

**ASX Code: PTS**

Issued Shares: 175.3M

Unlisted Options: 23.9M

Cash Balance for PTS: \$11.9M

Cash Balance for Group: \$13.2M

ABN 16 003 254 395

**DIRECTORS**

Pat Elliott

Greg Jones

Kwan Chee Seng

Dr Kah Foo

Alan Breen

**TOP SHAREHOLDERS**

Kwan Chee Seng

Xiangjun Zhang

Minotaur Resources

Viking Investments

Top 20 Shareholders hold 71.4%

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[www.platsearch.com.au](http://www.platsearch.com.au)**HIGHLIGHTS**

- PlatSearch has farmed out two of its more advanced properties, **Ghostrider and Achilles**, to Thomson Resources Ltd where Thomson may earn up to an 80% interest. Both projects are located within the Cobar Basin and will benefit from the strong geological expertise that Thomson has within the region.
- As part of a significant drilling programme planned over the next 6 months, **Silver City Minerals Limited** has commenced drilling at the Umberumberka silver mine and Razorback West base metal prospect.
- Assays from core drilling completed last year at the **Cuttaburra A prospect by Thomson Resources Ltd** returned 3.3 metres at 1.46g/t Au, 0.1% Cu, 10.9g/t Ag, highlighting the IRG potential of the prospects under the control of Thomson.
- **Eastern Iron Limited** calculated an Inferred resource of 9.47 Mt at 49.1% Fe for its Nowa Nowa deposit. Initial metallurgical work has been encouraging, producing a high grade Fe concentrate using LIMS at coarse -6.3mm crush size. Drilling will commence shortly.
- Eastern Iron also completed a Concept Study on into a potential development of the **Eulogie** Iron project. Discussions are now being held with other parties to fund a mine feasibility study.
- As at the end of the quarter, the **cash position** of the Company was \$11.9 million and the **liquid investments** held in other listed resource companies totalled \$7.3 million, equivalent to approximately 10 cents per share.



## EXPLORATION

### CURNAMONA PROVINCE / BROKEN HILL, NSW AND SA

**MUNDI PLAINS, NSW - UXA JV - PlatSearch 49%, Teck 51%, UXA can earn 80%**

**JUNCTION DAM, SA- UXA JV - PlatSearch 39.2%, Eaglehawk 9.8%, Teck 51%, UXA can earn 80%.  
Uranium JV - PlatSearch 5.0%, Eaglehawk 1.2%, Teck 6.5%, Marmota 87.3%**

#### JUNCTION DAM URANIUM JOINT VENTURE

Marmota Energy Limited (ASX: MEU) announced that it has commenced its 2012 drilling campaign, to increase the previously announced resource base at the Saffron Deposit at Junction Dam. This phase of drilling follows the completion in January of a high resolution ground electromagnetic survey over potential high grade target zones in the adjoining 'Yolanda' target area immediately south of the Saffron deposit (Figure 1).

The results of that survey, when combined with other high resolution geophysical datasets have defined several potential uranium target zones where drilling has previously confirmed mineralisation. Marmota believes the new results offer several additional zones of uranium potential within the extent of the Yarramba palaeochannel.

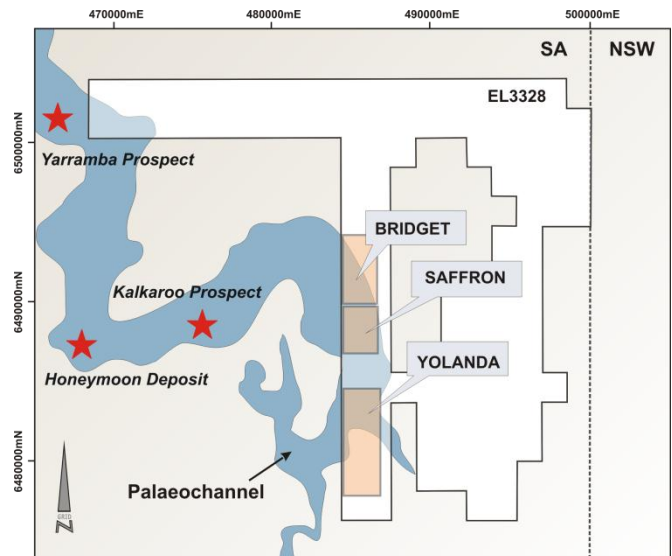


Figure 1 - Key Uranium prospects at Junction Dam

#### UXA JOINT VENTURE

UXA Resources Ltd (UXA) is currently earning Teck's interest in the PTE joint venture covering both the Junction Dam and Mundi Plains tenements (but not including the Junction Dam uranium JV with Marmota). UXA has met the initial \$1.2 million minimum spend on exploration and will earn 50% of Teck's interest when it has completed \$2.0 million of expenditure.

