shares (rights issues to shareholders of Boynton). The shareholders' agreements or joint venture agreements of Platmin's subsidiaries also generally make provision for the board of directors of each relevant company to seek finance on behalf of each company, although this has not been utilized to date. The expenditure for future exploration and development projects may require that the Company raise additional funds.

The Company's principal subsidiary, Boynton, operates in South Africa and as a result is subject to the South African Reserve Bank ("SARB") exchange control regulations. Shareholder loans from Platmin to Boynton, amounted to US\$427.011 million (which includes capitalised interest of US\$16.478 million) at November 30, 2009. Any repayment of foreign currency loans by a South African company to an offshore company, are subject to prior approval by the SARB.

Bridging finance facility

A bridge loan facility for PPM of US\$35 million (ZAR350 million) was concluded with Standard Bank in May 2008. The bridge loan facility was used to fund a portion of the costs associated with the development and construction of PPM. The term of the bridge loan facility was initially to August 31, 2008 but subsequently extended to August 31, 2009. At the outset, the facility incurred interest at the Johannesburg Interbank Lending Rate ("JIBAR") plus 3.0%. From March 1, 2009 to August 31, 2009, Platmin provided cash collateral to Standard Bank of US\$49.870 million (ZAR387.800million) as security against the loan. This resulted in a reduction in the interest rate to JIBAR plus 0.5%. The Company earned interest at JIBAR plus 0.1% on cash collateral, bringing the net finance cost on the loan to 0.4%. At the financial quarter ended August 31, 2009 the outstanding balance on the bridge loan facility was US\$51.987 million (ZAR404.354 million) but has subsequently been repaid in full on September 3, 2009.

In relation to the original bridge loan facility, the Company issued 300,000 warrants at \$6.95 per common share, exercisable from September 15, 2008 until expiry on May 14, 2011. The Company has classified this facility as held to maturity, and the fair value of the warrants of US\$0.846 million has been treated as a cost of the loan transaction. In the year ended February 28, 2009, the fair value of these warrants was fully amortized to net income over the original loan term of 6 (six) months, using the effective interest method.

Project debt finance funding

In August 2008, Standard Bank and Standard Chartered Bank Plc were appointed as mandated lead arrangers to arrange and underwrite a long term project debt finance facility of up to US\$200 million. The funding was intended to be used for the further development of PPM. However, as both the credit and PGE commodity prices deteriorated in 2008, it became clear that such a facility would not be available on the terms envisaged. This mandate expired on June 30, 2009.

New equity raisings

The Company completed no new equity raisings in the quarter ending November 30, 2009. However, on May 15, 2009, Platmin engaged GMP to conduct a brokered private placement of common shares of Platmin. In terms of the placement, 75,015,552 common shares were issued for a gross consideration of £39.008 million or £37.277 million (US\$59.355 million) net of brokerage and legal fees. These funds are to be used for additional working capital facilities and general funding requirements. Following the completion of the private placement Platmin had 445,018,352 issued and outstanding common shares.

As at November 30, 2009, the Company had 445,018,352 common shares in issue compared to 111,586,762 common shares in issue as at November 30, 2008.

7. Results of Operations by Project

In the quarter ended November 30, 2009, the Company spent US\$30.993 million (ZAR228.056 million) on development expenditure and US\$0.592 million (ZAR4.434 million) on exploration expenditure. All development expenditure was spent on PPM and was capitalized as project costs. Amounts spent on exploration were capitalized with exploration expenditure on the various key projects as follows: 22% was spent on the Mphahlele Project, 62% was spent on the Grootboom Project; 12% was spent on the Pilaesberg Project and 4% spent on other projects. A summary of the expenditures by project along with the current proposed programs is set forth below.

7.1 Pilaesberg Platinum Mine

The Company has developed the Pilaesberg Project into the PPM, which constitutes an open-cast mining operation and a processing plant, producing a PGE concentrate for sale to Northam, a third party smelting and refining operation.

Due to the close proximity of the 'PGE-bearing' Merensky and UG2 reef horizons in this part of the Bushveld complex, these two ore bodies are exploited in one open-cast mining operation at PPM. Other economically viable reefs, commonly known as the Pseudo reefs, are also present between the two aforementioned reef horizons and will be extracted along with the Merensky reef as an overall Silicate Package. The Silicate Package is processed in the Merensky circuit and the UG2 reef horizon is processed in the UG2 circuit. Both concentrates are blended and forwarded to Northam's smelter in South Africa, for further processing into final metals under the current Concentrate Agreement entered into on June 30, 2008 with Northam.

