



29 April 2013

QUARTERLY ACTIVITY REPORT – March 2013

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BOARD OF DIRECTORS AND MANAGEMENT

Mr William Hayden
Non-Executive Chairman

Mr Philip O'Neill
Managing Director

Mr Andrew Johnstone
Non-Executive Director

Mr David Forest
Chief Operating Officer

Mr Jay Stephenson
Company Secretary

ISSUED CAPITAL

| | |
|-------------------|------------|
| Shares on Issue: | 56,155,004 |
| Unlisted Options: | 12,360,000 |

HIGHLIGHTS

- **Platinum-gold process circuit initiated at the Martinez Mine**
- **Magnetically-recoverable platinum confirmed in process concentrates**
- **Regional exploration at Cerro Esperanza vectoring in on detailed areas for trenching and bedrock sampling**

CORPORATE

Condoto Platinum continues to execute on its strategy of becoming one of the only primary platinum-producing companies in the Western Hemisphere.

Concerns about possible disruptions to platinum supply continued to mount during the quarter, with open interest in NYMEX platinum futures rising 25% and hitting a two-year high on February 7, 2013. Ongoing labour disputes and cost escalation at South African mines today are jeopardizing 72% of the world's platinum production. Few sources of platinum are available outside of South Africa, Russia, and Zimbabwe. Condoto's management believes that primary platinum-producing projects such as those held by the Company in the Choco Department of Colombia will become increasingly sought after as end-users look for alternate supply.

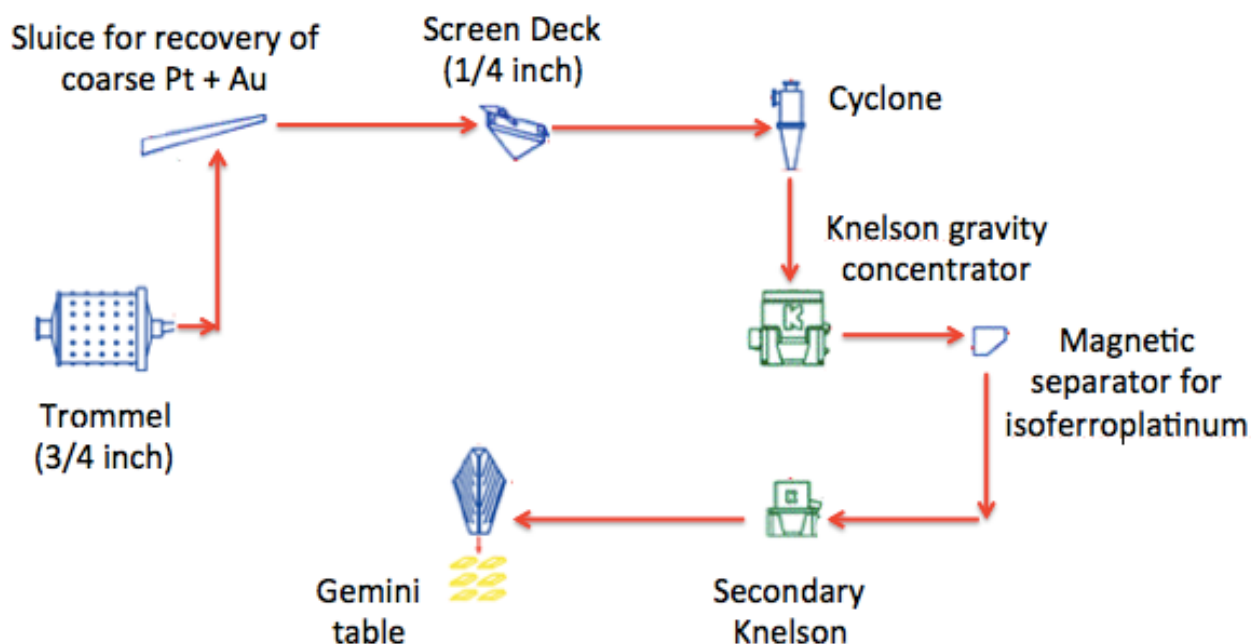
During the quarter to March 31, 2013, the Company's activities focused on the start-up of the platinum-gold processing circuit at the Martinez Mine. The circuit has now been initiated, and details on this segment of business are provided in the "Operations" section of this report.

At the same time, the Company continues to explore for the source of the prolific alluvial platinum and gold deposits in Choco. Exploration in the western Colombian Cordillera—the presumed source for sediments shed into the lowlands of west Choco—at the Cerro Esperanza project is vectoring in on target zones for trenching and bedrock sampling. More details are provided below.

OPERATIONS

During the quarter, the gold-platinum gravity circuit at the Novita bulk sampling operations (Martinez Mine) was initiated. Gold and platinum concentrates generated from operations are currently being stockpiled at the Company's site facilities, for analysis and potential sale to end-users in Colombia and globally.

The circuit is currently processing between 30 and 40 cubic metres of material per hour. During the most recent two-week period of operations, a total of 2,225 kilograms of concentrate was collected from the Knelson gravity concentrator and sent to the gold room from processing. Gold and platinum collected from the concentrate is being analysed for content of precious metals and potential by-product credits.



