


17 October 2008



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THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Dear Shareholder,

On 16 October 2008, the Board of Platinum Capital Limited (**PMC**) announced a renounceable rights issue (**Rights Issue**) of 1 fully paid PMC share (**New Share**) for every 1 existing PMC share held on 31 October 2008 at 5.00 pm (AEDST) (**Record Date**) at an issue price of A\$1.07 per New Share (**Offer**). This issue price represents a 10% discount from the market price of A\$1.19 on 13 October 2008. The net asset value of the Company at 30 September 2008 was A\$1.34 per issued share. Eligible Shareholders will be entitled to apply for any additional shares that become available owing to rights not being taken up. Should such applications exceed the shares available a pro-rate scaleback will be applied.

The purpose of the Rights Issue is to raise approximately A\$136 million (before costs). The maximum number of New Shares that may be issued under the Offer is approximately 127.2 million (based on the current capital structure of PMC).

Proceeds of the Rights Issue will be invested by the Company's Investment Manager, Platinum Asset Management, to add to the Company's existing investment portfolio.

The Board acknowledges that world stock markets face great uncertainty but the Investment Manager, Platinum Asset Management, is finding a growing number of companies that are unusually attractively priced in the context of anything other than an extreme economic downturn.

The New Shares issued pursuant to the Offer will rank equally with all other PMC shares on issue. The New Shares will have no entitlement to the dividend to be declared at the AGM on 22 October 2008.

Only PMC shareholders on the Record Date with a registered address in Australia or New Zealand (**Eligible Shareholders**) will be entitled to participate in the Rights Issue. PMC shareholders with a registered address outside Australia or New Zealand (the **Excluded Shareholders**) will not be entitled to participate in the Rights Issue. PMC has appointed a broker, Commonwealth Securities Limited (**CommSec**), to arrange for the sale of the rights (if there is a viable market) which would have been granted to Excluded Shareholders. The Company will account to those Excluded Shareholders for any net proceeds of sale (if any).

CommSec at its sole discretion will determine the price at which the rights may be sold. Neither the Company, nor CommSec, will be subject to any liability for failure to sell the rights or to sell the rights at a particular price.

If, in the opinion of CommSec, there is no viable market for the rights of Excluded Shareholders, such rights will be allowed to lapse with no payment to Excluded Shareholders.

PMC does not require shareholder approval in relation to the Offer.

PMC is not required to prepare a prospectus for the Rights Issue pursuant to section 708AA of the *Corporation Act 2001 (Cth)* (**Act**) and has lodged a notice with the ASX under section 708AA(2)(f) of the Act in relation to the Rights Issue. PMC will send an Offer Document to PMC shareholders in accordance with the timetable set out below.

Event	Date
Announcement of Rights Issue and Appendix 3B lodged with the ASX.	16 October 2008
Cleansing Notice and Offer Information Statement lodged with the ASX.	16 October 2008
Despatch of notices to shareholders informing them of Rights Issue.	17 October 2008
Shares trade on an "Ex" Entitlement basis and Rights commence to trade.	27 October 2008
Record Date (books close) at 5.00 pm (AEDST) for determining entitlements to New Shares.	31 October 2008
Rights Issue Offer Document and Entitlement and Acceptance Form despatched to shareholders.	5 November 2008
Last day of Rights trading.	12 November 2008
Trading on ASX of New Shares on 'deferred settlement' basis.	13 November 2008
Acceptances and renunciations close at 5.00 pm (AEDST).	19 November 2008
ASX notified of under-subscriptions. Shortfall facility implemented.	24 November 2008
Despatch holding statements to shareholders.	27 November 2008
Normal trading of New Shares commences.	28 November 2008

This timetable is indicative only and may be subject to change. The Company reserves the right to amend this indicative timetable at any time subject to the Act and ASX Listing Rules.

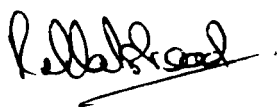
Full details of the Rights Offer will be set out in the Offer Document. Please read the Offer Document before deciding whether to apply for New Shares.

If you wish to apply for New Shares, please return the Entitlement and Application Form together with your cheque, money order or bank draft to Computershare by the closing date of 5.00 pm AEDST 19 November 2008 as specified in the Offer Document. Payment can also be made via BPay®.

PMC shareholders who do not wish to take up some or all of their rights to New Shares will be able, subject to there being a viable market for the rights, to trade their rights on the ASX from 27 October 2008 until 12 November 2008. Eligible Shareholders wishing to sell all or part of their rights (subject to there being a viable market for the rights) should contact their stockbroker.

If you have any enquiries concerning this form or your entitlement, please contact Computershare on 1300 726 914 (callers within Australia) or 03 9415 4613 (for callers outside Australia).

Yours faithfully,



M Halstead
Company Secretary