

NiPlats Australia Limited

A New Copper Province in Australia's Kimberley? ~ OEL Initiation of Coverage

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Investment Opportunity

NiPlats Australia Limited ("NiPlats") owns the **Speewah Project** in the East Kimberley region of Western Australia covering 575km² and has completed extensive exploration on the Speewah tenements with a 20,000m drilling programme recently commenced.

By far the most exciting facet to the NiPlats story is its prospective **copper-gold exploration** in this region that has produced highly prospective results recently from surface and rock-chip samples; these have just scratched the surface of what could be a new large poly-metallic region.

- A New Copper Province?** The geological setting and model is interpreted to be of the same style and age as the Mt Isa Copper Belt (a very large epithermal system with copper in breccias and veins located along mantle tapping faults). NiPlats could be on the way to identifying a significant new base metal province in the Kimberley Region of WA.
- Initial Exploration Just the Beginning:** Initial activities to date have included ~6,000 soil samples and rock chip samples with assay results showing high grade copper, gold, silver and lead results from various locations on the Speewah tenements.
- Exceptional Grades – Just at the Surface:** The sampling programme has eclipsed expectations in terms of number and grade of discoveries, delivering:
 - Copper sample assaying **16.5% Cu**;
 - Gold sample assaying **4.9 g/t Au** with 3.4% Cu;
 - Multi-element samples assaying:
 - 8.26% Cu, 4.28g/t Au, 26 oz/t Ag**; and
 - 8.1% Cu, 5.0 g/t Au, 24 oz/t Ag**;
 - Lead sample assaying **11.1% Pb**.
- Over 20 Priority Targets Identified:** The ongoing drilling programme is focused on the priority targets with the aim of determining further follow-up and resource definition drilling programmes next year.
- Drilling Commenced:** RC and diamond drilling has commenced. A total of 15,000m RC and 5,000m diamond drilling is planned to be completed before the end of 2010.
- Funded:** NiPlats has just recently completed a placement and share purchase plan both raising A\$6.5m in total at A\$0.215/share. The funds will be used to accelerate the ongoing Cu-Au-Ag exploration programmes for targets in the northern area of the tenements.
- Next Major Discovery?** If the current drilling programmes go to plan and are successful in intersecting mineralisation anywhere close to the grades seen in some of the soil and rock chip samples to date, we believe NiPlats will have sufficient geological resources (not JORC defined) to attract significant strategic and institutional investment having confirmed a potential company making discovery.
- Vanadium Resource:** Speewah also holds a vanadium resource of 3.16 billion tonnes at 0.30% V₂O₅ (M, I & I JORC compliant) for which a scoping study has been completed with a pre-feasibility study ongoing.
- Focus for 2010 – 2011:** Exploration for copper/gold/silver; and completion of pre-feasibility studies on the vanadium project (Net Present Value > A\$500m).

News Flow and Catalysts

Drilling Results: With 20,000m of drilling authorised, there is no doubt that this programme is directed at testing the maximum number of these high grade targets as the fastest way of adding value to the company and provide significant **newsflow for the next 10-20 weeks**.

First drill assays are expected to commence mid-Oct into 1Q'11.

Risks

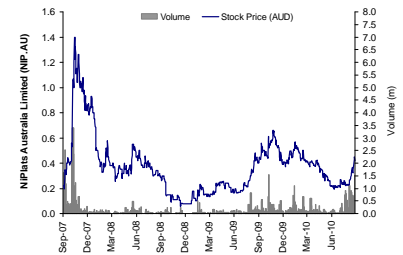
The standard exploration risk applies to NiPlats – exploration spend is no guarantee of success.

OCEAN EQUITIES

Cu-Au / V - AUSTRALIA

16th September 2010

Market Cap	A\$46.6m
Listing:Ticker	ASX: NIP
Share Price	A\$0.41
Shares o/s	113.66m
52 week High/Low	A\$0.685 / 0.195
Net Cash/(Debt)	~A\$6m



Rock sample from Gray's Vein – 8.26% Cu; 4.28g/t Au; 25oz/t Ag (Source: NiPlats)

26oz/t Ag_{Cu} = Prospect
 PGE+Au ASX:NIP
NiPlats Kimberley's WA
 Copper-Gold
 Vanadium - Aus' Largest Deposit Speewah Dome
 V = Project Large Epithermal System 11.1% Pb
 New Base Metals Province 5.0g/t Au
 Fluorite 16.5% Cu

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Disclosures & Disclaimer

Ocean Equities acted in seeking investment business from NiPlats Australia Limited.

This report must be read with the disclaimer and disclosures on the final page that forms part of this report.

Ocean Equities Limited. Authorised and Regulated by the Financial Services Authority. Member of the London Stock Exchange.

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APPENDIX: Vanadium & Fluorite Projects

NiPlats Australia Limited – Company Overview

- **NiPlats Australia Limited (NIP.AU)** owns the **Speewah Project** in the East Kimberly region of Western Australia covering 575km² (Exhibit 2).
- NiPlats listed on the **ASX in September 2007** and has completed expensive exploration on the Speewah tenements initially focussing on fluorite and vanadium targets (with some promising results) but is now prioritising its highly prospective copper-gold targets.
- NiPlats is **funded** to complete its ongoing drilling programme with **~A\$6m in its cash balance**.
- The **main focus** of the programme is the prospective **copper-gold** exploration for which 15,000 RC drilling and 5,000m diamond drilling is planned for the 2010 exploration programme.
- NiPlats has identified over **20 priority targets** for **Cu-Au-Ag-Pb mineralisation**.
- The Speewah Project also hosts **Australia's largest vanadium resource of 3.16 billion tonnes at 0.30% V₂O₅** for which a scoping study has been completed with a pre-feasibility study ongoing. The Company is now looking to JV or sell this project.
- **No institutions** are present on NiPlats' shareholder register and Non-Executive Chairman, Anthony Barton, has recently bought 2.65m shares (or 2.3% of the Company) since the 9th Aug'10, including 750,000 shares at A\$0.40/share on the 15th Sept'10.
- **Cape Lambert Resources** secured its interest in NiPlats via its acquisition of CopperCo. On the 15th Sept'10 Cape Lambert disposed of 10m shares, retaining 22.5m shares or 19.8% of NiPlats. **Cape Lambert has reserved the right to further reduce its stake in the coming months at prices which will not be less than A\$0.40 per share.**

Directors & Management

Anthony Barton - Non Executive Chairman

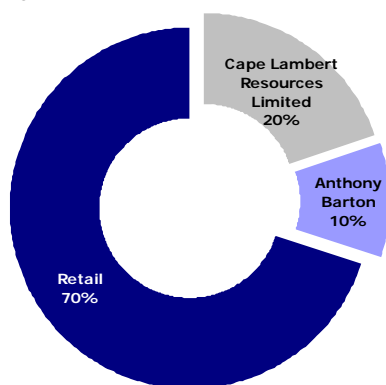
Derek Carew-Hopkins - Non Executive Director