At Mundi Plains, drilling by Teck and UXA at the Dome 5 prospect has defined narrow, high grade intervals (such as hole DF12 - 3.0 metres of high grade sphalerite and galena mineralisation grading 15.8% Pb+Zn and 63ppm Ag) of Mississippi Valley Type (MVT) lead-zinc-silver mineralisation approximately 330 metres below the surface.

UXA has completed a five hole programme of follow-up drilling to test the west and southeast extensions of a zone of high grade mineralisation and to infill around previously recorded high grade intersections. Results suggest (Table 1) that the mineralisation system, though extensive, is weakening to the west, but remains open to the south east. The possibility of a higher grade zone within the area of known mineralisation cannot be ruled out based on the current widely spaced drilling.

Table 1 – UXA drilling results from Dome 5

Drill hole ID	Depth From (m)	Depth To (m)	Interval (m)	Pb+ Zn %	Pb %	Zn %	Ag (ppm)
11DF16	324.47	324.97	0.5	0.57	0.56	0.02	5
11DF16	324.97	325.66	0.59	0.14	0.07	0.07	<2
11DF17	316.45	316.78	0.34	1.19	0.08	1.12	3
11DF18	323.45	324.08	0.63	2.25	0.01	2.24	6
11DF18	324.08	324.75	0.67	0.26	0.07	0.19	<2
11DF18	328	329	1	0.34	0.05	0.30	3
11DF18	330	331	1	0.16	0.02	0.15	3
12DF19	342.27	342.77	0.5	0.21	0.01	0.21	<2
12DF19	349.17	349.67	0.5	0.71	0.03	0.68	<2
12DF20	330.34	330.81	0.47	0.20	0.14	0.06	<2

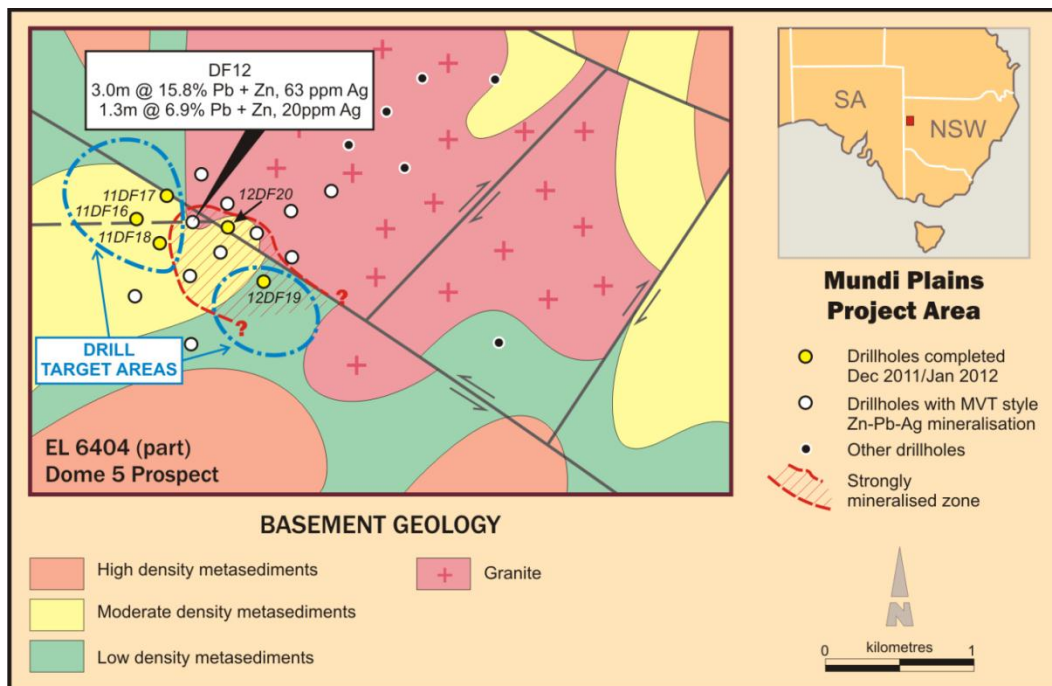


Figure 2 - UXA's drill program at Dome 5, NSW

**HILLSTON PROJECT, NSW – PlatSearch 39.2%, Eaglehawk 9.8%, Perilya 50%, can earn 80%**

A significant regional airborne electromagnetic (VTEM) survey was completed in early February, covering a large portion of the Hillston tenement. Preliminary anomalies identified from the survey include two areas which appear to be related to bedrock conductors. Review of historic work and field checks as well as further modelling of the VTEM data over the anomalous areas will be completed in the second quarter in advance of potential diamond drilling scheduled for mid-year.