In March 2008, the removal of overburden and waste rock materials from the open pit commenced. This was followed in December 2008 with the start-up of reef mining. The mine is still in the ramp-up phase, building up to reach the planned steady state extraction rates of over 400,000 total tonnes per month or over 5 million total tonnes per annum of reef. These targets are expected to be reached by December 2010. A Reverse Circulation ("RC") grade control drilling program at 10 meter centers was put in place on the initial mining blocks of the Tuschenkomst pit and is maintained a minimum of three months ahead of reef mining. Mine planning continues to take place at PPM to continuously update the mine scheduling on a short-term and long-term basis. The stock-piling of PGE-bearing ore ahead of the processing plant commenced in December 2008 with milling operations commencing in March 2009. The delivery of the first concentrate to Northam took place on April 1, 2009.

During the quarter under review, a total of 3.340 million cubic meters of top-soil and waste material was removed from the pit, and a total of 680,261 ROM tonnes of reef mining took place. The extraction of reef ore during the quarter was from the oxidised layer where metallurgical recoveries are traditionally lower. As at November 30, 2009 the total stock pile of 784,945 ROM tonnes consisted of 57,570 ROM

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tonnes of Merensky and UG2 ore and 727,375 ROM tonnes of low grade, Dense Media Separation ("DMS") ore.

The total project development expenditures for the quarter ended November 30, 2009 of US\$30.993 million (ZAR228.056 million) has been capitalized. Total capitalized project development expenditure to date now stands at US\$379.887 million (ZAR2.834 billion).

In July 2007, a Bankable Feasibility Study ("BFS") was completed and the total estimated value of plant capital expenditure was ZAR1.670 billion. At the time of the study, this translated to US\$231.940 million at an estimated exchange rate of ZAR7.20 to US\$1.00. In November 2007, PPM entered into an agreement with engineering firm Dowding, Reynard and Associates Engineering (Pty) Limited ("DRA") to implement the overall design and construction phase at PPM, including the processing plant. The processing plant was designed based on two separate processing circuits to crush, mill and float the ore from the UG2 and Merensky reefs as two separate streams. In addition, the Merensky reef circuit includes a DMS circuit to upgrade low grade ore. The overall design of the processing plant was based on processing in excess of 5 million tonnes per annum of reef ore, including low grade DMS material, milling in excess of 3.4 million tonnes per annum of upgraded ore and producing 250,000 ounces of 3PGE+Au on an annualized basis. The operation of the processing plant has been sub-contracted to Minopex (Pty) Ltd, a division of DRA.

As part of the construction of PPM, a commitment was secured from ESKOM for the supply of the 37MVA of new power by mid 2009 that is required for the full operation of the processing plant. The first phase of the implementation plan was completed by ESKOM in March 2009, with the installation of 14MVA of new power supply for the operation of the UG2 circuit of the plant. Installation of the remaining 23MVA of installed power was completed on June 7, 2009 allowing for the commencement of the commissioning phase of the Merensky Reef circuit.

In addition to the regular power supply from ESKOM, the construction of a complete 10MVA standby diesel generator power plant ("power plant") at a cost of US\$19.617 million (ZAR144.350 million), has been completed at PPM. This facility is capable of providing sufficient power to run the UG2 section of the processing plant on an ongoing basis in the event that ESKOM is unable to provide constant power to the mine over an extended period of time, it is also able to provide sufficient additional power if ESKOM reduce the contracted power supply to the mine by up to 10MVA. This 10 MVA power plant was commissioned on December 2, 2009.

Construction of the processing plant commenced in October 2007 and was completed during the first quarter of the current financial year. In March 2009, the processing of material through the UG2 circuit commenced, signalling the commencement of the plant operation to produce a metal in concentrate ready for smelting, refining and sale under the Concentrate Agreement to Northam. In June 2009, following the installation by ESKOM of the additional 22MVA of power, the processing of material through the Merensky circuit commenced. Final commissioning will take place subsequent to quarter end.

For the quarter ended November 30, 2009, the Company dispatched and sold 13,406 PGE ounces and subsequently recognised revenue to the value of US\$16.246 million (ZAR119.545 million). Taking into account the 8,782 PGE ounces dispatched and sold during the previous quarter, brings the total revenue recognised for the year, in respect of concentrate deliveries made to Northam, to US\$27.842 million (ZAR204.867 million). As a development stage company, these receipts are offset against the capitalized project costs until such time that commercial production is reached.