Richard Wolanski - Executive Director and Company Secretary

Ken Rogers – Chief Geologist

Exhibit 1: Current Shareholders

As at 16th Sept'10



Source: NiPlats

Share Structure

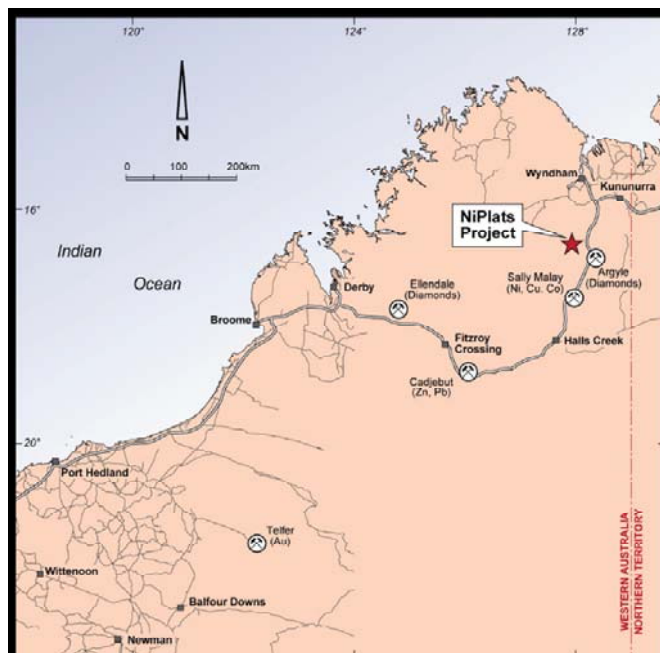
Issued: 113,659,397

Options: 8,500,000 (A\$0.20-.55 - Expiring 30 Jun'12 – 31 Dec'14)

Fully Diluted: 122,159,397

Cash: ~A\$6,000,000

Exhibit 2: Location of NiPlats' Speewah Project



Source: NiPlats; Ocean Equities

Company Strategy – Copper-Gold in Focus

The focus of the Company is clear: **copper-gold exploration** in the under-explored Kimberley region of Western Australia. Although NiPlats also holds a significant and large vanadium resource within its Speewah tenements that is currently undergoing a pre-feasibility study, the aim of the Company is for a sale or JV of the vanadium project and as such NiPlats' allocation of capital to the vanadium project is not significant.

The key value driver for shareholders and potential investors lies within the prospectivity of the copper-gold exploration at Speewah and divestment of the vanadium project.

A New Base Metals Province?

NiPlats' licence area in the far north of Western Australia supports a variety of mineralisation, as shown through the Company's recent exploration results and other exploration success in the nearby areas as well as the establishment of large scale mining operations in the Kimberley such as Rio Tinto's Argyle diamond mine (~35km WNW from Speewah) and Panoramic Resource's Savannah nickel sulphide mine (previously known as Sally Malay, ~80km N from Speewah). Refer to "Detailed Geology – The Speewah Dome" on page 11 for a more detailed outline of the Speewah Dome geology.

Cu-Au-Ag Targets to Drill: Three diamond holes drilled in Nov'09 confirmed multiple intersections of visible copper sulphides (chalcopyrite) in various settings. Since then, NiPlats' prime focus in its 2010 exploration programme has been to define more of an understanding of the Cu-Au-Ag and associated mineralisation in the region.

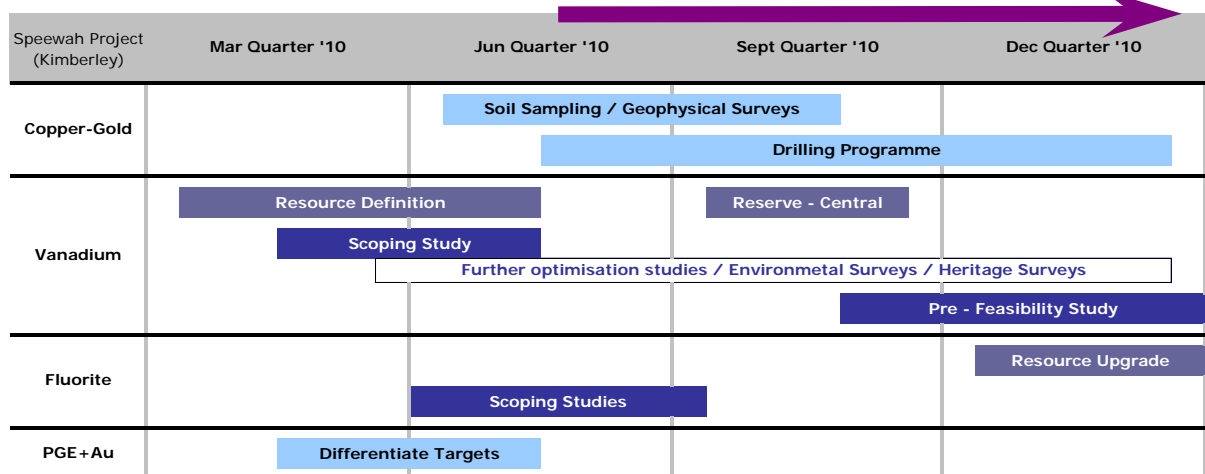
NiPlats has recently (9th Sept'10) expanded the Speewah tenement holding to the north with an Exploration Licence Application ("ELA") for 102km² that will allow more of the Pentecost Fault Zone target to be explored. Geophysical surveys have also commenced aimed at covering sites of known mineralisation associated with major structures and to extend and infill a regional gravity grid that was first surveyed in 2009. A further extension of 2010 exploration programme is planned to include an Induced Polarisation ("IP") survey and a Sub-Audio Magnetics ("SAM") survey.

These geophysical surveys will assist in the understanding of the whole Speewah Dome while RC and diamond drilling that has commenced will provide an understanding of the mineralisation controls of the Cu-Au-Ag targets.

Vanadium Feasibility Study: The focus of the last 12 months exploration activities has been to provide RC and diamond core drilling data for a Pre-Feasibility Study ("PFS") with the ultimate goal of providing a viable vanadiferous magnetite project at Speewah. The purpose of the study is to prepare the project for sale or joint venture and there have recently been a number of significant financial and strategic investments in the Australian vanadium sector. The initial conceptual NPV released in Jul'10 by NiPlats exceeds A\$500 million.

Fluorite Resource: The current 2010 drilling programme for Cu-Au also includes assaying of fluorite on the targets over the fluorite deposit which will generate a further fluorspar resource upgrade (targeting 10-15mt), and will be followed by an update of previous pit optimisation studies for potential open cut and underground mining operation, with opportunity for infrastructure sharing with either a Cu-Au or V project.

Exhibit 3: NiPlats Work Programmes for 2010 by Project



Source: NiPlats; Ocean Equities

Regional Context – The Speewah Dome

The **Speewah Dome** is interpreted to be a large epithermal system with an already defined vanadium deposit (associated with magnetite bearing gabbros), a fluorite deposit and ground in the northern parts of the tenements are considered **very prospective for copper, gold, silver** and lead as well as platinum group elements.

Location – the far north of Western Australia

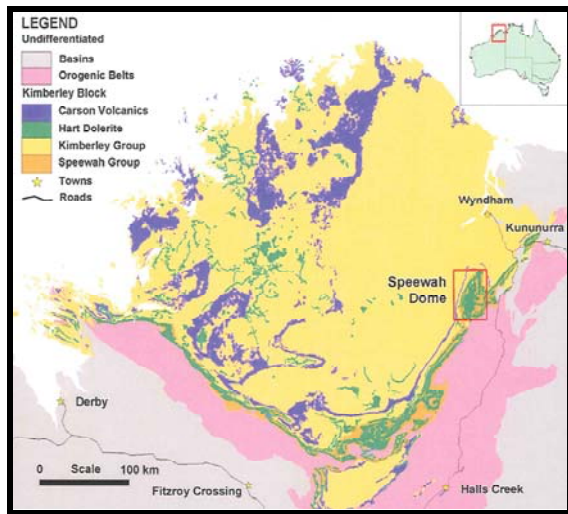
The NiPlats Speewah Project tenements are located ~110km southwest of Kununurra and 100km south of the port of Wyndham in the Kimberley Region (“Kimberley’s”) of Western Australia (Exhibit 2). The tenements are accessed via 45km of unsealed tracks from the sealed Great Northern Highway. Rio Tinto’s Argyle diamond mine (~35km WNW from Speewah) which recently received approval for US\$863m to make the transition from open pit to underground mining is evidence of access to infrastructure for long term mining operations. With 70% of Argyle’s workforce living locally there is significant infrastructure in the region.