## LACHLAN FOLD BELT, NSW

### **GHOSTRIDER AND ACHILLES PROJECTS, NSW – PlatSearch 100%, Thomson Resources earning 80%**

Previous work by PlatSearch at the Ghost rider Project MVT lead-zinc-silver project had identified strongly anomalous results in RAB drilling conducted by BHP Limited in the 1980s, with maximum values in the weathered zone of 1.15% Pb and 0.22% Zn. Limited deeper RC drilling (70 – 100 metres) intersected lead sulphides in fresh rock (up to 0.48% Pb). The lead anomaly is open to the northwest and east, and appears to be obscured by younger sediments to the west where work by PlatSearch indicates a target for primary mineralisation below cover.

A large Induced Polarisation (IP) survey was completed during the quarter to test the project area for deeper base metal sulphides. The IP defined anomalism within and to the west and south of the main geochemical anomaly.

On 20 April 2012, PlatSearch announced that it entered into two joint venture agreements with Thomson Resources Ltd, including one over the Ghost rider project. The joint venture will allow Thomson to earn an 80% interest in the project through the expenditure of \$1 million.

For further detail please refer to the Thomson Resources section under Investments.

## INVESTMENTS

PlatSearch maintains a strong and diversified portfolio of investments within a number of ASX-listed resource companies. These holdings are a direct result of PlatSearch vending tenements and projects generated by the Company into junior exploration companies in return for shares and / or options, and the continued participation by PlatSearch in later capital raisings by these companies.

Over the last few years this strategy has been very successful, resulting in strong returns for PlatSearch. This is exemplified by the recent capital return and franked dividend by WPG Resources Ltd (ASX code: WPG) following its sale of its iron assets in the latter half of 2011, returning \$10.9 million to PlatSearch in November 2011.

As a result of its investment strategy, as at the end of March 2012 PlatSearch had \$11.9 million in cash, a strong financial position for the Company to progress its work.

In addition, as at 27 April 2012, the total value of the PlatSearch shareholdings in other ASX listed resource companies stood at approximately \$7.3 million.

## EASTERN IRON LIMITED

### **Eulogie**

Eastern Iron has completed a concept study into a potential development of the defined resource at the Eulogie magnetite project. The financial model for the study has yet to be finalised but has indicated capital costs of between \$500-600 million producing 3.2Mt of magnetite concentrate to be exported via Gladstone Port.



Eastern is currently in discussions with the Gladstone Port Corporation with a view to securing an MOU covering the potential to ship concentrate from the port area.

Eastern Iron has approached several parties with a view to securing funding for the feasibility study into development at Eulogie. These discussions are ongoing.

**Hawkwood**

Eastern Iron has completed a resource drilling program at Hawkwood consisting of 2,689 metres in 17 reverse circulation (RC) drill holes. The programme was designed to test magnetite-bearing ferrigabbro layers inferred to be present at shallow depth from an interpretation of the results of an earlier airborne magnetic survey. Results are currently being compiled and a resource estimate will be released shortly.

**Nowa Nowa**

Eastern Iron continues to focus its main activities on the evaluation of a possible mining development of the Nowa Nowa Project in eastern Victoria. During the quarter the Company finalised the acquisition of a 100% interest in the project, announced a Maiden JORC Resource for the Five and Seven Mile iron deposits and released the results of preliminary metallurgical analysis. The Company will focus on progressing the project to a Scoping Study during the next quarter.

The company has released details of an initial Inferred resource estimate for the Five and Seven Mile deposits at Nowa Nowa.



Figure 3 - Nowa Nowa location

The Inferred Resource estimates at a cut off of 40 % total Fe are shown in Table 2.

**Table 2 - Nowa Nowa Resource**

Zone	tonnes (Mt)	SG	Total Fe %
Five Mile	8.92	3.9	49.2
Seven Mile	0.55	3.9	48.3
<b>Total</b>	<b>9.47</b>	<b>3.9</b>	<b>49.1</b>

The Seven Mile deposit outcrops at surface and has been the subject of small scale mining in the past. The mineralisation may represent an opportunity to mine a coarse DSO lump hematite product early in the life of the operation. The mineralised body at Five Mile is largely unweathered, with mineralisation consisting predominantly of magnetite with hematite becoming more common at depth. Mineralisation is also quite massive and, at a 40% Fe cutoff, there appears to be little internal waste.