As at the quarter ended November 30, 2009, total plant capital expenditure at PPM amounted to US\$263.240 million (ZAR1.937 billion) compared to US\$186.423 million (ZAR1.450 billion) at the financial year ended February 28, 2009. As at November 30, 2009, the total outstanding plant capital expenditure to completion of the construction phase was US\$18.171 million (ZAR133.704 million)

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which will bring the total projected plant capital expenditure to US\$281.411 million (ZAR2.071 billion). This amount is higher than the original amount per the BFS of ZAR1.670 billion, which equated to US\$231.940 million based on an exchange rate of ZAR7.20 to US\$1.00 at the time of the study, due to changes in scope, particularly the inclusion of a 10MVA power plant, cost increases experienced in general terms by the global mining industry over the past two years and variances in foreign exchange rates.

As at November 30, 2009, the total project capital expenditure, for the development of PPM, including plant capital expenditure, capitalised pre-production costs and offsetting revenue from metal sales during the pre-production phase, amounted to US\$379.887 million (ZAR2.795 billion). Outstanding plant capital expenditure to completion of the construction phase of US\$18.171 million (ZAR133.704 million) will bring the total capital expenditure to US\$398.058 million (ZAR2.929 billion). During the quarter under review, the ramp-up of mining operations to commercial production continued with associated costs, net of revenue, capitalized as part of the total project capital expenditure. Platmin currently expects to achieve an annualized production rate of 160,000 ounces of 3PGE+Au at PPM for the 12 month period ending December 31, 2010 and a ramp-up to the steady state production at PPM forecast in the BFS of 250,000 ounces 3PGE + Au annualized by early calendar 2011

Platmin plans to conduct further exploration in the vicinity of PPM with the view to increasing its mineral resource base in the Pilanesberg area. The total exploration expenditure for the quarter ended November 30, 2009 was US\$0.592 million. Total exploration expenditure since the inception of the Pilanesberg Project of US\$15.104 million (ZAR111.137 million), has been capitalized.

7.2 Mphahlele Project

In the quarter ended November 30, 2009, a total of US\$0.129 million was spent on the Mphahlele project bringing the cumulative expenditure to date on the project by the Company to US\$12.025 million (ZAR88.486 million), excluding acquisition costs. In accordance with the Group's accounting policies, these costs are capitalised as part of "Exploration and evaluation assets".

During the quarter under review, the Company continued with the Definitive Feasibility Study ("DFS") on the Mphahlele project.

Work program

In light of the fact that the board have decided to focus cash resources and management on bringing PPM into full production, this project has been put on a reduced work program for the short term. The reduced primary expenditure at Mphahlele during the 2010 fiscal year is expected to be limited to activities related to the DFS including metallurgical test work, and revision of resource models to include mining dilution (various scenarios), mining design, geotechnical investigations and the environmental impact assessment/management program.

The Social and Labour Plan, which is a program covering the social and economic development plan for the communities affected by the operations, was completed during August 2008 and was submitted in September 2008 to the Department of Mineral Resources ("DMR"), as required for the approval of the mining right. The DMR subsequently approved the plan.

7.3 Grootboom Project

In the quarter ended November 30, 2009, the Company spent US\$0.367 million on Grootboom and Annex Grootboom (upon which Platmin has an option to acquire the PGE rights on completion of a DFS), bringing the cumulative expenditure to date on the project to US\$7.998 million (ZAR58.855 million). In accordance with the Group's accounting policies, these costs are capitalised as part of "Exploration and evaluation assets".

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The project advanced to the DFS stage during the quarter under review. The DFS is expected to be completed in the third quarter of fiscal 2010.

Work program

In light of the fact that the board have decided to focus cash resources and management on bringing PPM into full production, this project has been put on a reduced work program for the short term. The reduced primary expenditure at Grootboom during the 2010 fiscal year is expected to be limited to activities related to the DFS including metallurgical test work, and the revision of resource models to include mining dilution (various scenarios), mining design, geotechnical investigations and the environmental impact assessment/management program.

7.4 Loskop Project

Lonmin Plc is the operator of the Loskop Project and funds all exploration expenditures on the project (except for a portion of Rietfontein as mentioned below), as part of their option to acquire 50% in the joint venture. As a result thereof, limited expenditure has been incurred by Platmin.