The Kimberley’s are characterised by a semi-arid to monsoonal climate regime. A distinct wet season is experienced from November to April each year. As such, drilling operates during dry weather between May and October, providing a limited resource definition window; however, earlier-stage exploration work such as soil sampling is able to be conducted throughout the year.

NiPlats’ tenements cover a total of 575km² with the Company recently having secured 102km² (9th Sept’10) of this in the northern part of the tenements which hosts an extension of the priority Cu-Au-Ag target, the Pentecost Fault Zone. The tenements cover a huge area with much of the northern parts untouched by exploration. The delineated vanadium resource and fluorite resource are situated in the southern portion of the tenements.

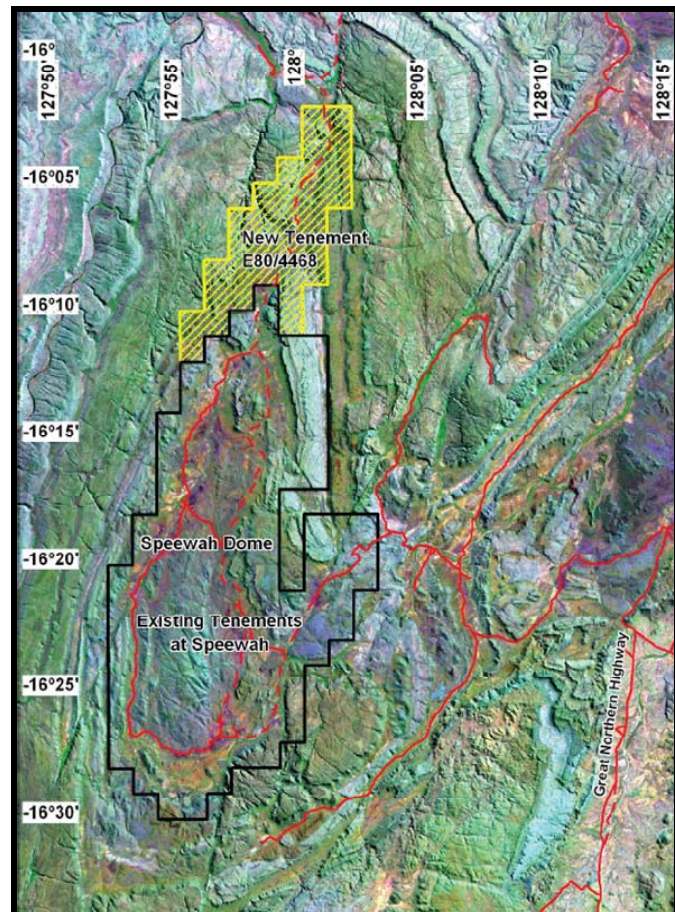
The Speewah Dome is encompassed within the NiPlats tenements. Extensive geological studies and interpretation of the structure have been undertaken by NiPlats since 2002. The Speewah Dome gabbro was discovered under thin soil cover in 2006 and is interpreted to be a similar geological setting to layered mafic intrusions, the most notable being the commercially important Bushveld Complex in South Africa.

Exhibit 4: Speewah Dome – Regional Geology



Source: NiPlats; Ocean Equities

Exhibit 5: NiPlats’ Speewah Project Tenements – With the new ELA which now expands the land holding to 575km²



Source: NiPlats; Ocean Equities

The Project: Copper-Gold-Base Metals

By far the most exciting facet to the NiPlats story is its prospective copper-gold exploration that has produced highly prospective results recently from surface and rock-chip samples; these have just scratched the surface of what **could be a large poly-metallic region**. Three diamond holes drilled in Nov'09 showed multiple intersections of visible copper sulphides (chalcopyrite) in various settings.

Just scratched the surface

Commencing with the building of access tracks to the crustal deep fault structures in the northern part of the tenements in May 2010, NiPlats has commenced a systematic exploration programme focussed on Cu-Au-Ag prospectivity. Initial activities to date have included ~6,000 soil samples (on a 200m by 50m area) and have focussed along major structured corridors which are known to host poorly outcropping altered gabbros and scattered outcrops of epithermal-textured quartz veins. Complimenting this is a geophysical programme comprising gravity, IP and SAM surveys that will be completed in October 2010 designed to identify new targets, prioritise existing targets and assist the planning of drill holes. NiPlats has authorised 20,000m of drilling, which commenced in September 2010 and will be completed by the end of the year.

Stellar Sample Results to Date

News flow from NiPlats has continued to excite since early Jul'10 with high grade copper, gold, silver and lead results from various locations on the Speewah tenements (Exhibit 6).

Multi-element sample assays from chip samples have produced results of:

- 8.26% Cu, 4.28 g/t Au & 26 oz/t Ag (**Gray's Vein Prospect**);
- 8.14% Cu, 4.97 g/t Au & 24 oz/t Ag (**Hayden Prospect**);
- Copper sample assay at 16.5% Cu (**Eiffler Prospect**);
- Gold sample assay at 4.9 g/t Au (**Todhunter Prospect**); and
- Lead sample assay at 11.1% Pb (**Blue Vein Prospect**).

Targets a Plenty – Take Your Pick

A number of prioritised drill targets have been identified and include the Eiffler, Hayden, East Dome, Gray's Vein, Blue Vein, Green Vein and Yungul prospects (Exhibit 7). Both a diamond and RC drill rig have commenced round the clock drilling at Speewah and the prioritisation of the drill targets will be made throughout the programme based on: soil and rock chip samples and assays received to date; geophysical surveys which will be completed mid-Oct'10 as well as access and drill pads completion.

NiPlats has identified over 20 priority targets and the ongoing drilling programme is focused on the priority targets with the aim of determining further follow-up and resource definition drilling programmes next year.

If the current drilling programmes go to plan and are successful in intersecting mineralisation anywhere close to the grades seen in some of the soil and rock chip samples to date, we believe NiPlats will have sufficient geological resources (not JORC defined) to attract significant strategic and institutional investment having confirmed a potential company making discovery.

Exhibit 6: NiPlats key milestones for the Cu-Au-Ag prospects in the last 18 months

2009	2010
<ul style="list-style-type: none"> - Exploration commenced with 3 holes close to fluorite in Nov'09 - Identified visible copper sulphide - Surface samples assaying at 12.2% Cu - 11 drill intersections >1% Cu 	<ul style="list-style-type: none"> - Access only recently established to north and west areas and fault system - Commenced 1st systematic sampling programme of fault structures - Sampling & mapping commenced (6,000 sample programme) - Copper in numerous settings - multiple drill targets - Best ever sample assaying 8.26% Cu; 4.28g/t Au & 26 oz/t Ag - Best ever gold assay at 4.9g/t Au - RC drilling (+10,000m) & diamond drilling (+5,000m) commenced

Source: NiPlats; Ocean Equities

No-Man's Land – Opportunity Awaits

On the 9th Sept'10 NiPlats announced that a new exploration licence application ("ELA") has been lodged covering 102km² adjacent to and north east of the existing Speewah tenements. The new ELA extends along the Pentecost Fault Zone which is a priority target for the 2010 exploration programme.