Samples collected from a core hole drilled by a previous explorer at the Five Mile deposit were submitted for preliminary metallurgical tests. Composite samples were taken from drillhole NND08002 which intersected a continuously mineralised interval averaging 51% Fe. Samples intervals and head assays taken from this core were as follows:

**Table 3 – Samples from NND08002**

	From m	To m	Interval m	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	S (%)
Upper Composite	61	65	4	62.3	6.75	0.9	0.01	0.54
Middle Composite	91	93	2	55.4	10.6	2.28	0.013	0.8
Lower Composite	104	107	3	60	8.24	1.11	0.008	2.56

The results show that a proportion of the mineralisation has a high Fe content and could be classified as direct shipping (DSO).

The three samples were crushed to -6.3mm and separated by dry LIMS separation into a magnetic and non-magnetic product. Assay results and mass recoveries for the magnetic products from each sample are summarised as follows:

**Table 4 – Metallurgical Results from NND08002**

	LIMS -6.3mm	Wt. (%)	Fe (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	S (%)
Upper Comp	LIMS Mags	99.7	61.9	6.7	0.92	0.009	0.62
Middle Comp	LIMS Mags	35.5	58.9	9.31	1.34	0.007	0.41
Lower Comp	LIMS Mags	69.1	64	6.3	0.77	0.007	0.61

Although dry LIMS separation would be more applicable to lower grade material in the deposit, the results suggest that the ore is highly amenable to this low cost beneficiation process producing a potentially high value +61% Fe product.

As part of its investigations into the potential for mine development at Nowa Nowa, Eastern Iron commissioned a study into product transport options by logistics consultants Innovative Shipping Pty Ltd. Innovative Shipping identified several possible transport options including a facility with Small Panamax Class (approx. 65,000 DWT) near Eden, NSW.

**NSW Iron Project**

(EFE 100%, 3E Pty Ltd may earn 77.5%)

Joint venture partner 3E Steel Pty Ltd has completed drilling of additional palaeochannel areas within the joint venture tenements near Cobar in central western NSW. The objective of this drilling will be to substantially increase the current total resource. 3E have also approved a program of beneficiation testwork at a major Chinese University to be completed over the next six months.



PlatSearch shareholding in Eastern Iron is 31,500,000 ordinary shares (approximately 48.3% of EFE). As at 27 April 2012, EFE shares were trading at \$0.075.

More details regarding Eastern Iron's activities can be obtained from its website.

## **THOMSON RESOURCES LTD**

As announced on 20 April 2012, Thomson Resources (ASX code: TMZ) has entered into two joint venture agreements with PlatSearch. The agreements cover five exploration tenements, wholly owned by PlatSearch, over the Ghost rider and Achilles projects located within the Cobar region of central-west NSW. Thomson Resources can earn up to an 80% interest in each with exploration expenditure of \$1 million on each project. PlatSearch will maintain a 20% 'free-carried' interest up to Definitive Mine Feasibility stage.

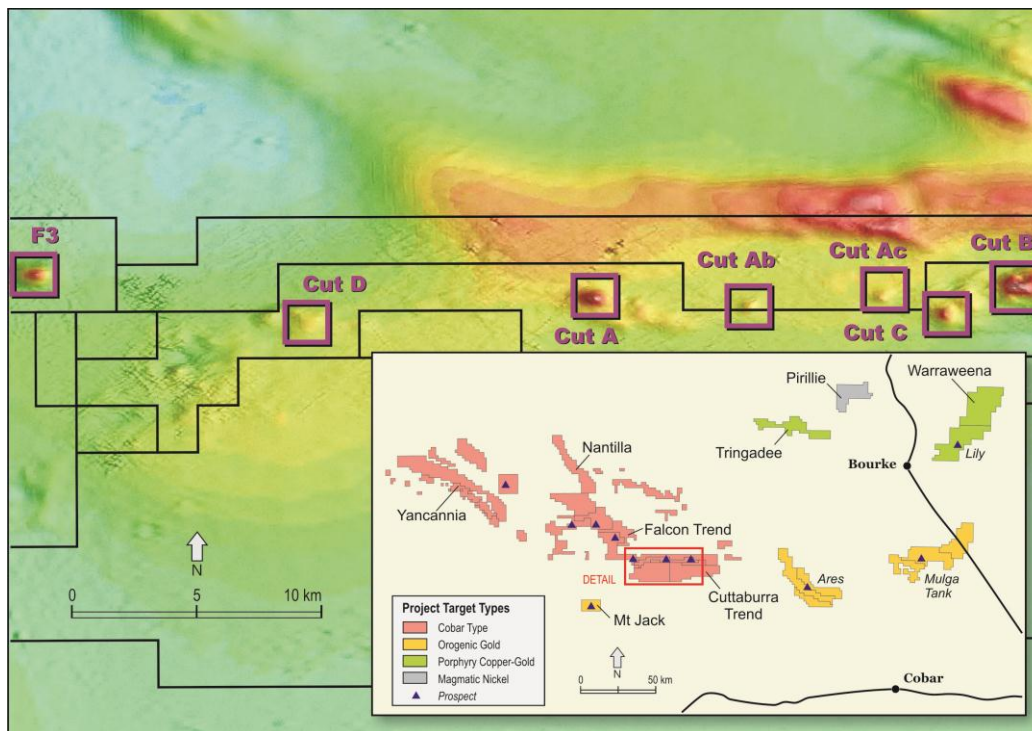
Both projects are considered high quality and will add value to the exploration portfolio of Thomson, a company that PlatSearch helped conceive and bring to IPO. PlatSearch currently holds a 25.6% interest in Thomson.