Platinum-gold process circuit flowsheet, Martinez Mine, Condoto Platinum



Excavator feeding process material to trommel at bulk mining operations, Martinez Mine

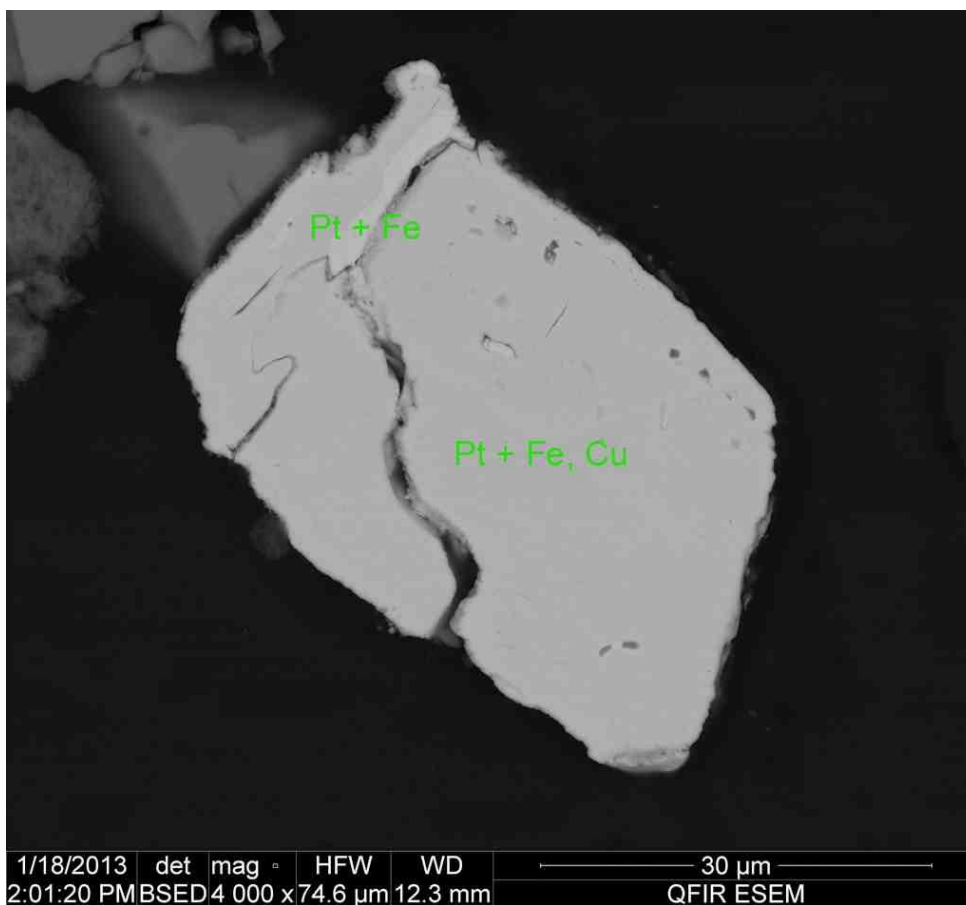
Samples of these concentrates have now been submitted for mineralogical analysis at Queen's University in Ontario, Canada using Mineral Liberation Analyzer (MLA) technology, a combination of Scanning Electron Microscopy and Energy Dispersive X-Ray Spectrometry.

Principal minerals identified include isoferroplatinum (iron-bearing platinum) as well as platinum associated with nickel-copper-iron +/- rhodium. Iridium-osmium bearing mineral phases have also been identified in the concentrate. Native gold and electrum (gold-silver) are also important constituents.

The finding of isoferroplatinum confirms previous reports of the widespread occurrence of this mineral in western Colombia. This is significant given that isoferroplatinum is often magnetic, allowing for easy recovery of platinum through a magnetic separation unit. The Company has installed such a magnetic system on the front end of its Gemini process circuit, and will continue to optimize this process route for recovering and purifying platinum concentrates.

During the quarter, the Company processed mainly tailings material from the Martinez Mine, achieving recoveries of gold and platinum and affirming the suitability of gravity processing for the mineralization here. The Company plans to begin processing regular ore from the mine during the coming quarter, which is expected to provide the first indications of head grades and overall recoveries.

During the quarter, Condoto Platinum's regional exploration work continued to focus on the Cerro Esperanza/Cerro Torra area, approximately 25 kilometres east of the town of Novita. Work is also being conducted to locate the ancient city of Novita Viejo based on historic records, which indicate very high-grade surface mineralisation at this location.



Isoferroplatinum grain from Condoto's bulk sampling concentrates, imaged by Mineral Liberation Analyzer

Detailed soil sampling across the Cerro Esperanza hill has been successful in identifying specific target areas for detailed follow-up. These are defined by anomalies of gold and silver, along with pathfinder elements mercury and arsenic, which are considered to be possible indicators of epithermal-style mineralization.

Work is now focusing on grid soil sampling across these target areas to identify areas for trenching and sampling of bedrock.

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Johnstone, who is a Member of the Australian Institute of Geoscientists. Mr Andrew Johnstone has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Andrew Johnstone who is an Director of the Company, consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This release may contain forward-looking statements. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information. Actual values, results or events could differ materially from any conclusion, forecast or projection expressed or implied in the forward-looking information.