The northern part of the Speewah tenements have never been explored or drilled before – and provide an opportunity to unwrap a new base metals province...

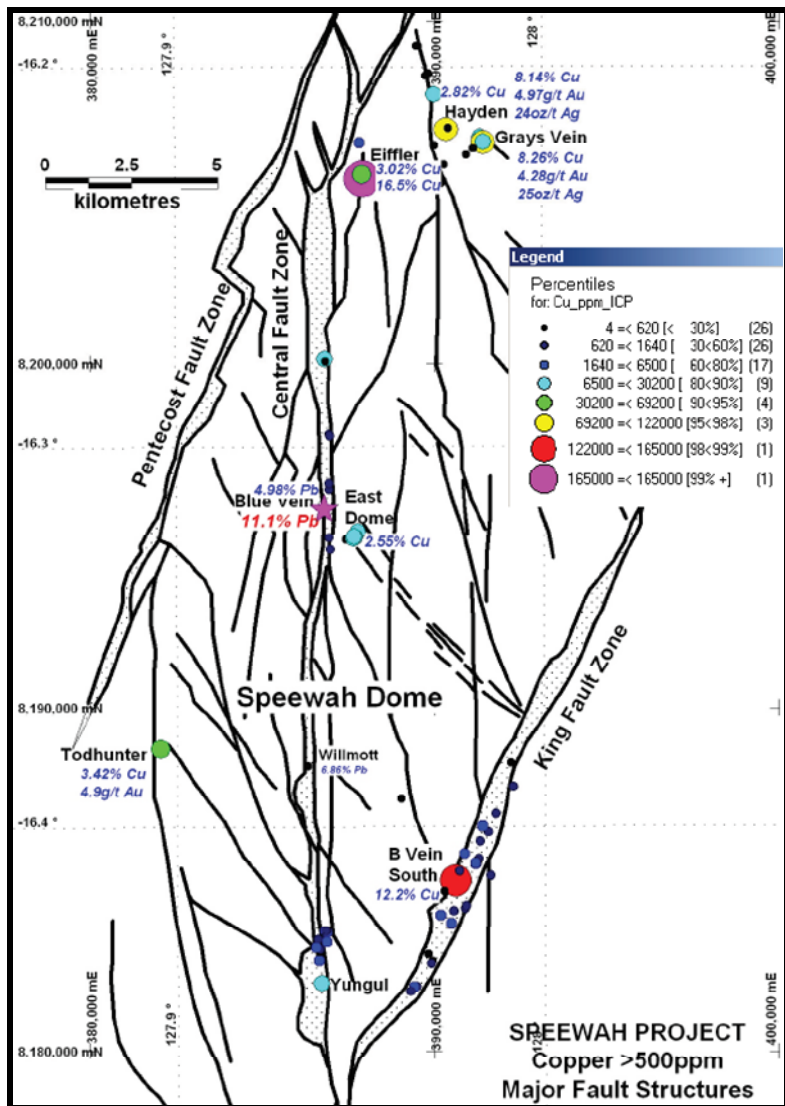
Exploration Plan – 2010 and 2011

The current drilling programme has commenced on the southern targets initially, before moving systematically northwards over the Speewah tenement, enabling improved access and completion of drill pads on the recently identified northern drill targets that have delivered the exceptional rock chip sample assays reported in the recent weeks.

The current drilling campaign that will be completed by Nov'10 before the commencement of the wet season and will allow NiPlats to gain a greater understanding of the targets identified, particularly with respect to what actually 'lies beneath'. First drill assays are expected to commence mid-Oct into 1Q'11. Once assays and interpretation of 2010 exploration results have been interrogated, a full plan for the 2011 drilling campaign can be determined and potentially commence in 2Q'11. There is no doubt that NiPlats will have plenty of targets if the current drilling produces results in line with the surface samples already identified.

Exhibit 7: Location of all surface rock chip copper anomalies >500ppm Cu within the Speewah Dome – showing the main structural target zones and samples reported

Exhibit 8: Selected rock samples from the Speewah Project



Source: NIPlats; Ocean Equities



Gray's Vein

8.26% Cu
4.28g/t Au
25oz/t Ag



Gray's Vein

Visible staining



Eiffler

16.5% Cu



Todhunter

3.24% Cu
4.9g/t Au

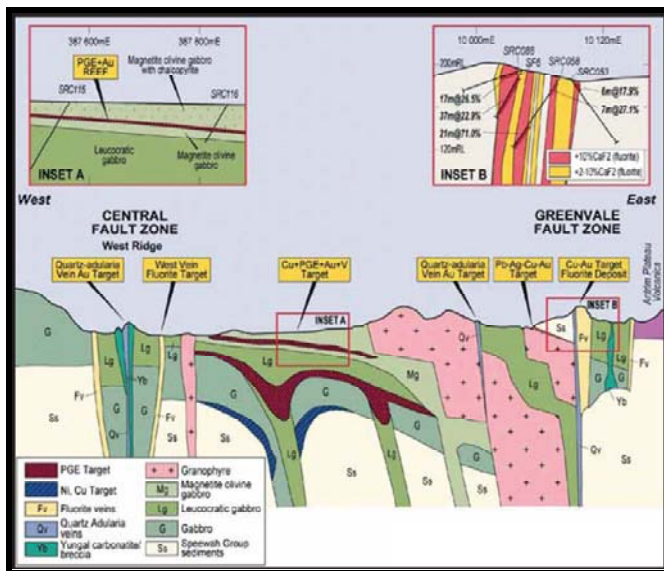
Source: NIPlats; Ocean Equities

Detailed Geology – The Speewah Dome

The NiPlats project is located near the western margin of the Halls Creek Mobile Belt, which is separated from the Kimberley Block to the west by the regional and crustal-scale Greenvale Fault Zone. In the NiPlats project area, the Greenvale Fault Zone hosts fluorite and barite deposits, basalt feeder vents and carbonatites (Exhibit 9). Elsewhere in the Kimberley, the same fault system hosts porphyry-style Cu, epithermal Au mineralisation, and diamondiferous kimberlites.

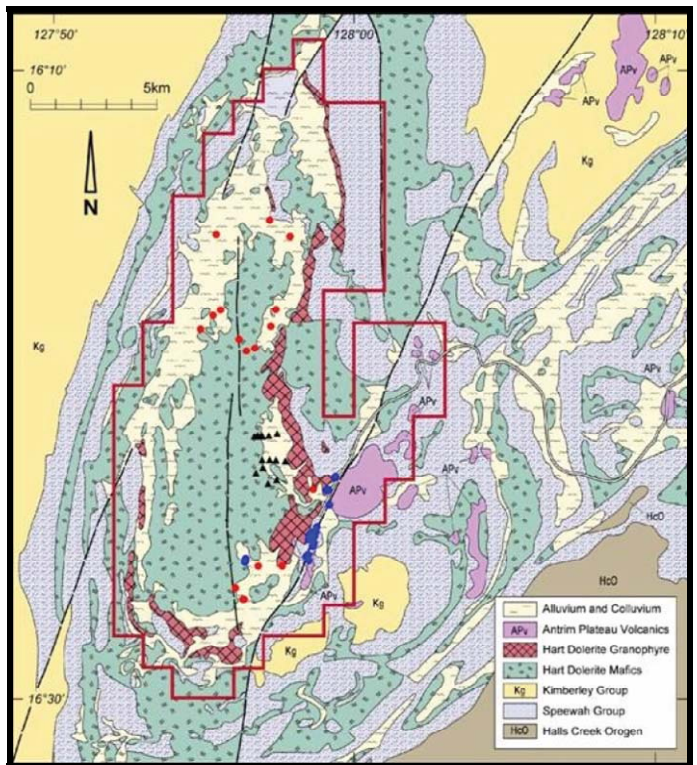
The Kimberley Block is characterised by flat-lying and gently metamorphosed early to late Proterozoic sediments and volcanics, intruded by the Hart Dolerite, and overlain in small areas by basaltic volcanics in the Cambrian (Exhibits 9 and 10). The NiPlats tenements are located on the western and relatively undeformed margin of the Kimberley Block, where they cover an antiformal structure known as the Speewah Dome and a section of the Greenvale Fault that hosts fluorite and barite mineralisation. The dome is elongated north-south, and measures approximately 50 by 30km, the core of which is dominated by the Hart Dolerite. The Hart Dolerite is a composite intrusion of dolerite and gabbro, magnetite-bearing olivine gabbro and more felsic units. **The Hart Dolerite has been described as one of the largest mafic complexes in the world**, which together with the Carson Volcanics, forms a large igneous province within the Kimberley Block. The only other intrusive rocks in the project area are carbonatite dykes and plugs associated with fluorite mineralisation.