No expenses were incurred by Platmin on the Loskop Project during the quarter ended November 30, 2009. Total cumulative exploration expenditure on this project since inception is US\$0.705 million (ZAR5.188 million). In accordance with the Group's accounting policies, these costs are capitalised as part of "Exploration and evaluation assets".

Work program

Lonmin Plc announced in a press release on November 18, 2008 that their management has decided, given their focus on cash management and the current state of the worldwide credit markets, to put a number of their projects, including Loskop, on a reduced work program for the short term. This is likely to affect the work program at Loskop in the 2010 financial year.

Although work has continued during the year in order to assist in increasing our understanding of the Loskop mineralization, the mineral resources were not revised during the nine month period ended November 30, 2009.

8. Contractual Obligations

The Company's contractual obligations are as follows:

Contractual obligations	Payments due by period as at November 30, 2009					
	US\$'000	Total	< 1 year *	1-3 years	4-5 years	After 5 years
Employee entitlements		369	369	-	-	-
Operating lease		437	14	423	-	-
Committed Capital Cost ⁽¹⁾		18,171	5,199	12,972	-	-
Asset Retirement Obligation ⁽²⁾		45,612	-	-	-	45,612
Mining and Processing costs ⁽³⁾		496,675	8,236	290,768	197,671	-
Total Contractual Obligations		561,264	13,818	304,163	197,671	45,612

(1) The Committed Capital Cost includes outstanding amounts in respect of plant capital expenditure to the completion of the plant construction project.

(2) This amount represents the gross asset retirement obligation while the amount disclosed in note 15 of the condensed consolidated interim financial statements represents the discounted value.

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- (3) Committed mining expenses include the remaining value of the agreement with engineering firm DRA to implement the design and construction phase of PPM, the contracts with Minopex for managing the plant operations and maintenance of the Merensky and UG2 metallurgical concentrator plants, and MCC for carrying out the opencast mining operations.

9. Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

10. Related Party Transactions

There were no reportable related party transactions during the quarter ending November 30, 2009.

11. Proposed Transactions

The Company continues to evaluate opportunities in the market with a view to expand the current business. At the current time there are no reportable proposed transactions.

12. Black Economic Empowerment ("BEE")

Platmin has achieved the minimum 26% BEE ownership interest (required by April 30, 2014 onward) for its operating subsidiary in South Africa, Boynton, through the ownership of shares by Moepe Platinum (Proprietary) Limited, Moepe Uranium (Proprietary) Limited and Sengani Family Mining and Exploration (Proprietary) Limited (collectively, the "Moepe Group"). The Moepe Group collectively holds approximately 27.61% of the issued and outstanding shares of Platmin's operating subsidiary Boynton.

Pursuant to the investors and subscription agreement entered into in December 2008 with, among others, Ivy Lane Capital Limited, being the Pallinghurst Investor Consortium's investment vehicle ("Pallinghurst") and the Bakgatla-Ba-Kgafela Tribe ("Bakgatla") and Bakgatla Pallinghurst JV (Proprietary) Limited ("BPJV"), the Moepe Group will by March 31, 2010, and subject to certain conditions, exchange its 27.61% interest in Boynton for common shares of Platmin ("The Moepe Exchange"). The maximum number of shares to be issued is capped at 27.61% of the then issued and outstanding Platmin shares, which would be approximately 169,700,000 common shares. The final determination of the number of shares to be issued, will be made at the conversion date based on the input factors relevant to the calculation. This amount is expected to be lower than the aforementioned maximum number of shares, due to the dilutive effect of subsequent equity placements. The Moepe Exchange is conditional upon, among other things, the approval of the TSX, the SARB and the DMR, which approvals are expected to take up to one year to obtain.

Platmin has funded a total of US\$17.226 million on behalf of its BEE partners for exploration activities, by way of loan account to date. All such amounts remain outstanding on inter-company loan accounts.

13. Environmental Matters

The Company conducts exploration on its key projects and prospects subject to mineral exploration permit applications made to and issued by the DMR. For each exploration program, a rehabilitation plan is included with the application and where required the appropriate bond or funds are lodged with the relevant agent of the DMR in respect of the rehabilitation work which may have to be carried out when the exploration program is completed and no further work is planned on the property. All such environmental plans or bonds are in the normal course of the business.