Since listing on the ASX in December 2010, Thomson has conducted significant exploration within the Thomson Fold Belt of north-western NSW, which includes the projected northern extension of the Cobar Basin, one of Australia's important mining districts. Thomson Resources is the largest ground holder in the region and much of Thomson's recent work has focused on exploring rock units believed to be equivalent to those found within the Cobar Basin. Thomson has built up considerable expertise in exploring for Cobar style deposits and will bring this capability to the joint venture.

Elsewhere in the Thomson Fold Belt, Thomson continued work over its priority base and precious metal targets. Further selected intervals from the 480 metre wide alteration system drilled at the Cuttaburra A prospect were analysed, yielding a best intercept of 3.3 metres at 1.46g/t Au, 0.1% Cu, 10.9g/t Ag from 448.5 metres depth (including 1 metre at 3.7g/t Au, 0.2% Cu, 29g/t Ag, 0.1% Pb, 0.1% Bi). The results continue to highlight the prospectivity of the region for IRG precious metal and Cobar type base and precious metal deposits.

Major flooding on the Darling and Paroo Rivers continued throughout the quarter and restricted access to the company's prospects. At this stage the company's plans to move heavy drilling equipment into the area has been pushed back to mid-winter 2012.

PlatSearch holds 18,000,000 fully paid Thomson shares, or 25.7% of the company and 5,000,000 options exercisable at 30 cents. As at 27 April 2012, TMZ shares were trading at \$0.07. For further details please refer to the TMZ website.



**Figure 4 - Location of magnetic anomalies in the Cuttaburra area**

## SILVER CITY MINERALS LIMITED

Following delays caused by heavy rains, drilling commenced in late March at the Umberumberka silver mine and during April at the Champion and Razorback West projects. Key projects to be drilled over the next six months include Allendale, Golden King, Mount Brown, Umberumberka and Yellowstone.

### Allendale

This project remains a strong candidate for near-term resource delineation and potential development. A second program of approximately fourteen drill holes is scheduled to commence early in the second quarter 2012. Previously reported drilling results (including 10 metres at 4.1% Pb, 12% Zn and 29.0g/t Ag from 15 metres in hole RCAN002 and 2 metres at 8.4% Pb, 11.5% Zn and 39.2g/t Ag from 47 metres in hole RCAN011) indicate multiple high grade sulphide intersections with the new holes designed to test the zone along strike to the north and south.