Exhibit 10: Schematic Cross Section across eastern half of the Speewah Dome - Showing known mineralisation and conceptual PGE+Au and Ni-Cu targets



Source: NiPlats Prospectus 2007; Ocean Equities

Exhibit 9: Speewah Dome – Regional Geology



Source: NiPlats; Ocean Equities

Exploration History

- The presence of fluorite was first recorded in the area in **1905** with the first resources defined in the 1970s.
- Intermittent exploration activity is understood to have occurred in the **1920s** and **1940s** though details of such activities are unknown.
- Various large companies conducted exploration for base metals, uranium and heavy minerals through the area (including the ground now held by NiPlats) from **1967** to **1971**.
- During **1972-73** nine fluorite veins were identified by exploration drilling and delineated unclassified resources of 1.45mt at 48.1% of CaF₂ for the ABC fluorite deposit (at 30% CaF₂ cut-off to a depth of 150m).
- During the **1970s** and **80s** a number of companies held various tenements in the Speewah Valley and conducted exploration for base metals, diamonds, fluorite and barite without any (recorded) success.
- In **1984** subsequent explorers acquired tenements over the fluorite deposit and began working on the theory that fluorite mineralisation may be associated with areas prospective for epithermal gold mineralisation.
- In **1987** a programme of gold and base metal reconnaissance sampling was conducted drilling on the fluorite deposit. The total resource was estimated to be 3.87mt at 25% CaF₂ (M,I&I at a 13% cut-off grade) for the ABC fluorite deposit.
- Between **1990** and **1997**, order of magnitude cost and scoping studies on the fluorite deposit were evaluated, but fluctuating fluorite prices and the resource size prevented development.
- The project was acquired by NiPlats in May 2002.

Most Recent Work by NiPlats

- From **2002-04**, NiPlats undertook mapping and drilling as well as conducting a feasibility study of the fluorite deposit, with an indicated and inferred resource of 13.0mt at 11.3% CaF₂ (2% CaF₂ cut-off).
- In **2006**, NiPlats completed an airborne magnetic, radiometric and DTM survey over the project area and carried out a reconnaissance Reverse Circulation drilling programme. This work successfully delineated extensions to the fluorite deposit and discovered PGE and V mineralisation in a magnetite olivine gabbro phase of the Hart Dolerite.
- Variations in PGE+Au assays from the **2008** drilling programme and modelling of the basal content of the host gabbro intrusion support the existence of potential feeder zones.
- Further drilling conducted in **2009** that was used for extending the vanadium resource confirmed a PGE+Au reef ~5-7m associated with the vanadium mineralisation.
- A maiden resource for the Central vanadium deposit was determined in Feb'**09**; subsequently the vanadium resource was quadrupled in March **2010** and scoping study results were outlined in Jul'**10**.
- The commencement of the **2010** field sampling programme (which will aim to collect 6,000 soil and rock chip samples) towards and in the northern parts of the Speewah tenements has already returned exceptional copper, gold, silver and lead anomalies since Jul'**10**.
- NiPlats have recently (9th Sept'**10**) expanded the Speewah tenement holding to the north with an Exploration Licence Application for 102km² that will allow more of the Pentecost Fault Zone target can be explored.
- Geophysical surveys have also commenced aimed at covering sites of known mineralisation associated with major structures and to extend and infill regional gravity grid that was first surveyed in 2009. Further extension of 2010 exploration programme to include an IP survey and a SAM survey.

Company Background

NiPlats commenced trading on the ASX on the 21st September 2007 after a successful IPO raising A\$3m (before expenses) following the placement of 12m shares at A\$0.20 per share. NiPlats was previously a subsidiary of Mineral Securities Limited (subsequently CopperCo Limited "CopperCo") who retained a ~44% holding upon the listing of NIP. In 2009 Cape Lambert Iron Ore Limited ("Cape Lambert") acquired ~38% of the issued shares of NiPlats previously held by CopperCo. Cape Lambert currently holds 19.8%.

Directors & Management

Anthony Barton - Non Executive Chairman

Mr Barton has extensive experience in capital markets, corporate finance, funds management and venture capital and is the founding Executive Chairman of the boutique investment bank Australian Heritage Group. He has had advisory roles in the incorporation and listing of many Australian based resource companies, including Mineral Securities Limited, Sally Malay Mining Ltd and CopperCo Limited. Mr Barton has 30 years of commercial experience having also acted in senior executive and director capacities for two leading Australian stockbroking firms.

Derek Carew-Hopkins - Non Executive Director

Mr Carew-Hopkins has extensive experience in engineering and is a specialist in water and environmental issues. He was previously the Director General of the Department of Environment (Western Australia). He left Government in 2006 and now runs a consultancy specialising in guiding development projects through the approval processes. Mr Carew-Hopkins holds a Bachelor of Civil Engineering and is an accredited Mediator in dispute resolution. He spent the early part of his career in mining and construction project management and many years in water supply development. He is well known for his expertise in groundwater investigations and well field development and dispute resolution.

Richard Wolanski - Executive Director and Company Secretary

Mr Wolanski has extensive professional experience in both Australian and international finance industries. He has provided corporate, strategic and financial advisory assistance to public companies in Australia, Singapore and the United Kingdom. Mr Wolanski is a Chartered Accountant and his qualifications include a Bachelor of Commerce from the University of Western Australia.

Ken Rogers – Chief Geologist

Mr Rogers is a highly experienced exploration geologist with a particular interest in gold, base metals and fluorite geology. His experience includes serving as Chief Geologist and Exploration Manager, then subsequently Director, at Elmina NL.

APPENDIX – Vanadium & Fluorite Projects

As we have mentioned previously in this report the focus of the company is clearly the copper-gold exploration. Although NiPlats also holds a significant and large vanadium resource as well as a fluorite resource, the aim of the Company is for the **sale or JV of the vanadium project** and as such NiPlats plans not to allocate any further significant capital toward the project.

Vanadium – A Sleeping Giant

NiPlats holds the largest vanadium deposit in Australia with the maiden resource statement in Feb'09 and **quadrupling** of the resource in Mar'10 to **3.16 billion tonnes at 0.30% V₂O₅** (V₂O₅ = vanadium pentoxide).

The vanadium deposit is situated in the central southern areas of the Speewah tenement holdings (Exhibit 13). The mineral resources include the Central, Red Hill and Buckman deposits and individually extend over strike lengths of 5.5km to 8km and up to 2km wide. These combined resources are significantly larger than any other vanadium deposit in Australia.