In respect of PPM, the DMR required a rehabilitation guarantee of US\$7.027 million before approving the application for a Mining Right. This guarantee has been provided by Guardrisk Insurance Company Limited ("Guardrisk") on an insurance basis, with an amount of US\$1.835 million (ZAR13.500 million) paid over into a separate PPM bank account and ceded in favour of Guardrisk as collateral against the

issuance of this guarantee. Ongoing contributions are made by PPM to fund the balance of the liability over the remaining life of mine. Further guarantees to the amount of US\$14.268 million (ZAR104.987 million) have been provided to ESKOM on the same basis.

In respect of the Mphahlele Project, the DMR required a rehabilitation guarantee of US\$2.135 million (ZAR16.609 million) before the issuing of the Mining Right. This guarantee has been provided by Guardrisk on an insurance basis, with an amount of US\$1.576 million (ZAR11.600 million) paid over into a separate Boynton bank account and ceded in favour of Guardrisk as collateral against the issuance of this guarantee. Ongoing contributions are made by Boynton to fund the balance of the liability over the remaining life of the prospecting permit.

In respect of the Grootboom project, negotiations with the DMR are currently in progress to determine the amount of the rehabilitation guarantee required by the DMR before it issues the Mining Right.

Environmental guarantees are released by the DMR on completion of the obligations in terms of the rehabilitation plans contained within either the application for the prospecting permits, or the mining right.

14. Mineral and Petroleum Resources Royalty Act, 2008 (Act no. 28 of 2008)

The South African government has enacted the Mineral and Petroleum Resources Royalty Act (the "Royalty Act"), which imposes a royalty payable to the South African government by businesses based upon financial profits made through the transfer of mineral resources.

The legislation was passed on November 17, 2008 and was due to come into operation on May 1, 2009. During his budget speech in February 2009, the South African Minister of Finance deferred the implementation of the Royalty Act to March 1, 2010. In terms of the legislation resulting from the Royalty Act, a royalty will be levied for the benefit of the National Revenue Fund of the government of the Republic of South Africa. The amount levied will be based on a percentage calculated by means of a formula, up to a maximum of 5% on gross sales of refined mineral resources or 7% on gross sales of unrefined mineral resources.

15. Critical Accounting Estimates

The Company's significant accounting principles and methods of application are disclosed in the notes of the Company's consolidated financial statements for the year ended February 28, 2009. The following is a discussion of the critical accounting policies and estimates which management believes are important for an understanding of the Company's financial results.

"Stock Based Compensation": The Company recognizes compensation expense when stock options are granted. The fair value of options granted has been estimated at the date of grant using the Black Scholes option pricing model.

For purposes of disclosure, the estimated fair value of the options is expensed over the options' vesting periods. The full impact of the expense relating to all stock options granted to employees has been included in the consolidated statement of operations, deficit and comprehensive loss, for the years ended February 28, 2009 and February 29, 2008.

"Asset Retirement Obligations": Future costs to retire an asset including dismantling, remediation and ongoing treatment and monitoring of the site are recognised and recorded as a liability at fair value. The liability is accreted over time through periodic charges to earnings. The fair value of the costs is capitalised as part of the assets' carrying value and amortized over the assets' useful lives.

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“Exploration and development costs”: The costs relating to the acquisition, exploration and development of mineral properties, less recoveries, are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related project are reclassified as mining assets and amortized on a unit of production method. If it is determined that capitalized acquisition, exploration and development costs are not recoverable over the estimated life of the property, or the project is sold or abandoned, the project is written down to its net realizable value.

The recoverability of amounts recorded for exploration and development costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development, and future profitable production or proceeds from the disposition thereof. The amounts shown as exploration and development costs do not necessarily represent present or future values.

International Financial Reporting Standards (“IFRS”)

Transition to International Financial Reporting Standards from Canadian GAAP

The Canadian Accounting Standards Board (“AcSB”) confirmed in February 2008 that IFRS will replace Canadian GAAP for publicly accountable enterprises for financial periods beginning on and after January 1, 2011, with the option available to early adopt IFRS from periods beginning on or after January 1, 2009 upon receipt of approval from the Canadian Securities regulatory authorities.

On July 9, 2009, the Company received an exemption order (the “exemption order”) from the applicable Canadian Securities Administrators under National Instrument 52-107, *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (“NI 52-107”) to early adopt IFRS starting on or after March 1, 2009. Under the exemption order, the Company re-filed its MD&A for the financial year ended February 28, 2009.