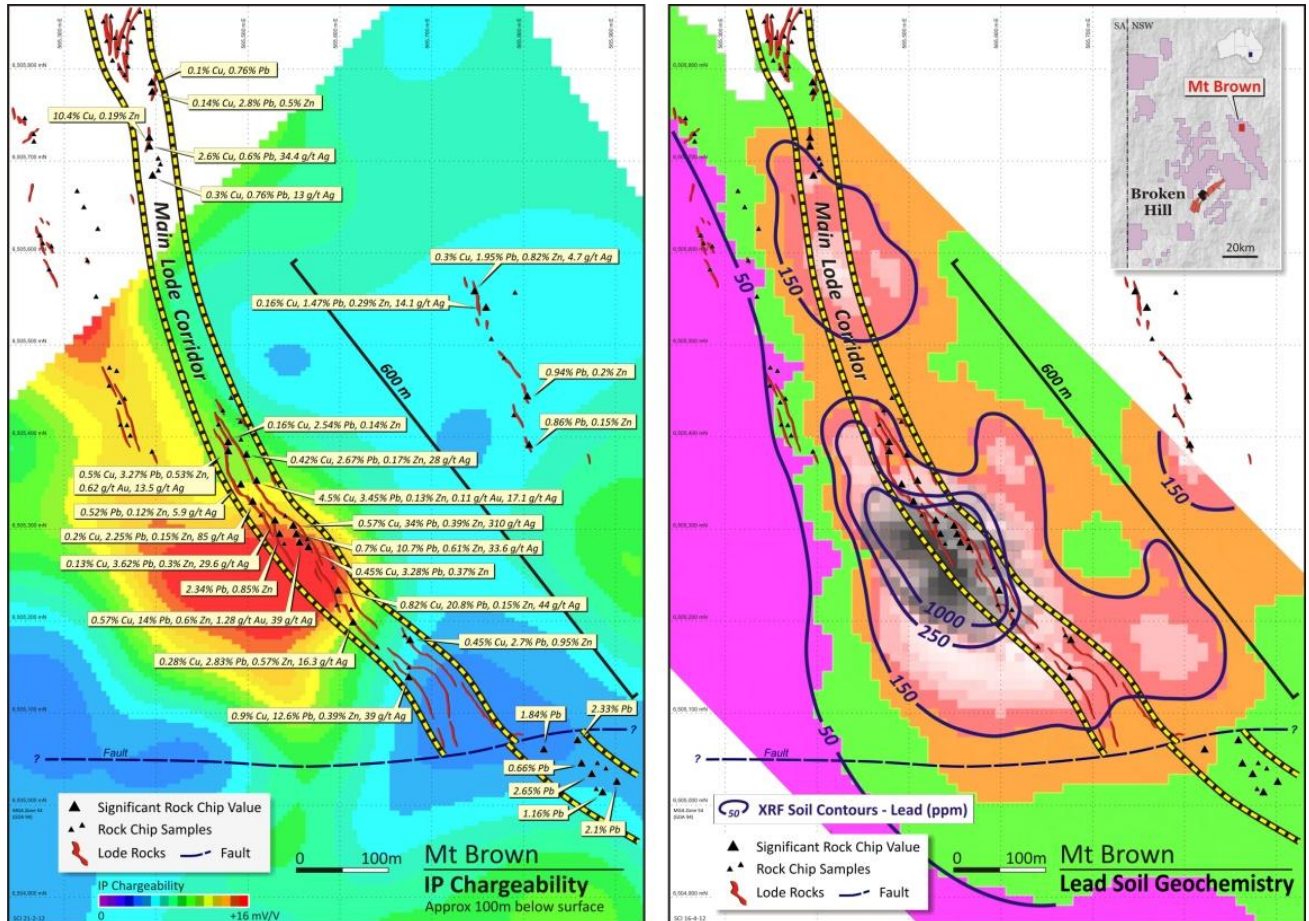
### Golden King and Mount Brown

Golden King is a gold-copper prospect located about 32 kilometres northeast of Broken Hill. Within the prospect multiple lodes hosted within a chlorite-altered corridor 20 to 50 metres wide and 800 metres long have been defined. The prospect was drilled last year and returned intersections containing appreciable copper including 22 metres at 0.61% Cu from 85 metres in hole RCGK005 and 12 metres at 1.34% Cu from 32 metres in hole RCGK007.

These holes indicate the presence of a steeply dipping zone of copper mineralisation in the western part of the prospect which extends over a strike length of at least 120 metres and varies between approximately 10 and 20 metres in true thickness.



At Mount Brown, 50 kilometres northeast of Broken Hill, recent work by SCI indicates the presence of a strongly mineralised structural corridor extending for a kilometre along strike and hosting gossanous lode rocks. Rock chip sampling has generated highly anomalous values containing up to 34% Pb, 310g/t Ag, 10.4% Cu and 0.95% Zn. The corridor is some 70 metres wide in places and hosts individual gossan horizons up to three metres thick.