Vanadium was identified in 2006 when NiPlats discovered the occurrence of PGE+Au mineralisation within magnetite olivine gabbro. Two RC drill holes were drilled ~300m apart with assay results showing the presence of a 50m thick vanadiferous magnetite-rich horizon averaging 0.30% V₂O₅ with a higher grade interval of 22m at 0.35% V₂O₅.

Subsequently over 7,200m of drilling (including 3 diamond holes and 209 RC holes) has been conducted to define the current mineral resource estimation (Exhibit 11). The Central deposit contains a total measured, indicated and inferred resource of 854mt at 0.32% V₂O₅ and significantly the deposit contains a basal high grade zone of 434mt at 0.37% V₂O₅ (measured, indicated and inferred resources) (Exhibit 12).

Exhibit 11: Total vanadium resources defined at the Speewah project (Feb'10)

Mineral Resource Estimate February 2010					
0.23% V ₂ O ₅ Cut-off	Mt	% V	% V ₂ O ₅	% Fe	% Ti
Central Deposit					
High Grade Total M, I & I	434	0.21	0.37	14.9	2.1
Low Grade Total M, I & I	420	0.15	0.26	14.6	2.0
TOTAL M, I & I	854	0.18	0.32	14.8	2.0
Buckman Deposit					
High Grade Total M, I & I	438	0.19	0.34	14.9	2.0
Low Grade Total M, I & I	733	0.15	0.27	14.6	2.0
TOTAL M, I & I	1,170	0.17	0.30	14.8	2.0
Red Hill Deposit					
High Grade Total M, I & I	555	0.19	0.34	14.8	2.0
Low Grade Total M, I & I	580	0.15	0.26	14.9	2.0
TOTAL M, I & I	1,135	0.17	0.30	14.8	2.0
TOTAL M, I & I RESOURCES	3,159	0.17	0.30	14.8	2.0

Source: NiPlats; Ocean Equities

Exhibit 12: Central Deposit – high grade zone resources

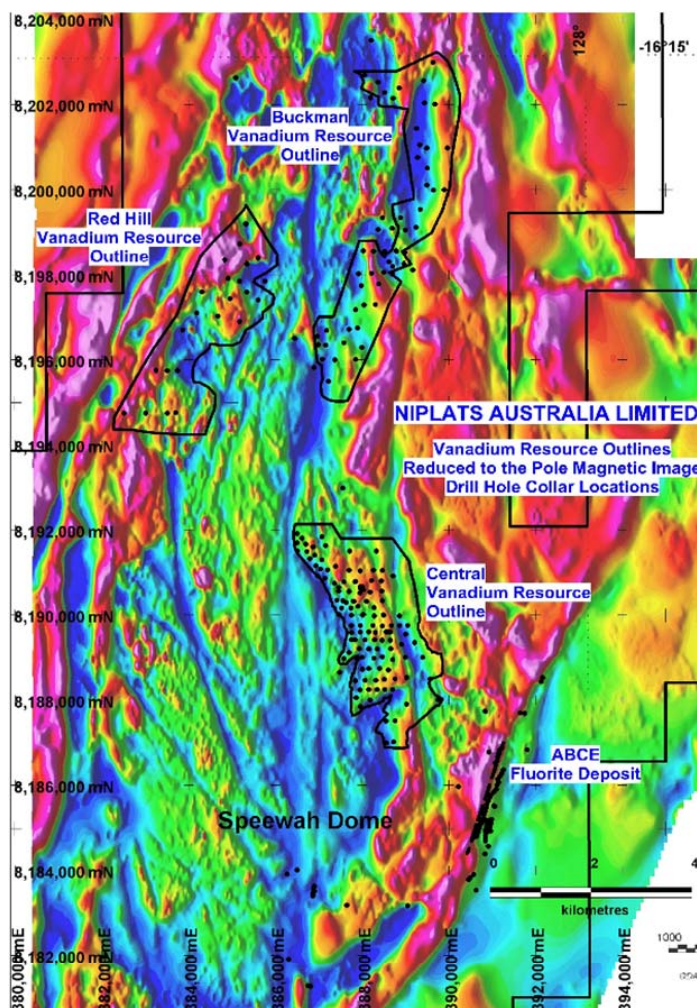
Central Deposit Resources - High grade Zone					
0.23% V ₂ O ₅ Cut-off	Mt	% V	% V ₂ O ₅	% Fe	% Ti
Measured	115	0.21	0.37	15.0	2.1
Indicated	84	0.21	0.38	15.0	2.1
Inferred	234	0.21	0.37	14.8	2.1
TOTAL CENTRAL DEPOSIT	434	0.21	0.37	15.0	2.1

Source: NiPlats; Ocean Equities

~What is vanadium & what is it used for? Metallic vanadium is not found in nature, but is known to exist in about 65 different minerals. Vanadium itself may be soft in its pure form, but when it is alloyed with other metals like iron, it hardens and strengthens them dramatically. Consequently, vanadium is used extensively to make alloys (mostly steel alloys) for tools and construction purposes. Most vanadium is used as an alloy called ferrovanadium (FeV) as an additive to improve steels. Ferrovanadium is produced directly by reducing a mixture of vanadium oxide, iron oxides and iron in an electric furnace. Vanadium-bearing magnetite iron ore is the main source for the production of vanadium. The vanadium ends up in pig iron produced from vanadium bearing magnetite. During steel production, oxygen is blown into the pig iron, oxidizing the carbon and most of the other impurities, forming slag. Depending on the used ore, the slag contains up to 25% of vanadium.

Source: USGS; mii.org; mindat.org

Exhibit 13: Location of the vanadium mineral resources at Speewah and the drill holes used in the estimates



Source: NiPlats; Ocean Equities

Positive Scoping Study Results – NPV >A\$500m

The results from the scoping study release in Apr'10 was carried out by SKM Consulting and used benchmarked opex and capex inputs from similar projects. A conceptual **NPV >A\$500m** (based on a magnetite through put of 500ktpa LOM 30 years) has been derived and improvements to this are expected once further metallurgical and flowsheet work has been conducted. NiPlats has used the report as a basis to develop a metallurgical testing programme on development alternatives and highlight key expenditures and sensitivities.

An initial financial model has been completed focusing on each of the processing routes outlined below (excluding alternative 4 acid leach plant) which will be commenced by METS upon successful completion of the pilot study of the acid leach hydrometallurgical process.

The initial conceptual results favour a ferro-vanadium development alternative. Based on the magnetite concentrate samples, mass yield and recoverability generated from Speewah ore and industry benchmarked OPEX and CAPEX inputs the initial NPV modelling assumptions and results from the scoping study were:

- Magnetite Concentrate through put: 500,000 tonnes p.a.
- Mass recovery of concentrate from ore: 10.8%
- FeV Production: 6,976 tpa
- FeV Sales Price: USD\$35/kg
- Discount rate: 10%
- Mine Life: 30 years
- AUD/US\$ Exchange Rate: 0.80

Net Present Value: >A\$500 million

This modelling will be further refined and optimised as the metallurgical testing programmes provide detailed information on operating cost inputs and contributes to flowsheet modelling that will impact CAPEX requirements.

Metallurgical Testing

The vanadium in Speewah magnetite concentrate that would be produced has a high 'tenor' – meaning that the vanadium is highly recoverable ~78% and up to 87.5% for ferro-vanadium depending on the processing route.

A magnetite concentrate will be required to be produced from the Speewah ore as part of any development alternative.