The Company’s transition date for converting to IFRS is March 1, 2008 and comparative periods for fiscal 2009 were restated under IFRS. The following discussion provides further information about the Company’s IFRS convergence activities.

First-time adoption of IFRS

IFRS 1, *First-time Adoption of International Financial Reporting Standards* (“IFRS 1”) sets forth guidance for the initial adoption of IFRS. Commencing for the period ended November 30, 2009 the Company will restate its comparative 2009 financial statements for annual and interim periods to be in accordance with IFRS. In addition, the Company will reconcile equity and net earnings from the previously reported fiscal 2009 Canadian GAAP amounts to the restated 2009 IFRS amounts.

IFRS 1 generally requires that first-time adopters retrospectively apply all IFRS standards and interpretations in effect at March 31, 2009. IFRS 1 also provides for certain optional exemptions and certain mandatory exceptions to this general principle.

The Group elected to apply the following IFRS 1 optional exemptions:

- Apply the requirements of IFRS 3, *Business Combinations*, prospectively from the transition date of March 1, 2008 and as a result has not restated business combinations that took place prior to the March 1, 2008 transition date;
- The cumulative translation differences for all foreign operations are deemed to be zero at the transition date of March 1, 2008;
- Borrowing costs will be capitalised for assets for which the commencement date for capitalization is after January 1, 2009.

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Changes to estimates previously made are not permitted. The estimates previously made by the Company under Canadian GAAP will not be revised for the application of IFRS except where necessary to reflect any changes resulting from differences in accounting policies.

Impact on adoption of IFRS on financial reporting

The conversion to IFRS will result in differences in recognition, measurement, and disclosure of balances and transactions in the financial statements. For the Company, the accounting policies and financial statement accounts identified as being significantly affected by the adoption of IFRS are discussed below:

i. Basis of consolidation

The company has adopted IAS 27(R) *Consolidated and Separate Financial Statements (Revised)* in accordance with the transitional provisions of IFRS 1.

As a result, for the financial year ended February 28, 2009, shareholders equity will remain unchanged however, US\$16,617,981 will be re-allocated from accumulated deficit to non-controlling shareholder's interest in order to comply with the disclosure requirements in IAS 27(R).

ii. Functional currency and foreign operations

IFRS requires that the functional currency of each entity in the consolidated Group be determined separately in accordance with the indicators as per IAS 21 and should be measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group's functional currency is the South African rand ("ZAR"). The consolidated financial statements are presented in United States dollars ("USD") which is the Group's presentation currency.

Under IFRS, the results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognized as a separate component of equity.

As a result of the application of the translation rules contained in IAS 21, for the year ended February 28, 2009, non-monetary assets, which includes property, plant and equipment, mineral rights, exploration and evaluation assets and mineral properties, will decrease by US\$41,023,552 with a corresponding adjustment to the foreign currency translation reserve.

iii. Impairment of assets

Under Canadian GAAP, for assets other than financial assets, a write-down to estimated fair value is recognized if the estimated undiscounted future cash flows from an asset or group of assets are less than their carrying value.

IAS 36, *Impairment of Assets*, requires a write-down to be recognized if the recoverable amount, determined as the higher of the estimated fair value less costs to sell or value in use (uses discounted cash-flows) is less than carrying value.

The Company performed impairment assessments as of the transition date to determine whether an impairment charge would be recognized under IFRS on the transition date and has concluded that there is no impairment charge under IFRS as of the transition date and February 28, 2009.

iv. Share-based payment transactions (IFRS 2)

The fair value of share options under the employee share incentive schemes and other equity instruments granted to Group employees is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and expensed over the period during which the employee becomes unconditionally entitled to the equity instruments. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest.

The fair value of the instruments granted is measured using the Black-Scholes option pricing formula, taking into account the terms and conditions upon which the instruments are granted. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

This accounting policy has been applied to all equity instruments granted after November 7, 2002 that has not yet vested at January 1, 2005.