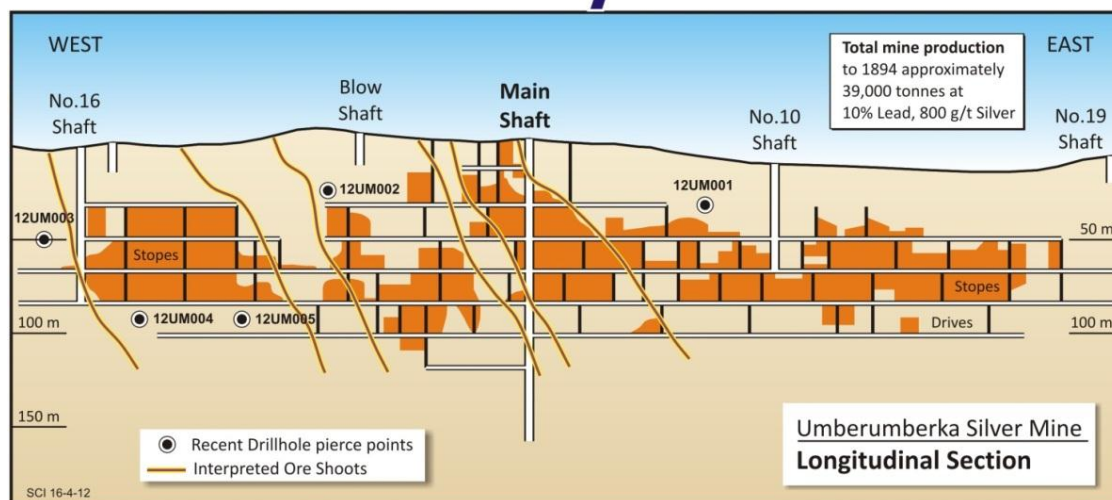
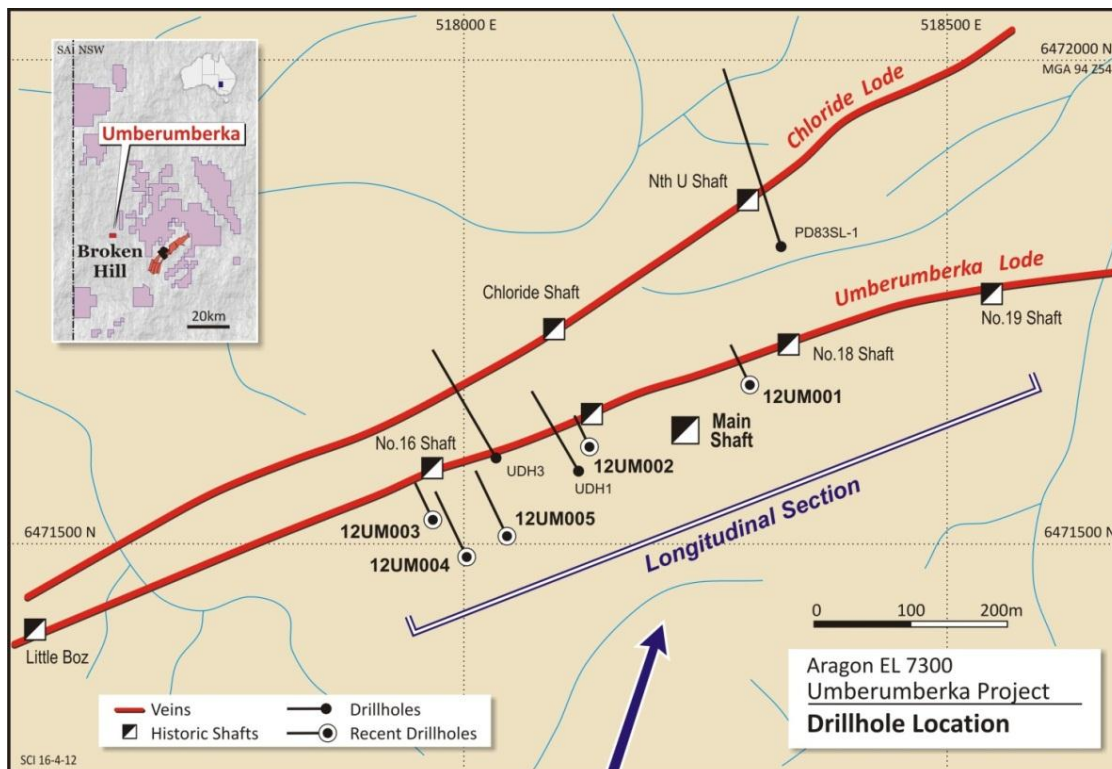
**Figure 5 - Mount Brown project. Diagrams show the extent of prospective lode rock horizons, IP chargeability, lead-in-soil geochemical anomalies and rock chip sample assays**

Both projects are considered by SCI to be highly prospective with respect to copper, lead, zinc, gold and silver mineralisation. SCI plans to drill both this year.