Metallurgical studies involving laboratory scale testing of the Speewah magnetite concentrate will consider the following processing stages:

Stage 1 – Beneficiation of Ore to Magnetite Concentrate:

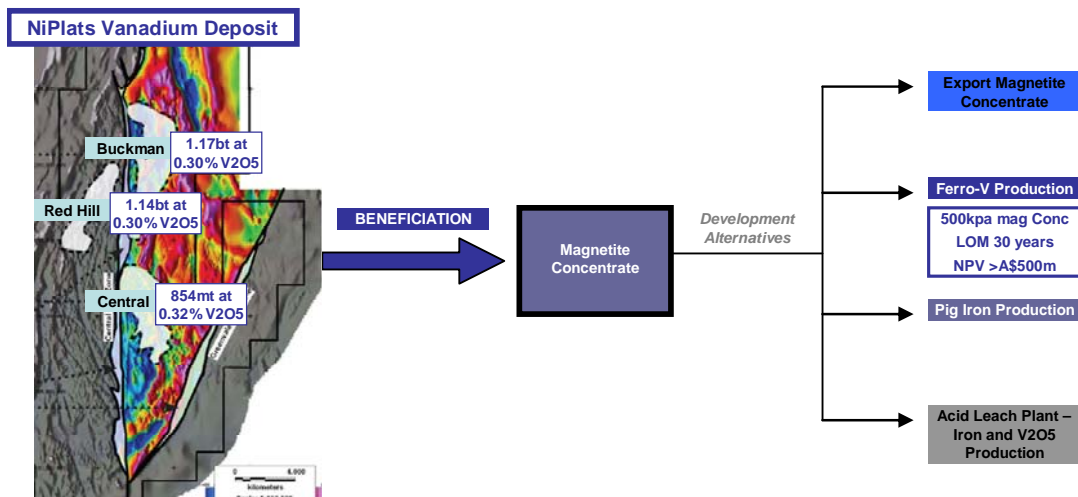
Production of a high tenor vanadium magnetite concentrate: A magnetite concentrate will be required for any development alternative. Metallurgical work conducted by NiPlats in early 2010 reported high vanadium tenor across the measured resource of the Central deposit. Variability tests from Davis Tube testwork on composite RC drill chip samples collected predominantly from within the Central vanadium deposit and selected parts of the Red Hill and Buckman deposits, have shown vanadium recoveries of up to 77.73% V₂O₅ and mass recoveries up to 14.18% magnetite in concentrate. Significantly, all samples reported vanadium tenor in the magnetite concentrates over 2.0% V₂O₅ (ranging from 2.15 to 2.64% V₂O₅).

Stage 2 – Development alternatives:

The next step will be to determine the processing option and development alternatives that have been considered in the scoping study (Exhibit 14).

- **Alternative 1 – Shipping the magnetite concentrate:** The magnetite concentrate once produced could potentially be shipped from the Wyndham port (~100km north via the Great Northern Highway) where it would be loaded onto barges for overseas export.
- **Alternative 2 – Ferro-vanadium production:** Further pyrometallurgical testwork on the magnetite concentrate for vanadium recovery has commenced. The testwork involves laboratory scale salt-roast processing. Initial results have indicated a vanadium recovery of up to 87.5% from the magnetite concentrate from various grind sizes and salt reagent addition – further testing is ongoing.
- **Alternative 3 – Pig iron production:** Pyrometallurgical testwork on the magnetite concentrate has been commission with Mintek (South Africa) simulating arc furnace processing.
- **Alternative 4 – Acid leach plant:** Hydrometallurgical testwork on the magnetite concentrate to produce three end products including: a high grade iron product; vanadium product (V₂O₅) and a titanium product (TiO₂). NiPlats has engaged Mineral Engineering Technical Services Pty Ltd (METS) to run a pilot programme to test the process on the Speewah magnetite concentrate and determine recoveries of end products. The pilot study will then be assessed and a decision made as to whether to proceed to development of a process flowsheet, OPEX and CAPEX estimates in a scoping report.

Exhibit 14: There are FOUR alternatives for the development of Speewah – a magnetite concentrate will be produced in Stage 1 as part of any alternative



Source: NiPlats; Ocean Equities.

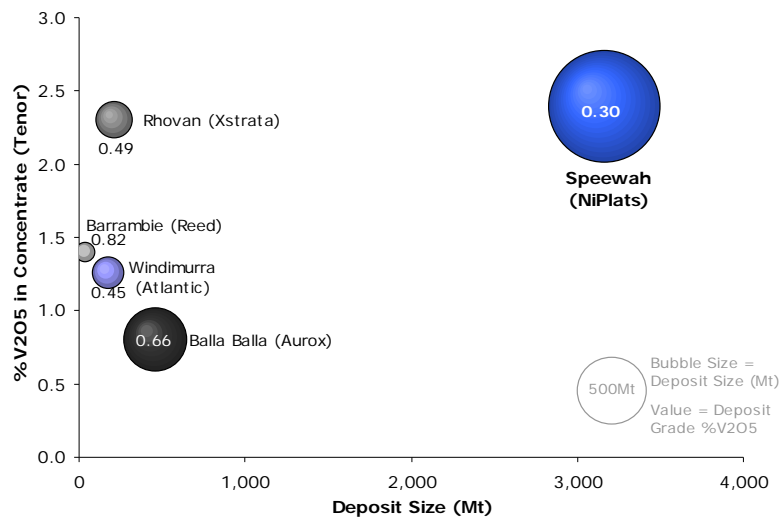
Deposit Size Comparison – Sizing Up Grade & Tenor

To put the size of the Speewah vanadium deposit into context, its far outweighs other exploration and early development vanadium deposits such as Balla Balla (~456mt total resources), Windimurra (~176mt total resources) or Barrambie (~40mt total resources) (Exhibit 15).

The key characteristic of the potential processing of Speewah's ore is the concentrate tenor or the magnetic separation. Metallurgical tests carried out in April'10 demonstrated that the magnetic separation of a sample taken from the Central deposit at Speewah produced a very high grade magnetic concentrate of 2.48% V₂O₅. The high grade of the concentrate should offer competitive cost advantages in the downstream processing of vanadiferous magnetite into either vanadium pentoxide or ferrovanadium. The high tenor demonstrates that the Central high grade zone delivers consistently high tenor magnetite concentrates which are significantly higher than concentrates from other vanadiferous magnetite projects.

While the ore grade of 0.30% V₂O₅ at Speewah is slightly less than at other vanadium deposits, it is worth noting that Speewah displays low surface oxidation which again lends to favourable processing costs. The sheer scale of the Speewah resources will no doubt lend to a price competitive ferro-vanadium production (if this processing alternative is chosen).

Exhibit 15: Comparison of concentrate tenor, resource grade and tonnes for vanadium magnetite deposits



Source: NiPlats; Company Announcements; Ocean Equities

Next Steps – A Development Partner / JV Option

Whilst other exploration and early development projects such as Balla Balla (Aurox Resources – recently merged with Atlas Iron) and Windimurra (Atlantic) exist, knowledge and support of vanadium projects in Australia is in its infancy with no existing local vanadium production or export recognised.

The purpose of the Speewah scoping study and ongoing studies is to provide confidence to a wide range of end product users, investors, and potentially development partners that the vanadium resource has a range of development alternatives depending on market demands and that successful development could open up the entire resource and support supply with an extremely long mine life.

There lies an opportunity for NiPlats to potentially develop with a partner or sell the vanadium project and as such further fund its copper-gold and base metal exploration and development projects.