As under IFRS 2, Canadian GAAP also requires the Company to measure stock-based compensation related to stock-options granted to employees at the fair value of the options on the date of grant and to recognize such expense over the vesting period of the option.

v. Decommissioning and rehabilitation provision

Under Canadian GAAP, asset retirement obligations are measured at fair value, incorporating market assumptions and discount rates based on the entity's credit-adjusted risk-free rate. Adjustments are made to asset retirement obligations for changes in the timing or amount of the cash flows and the unwinding of the discount. However, changes in discount rates alone do not result in a re-measurement of the provision. Changes in estimates that decrease the liability are discounted using the discount rate applied upon initial recognition of the liability while changes that increase the liability are discounted using the current discount rate.

IFRS requires decommissioning provisions to be measured based on management's best estimate of the expenditures that will be made and adjustments to the provision are made in each period for changes in the timing or amount of cash flow, changes in the discount rate, and the accretion of the liability to fair value (unwinding of the discount). Furthermore, the estimated future cash flows should be discounted using the current rates.

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As a result, for the year ended February 28, 2009, the decommissioning provision will increase by US\$775,485 with an increase of US\$894,170 to the decommissioning asset. The remaining US\$118,685 represents the accretion of the liability which decreases retained earnings.

The known impact on the consolidated balance sheet as at February 28, 2009 and the consolidated statement of operations for the year ended February 28, 2009 have been prepared using IFRS and are set out below.

	February 28, 2009 \$'000
Net loss per Canadian GAAP	11,018
- Translation differences due to the different rules for translating certain expense items	(5,736)
- Profit from transaction with minorities, under IFRS accounted for in equity	4,549
Net loss per IFRS	<u>9,831</u>
Other Comprehensive income	
- Exchange differences on translating foreign operations	(38,012)
Comprehensive loss / (profit) per IFRS	<u>(28,181)</u>

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	February 28, 2009 \$'000	March 1, 2008 \$'000
Total assets per Canadian GAAP	409,630	171,025
- Translation differences due to the different rules for translating non-monetary items	(41,023)	(3,975)
- Increase in property, plant and equipment due to the corresponding increase in the decommissioning and rehabilitation provision	894	-
Total assets per IFRS	369,501	167,050
Total liabilities per Canadian GAAP	76,462	6,010
- Increase to decommissioning and rehabilitation provision due to the difference in the discounting method	776	3
Total liabilities per IFRS	77,238	6,013
Total shareholders' equity per Canadian GAAP	333,168	165,015
- Foreign currency translation difference as a result of the translation of the opening balances from functional currency to reporting currency as at the date of transition.	-	(3,978)
- Recognition of non-controlling interest amounts previously included in accumulated deficit		
Non-controlling interest	(16,618)	82
Accumulated deficit	16,618	(82)
- Movement in foreign currency translation reserve due to differences upon translation accounted for in equity	(38,012)	-
- Foreign currency translation differences arising from the translation of transactions recorded in a different currency than the functional currency.	(2,893)	-
Total shareholders' equity per IFRS	292,263	161,037

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16. Financial Instrument and Other Instruments

The Company has the following financial instruments: cash and cash equivalents, other receivables, accounts payable, accrued liabilities and a bridge loan facility. These instruments are short-term financial instruments whose fair value approximates their carrying value given that their maturity period is short.

17. Outstanding Share Data

As at November 30, 2009, the Company had 445,018,352 issued and outstanding common shares.

As at November 30, 2009, there were 3,334,432 outstanding options exercisable for common shares and a further 1,297,301 unvested share options, which, if exercised, would result in the issue of an additional 1,297,301 common shares. The total options outstanding at November 30, 2009, totalled 4,631,733 options.

As at January 14, 2010, the Company had 445,018,352 issued and outstanding common shares.

18. Risks and Uncertainties

The Company is in the business of the exploration and development of mineral properties and the operation of mines directly or through third parties. There are numerous risks associated with this business and specific risks with regards to the South African mining environment.

Readers are urged to review the section titled "Risk Factors" appearing in Platmin's current AIF for the financial year ended February 28, 2009, which can be viewed at www.sedar.com.

19. Internal control over financial reporting

Management has evaluated or caused to be evaluated, the effectiveness of the Company's disclosure controls and procedures and the internal control over financial reporting and concluded that the Company's disclosure and internal control over financial reporting was effective as of the end of the financial quarter ended November 30, 2009. Platmin has identified no material weakness in the design of its internal controls over financial reporting. There has been no change in Platmin's internal controls over financing reporting since its year-end MD&A for the period ended February 28, 2009 or in the quarter ended November 30, 2009, that has materially affected, or is reasonably likely to materially affect, Platmin's internal controls over financial reporting.