**Umberumberka**

The historic Umberumberka silver mine produced about 39,000 tonnes at grade of approximately 10% Pb and 800 g/t Ag and has distinct potential for additional high grade silver mineralization within both the Main and Chloride lodes (Figure 6).

During the Quarter the SCI initiated a drilling program and completed five RC holes. Two of these tested the down plunge potential of a western shoot, two tested the up-plunge potential and one tested shallow strike continuity. Results are pending.



**Figure 6 - Umberumberka silver mine plan and longitudinal section showing extent of vein structures, old stope plans and the location of five reverse circulation holes completed by SCI**

### Yellowstone

The Company completed an induced polarisation (IP) survey and soil geochemical sampling program to cover anomalous rocks within the Yellowstone Shear Zone. This work identified several chargeability anomalies that were tested in conjunction with geological and geochemical targets. Further investigations of untested IP anomalies are scheduled for the following quarter.

PlatSearch's shareholding in Silver City is 14.3 million fully paid shares, or 14.6% of the company and 4.78 million options exercisable at \$0.25 each. As at 27 April 2012, SCI shares were trading at \$0.17. For further details refer to the SCI website.



## WPG RESOURCES LTD

Following the successful completion of the sale of its iron assets in South Australia to Onesteel Limited and the return of \$1.05 per WPG share to its shareholders in November 2011, WPG retained approximately \$87 million (from which it will pay approximately \$71 million in tax in April 2012).

WPG announced that it has commenced drilling at its Giffen Well iron project. Giffen Well contains Proterozoic BIF hosted magnetite mineralisation similar to that found at the Hawks Nest deposit and has the potential for high grade DSO deposits formed at the contact between the BIF mineralisation and Hiltaba suite intrusives. The new drilling is part of a program of systematic resource development drilling that will provide the basis for a preliminary feasibility study.

PlatSearch holds 10.4 million fully paid WPG shares, or 4.2% of the company. As at 27 April 2012, the WPG trading price was \$0.09. For further details refer to the WPG website.

## AGUIA RESOURCES LIMITED

Agua Resources is an exploration company that has acquired interests in substantial phosphate and potash projects in Brazil. Agua holds interests in three highly prospective and potentially large scale phosphate projects, the Lucena and Mata da Corda Phosphate Projects and the newly discovered Tres Estradas carbonatite-style phosphate project in Rio Grande do Sul, southern Brazil.

Agua announced that it will be accelerating its efforts at the Tres Estradas project. Beneficiation test work has commenced and independent consultants have been engaged to confirm a Mineral Resource estimate that can be reported in accordance with the JORC Code and NI 43-101 standards. This is expected to be completed in the June quarter.

The company commenced drilling the Atlantic Potash Project in north-eastern Brazil and has reported that the first two holes in the programme did not intersect significant potash mineralisation. The company has suspended drilling to enable a detailed review and re-interpretation of historical and newly acquired data.

PlatSearch currently holds 1,185,000 fully paid shares, as well as 200,000 options exercisable at \$0.50. As at 27 April 2012 Agua shares were trading at \$0.25. For further details refer to the AGR website.

## BUSINESS DEVELOPMENT

PlatSearch has identified a range of advanced and brownfield opportunities within Europe and Africa. Through its wholly owned European subsidiary, Variscan Mines SAS, it is progressing further evaluation and acquisition work in these regions. In addition, the Company has is also progressing the evaluation of projects within South America.

As announced on 20 April, PlatSearch has joint ventured two of its exploration projects to Thomson Resources Ltd. These joint ventures continue the PlatSearch strategy of grass roots generative work and tenement acquisition, followed by farm-out, with PlatSearch retaining a carried interest. This brings additional funding into the projects whilst helping to conserve PlatSearch's cash, which is



being focussed into acquiring more advanced projects to help move the Company towards production and sustainable cash flow.

## CORPORATE AND FINANCIAL

### FINANCIAL

Cash expenditure by the PlatSearch group on exploration and project appraisal for the quarter was \$563,000. Expenditure by joint venturers on PlatSearch projects was \$477,000 for the quarter. Cash funds available for PlatSearch and for the Group at 31 March 2012 were \$11.9 million and \$13.2 million respectively. Eastern Iron is consolidated with PlatSearch NL and its wholly owned subsidiary Bluestone 23 Limited (The Group). The Company has no borrowings.

#### PlatSearch NL

**Greg Jones**  
Managing Director

*The information in this report that relates to Exploration Results is based on information compiled by Greg Jones, BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. Mr Jones is a Director of PlatSearch NL and 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 Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*