Baseline environmental studies on the Central vanadium deposit have commenced and a submission for full regulatory assessment will be submitted 4Q'10.

Australian vanadium projects have recently attracted significant interest...

- **Windimurra – A New Phase**

Windimurra Vanadium went into administration in Feb'09 after it was unable to raise funds after having been in talks with debt and equity providers over securing up to A\$30m via a debt facility to bring the project into production. However, no deal took place after the value of commodities fell in the second half of 2008.

Atlantic Limited (ASX: ATI) entered into an agreement that allows it to consolidate 100% control of the Windimurra vanadium project. This agreement follows the 5th Aug'10 announcement of a revised agreement with Mineral Resources Limited (MRL), and the original secured lenders to Midwest Vanadium (MVPL - the 90%-owned subsidiary of failed company Windimurra Vanadium), whereby Atlantic will acquire MRL's proposed equity interest in MVPL, delivering Atlantic an effective 90% interest in MVPL.

The deal is in return for procuring project finance of up to A\$100m to complete construction and commission the project. Atlantic has now secured the first A\$55.55m of that funding, announced on 30th Jun'10.

Over the years companies have come and gone, with Xstrata and Precious Metals Australia all taking turns at the project.

- **Barrambie – Edging Closer to Production**

Reed Resources Ltd (ASX:RDR) announced on the 24th Aug'10 that it had extended its exclusivity period with China Non-Ferrous Metal Industry's Foreign Engineering and Construction Co Ltd ("NFC") until 30th Sept'10 as discussions regarding EPCM contracts and project finance continue. Reed has agreed to deal exclusively with NFC and facilitated by Accron regarding development and financing which if successful, would allow the development of the project.

- **Balla Balla – Atlas & Aurox Merger**

The merger of Atlas Iron (ASX:AGO) and Aurox Resources (ASX:AXO) was approved on 6th Aug'10 in a A\$140m deal. Aurox owns the Balla Balla magnetite-titanium-vanadium project in the Pilbara, but Atlas was attracted to Aurox because of its Utah Point port capacity at Port Hedland, which Atlas requires to continue to grow its iron ore operations.

Fluorspar – High Grade, High Quality

Resources – 50% Increase Since NIPs IPO

The fluorite deposit at Speewah is of high quality and grade (Exhibit 16). NiPlats has spent significant time and exploration work to define a total JORC compliant indicated and inferred resource of **6.7mt at 24.6% CaF₂** (within high grade domains at 10% CaF₂ cut-off grade). The resource was upgraded by 22% in total tonnage in Aug'09 (Exhibit 17).

The last resource upgrade (25 Aug'09) resulted in a slight decrease to the indicated resource class due to the +10% CaF₂ grade used as a cut-off in the wireframe model to better constrain the high grade veins which may be selectively mined in any potential underground mining operation. Conceptually a 9- 10mt resource would generate a 10 year mine life.

Exploration History –and the Next Steps

From late 2002 (pre-IPO), NiPlats undertook extensive mapping, airborne reconnaissance surveys and drilling of the fluorite deposit, which identified additional fluorite veins and wide drill intercepts. This work successfully delineated extensions to the fluorite deposit and discovered PGE and vanadium mineralisation in a magnetite olivine gabbro phase of the Hart Dolerite.

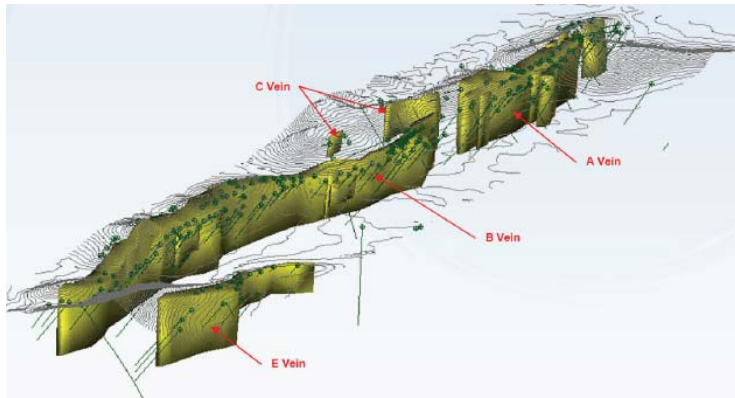
Some scoping study work on the deposit commenced in 2003 on the fluorite deposit to confirm resources and reserves, conduct metallurgical testing, prepare a flow sheet, capital and operating cost estimates, as well as evaluate marketing assumptions. In 2005, it was decided that that additional resources and higher sales prices were required to make the project viable. Further drilling was conducted to upgrade the resource to what it is currently and there is now potential for even further increases.

Since 2009 the focus has shifted from the fluorite deposit to more prospective Cu-Au targets situated in the north of the Speewah tenements. However the current 2010 drilling programme for Cu-Au also includes assaying of fluorite on the targets over the fluorite deposit which will generate a further fluorspar resource upgrade, and be followed by an update of previous pit optimisation studies for potential open cut and underground mining operation.

Fluorspar and Vanadium Development Synergies

Given the close proximity of the vanadium and fluorite projects, there is a potential for infrastructure sharing that may significantly reduce the capital expenditure required to develop each of the projects separately. This opportunity will significantly improve the value to the shareholders of each of the projects and improve the development potential of the NiPlats tenements.

Exhibit 16: Conceptual Schematic Model of the Fluorite Deposit at Speewah



Source: NiPlats; Ocean Equities

~What is fluorspar & what is it used for? Also known as fluorite, (CaF₂) it can occur as a vein deposit, especially with metallic minerals, often forming part of the gangue (the surrounding 'host-rock' in which valuable minerals occur) and may be associated with galena, sphalerite, barite, quartz, and calcite. It is a common mineral in deposits of hydrothermal origin and has been noted as a primary mineral in granites and other igneous rocks and as a common minor constituent of dolostone and limestone. There are three principal types of industrial use for fluorite, corresponding to different grades of purity: metallurgical grade fluorite (lower grade) is used as a flux to lower the melting point of raw materials in steel production to aid the removal of impurities, and later in the production of aluminium; ceramic grade (intermediate-grade) fluorite is used in the manufacture of opalescent glass, enamels and cooking utensils; and acid grade (highest grade) fluorite (97% or more of CaF₂), is used to make hydrofluoric acid by decomposing the fluorite with sulphuric acid.

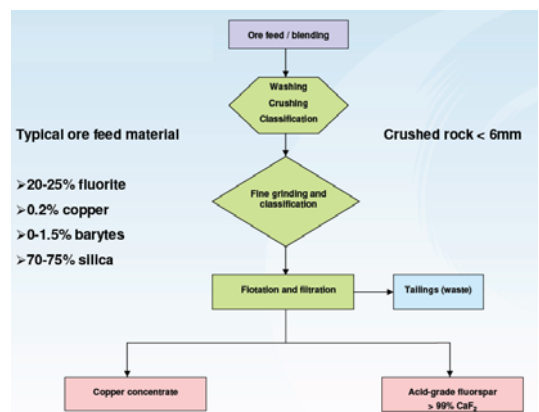
Source: USGS; mineralzone.com

Exhibit 17: NiPlats total fluorite resources; with a 22% upgrade to tonnage as at 25 Aug'09

	Fluorite Resources	
	Mt	CaF ₂
(10% CaF ₂ cut-off grade)		
Indicated	4.1	25.3%
Inferred	2.6	23.6%
Total	6.7	24.6%

Source: NiPlats; Ocean Equities

Exhibit 18: Fluorite Conceptual Flowsheet – Simplified process with by-product production



Source: NiPlats; Ocean Equities

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