



PLATSEARCH NL

ABN 16 003 254 395

Exploring Australia for World-Class Mineral Deposits

ANNUAL REPORT 2005

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AUDITORS

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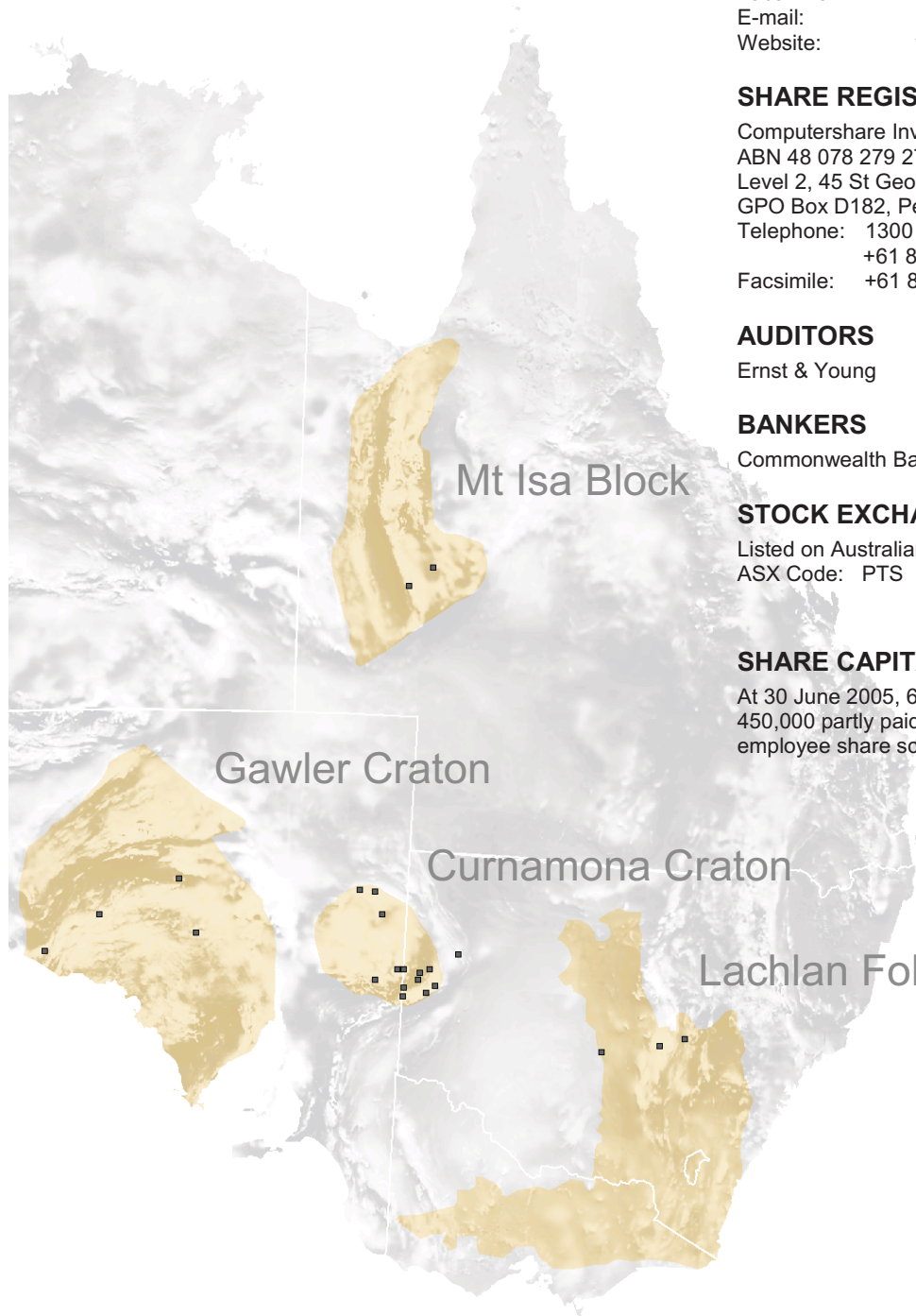
Commonwealth Bank of Australia

STOCK EXCHANGE LISTING

Listed on Australian Stock Exchange Limited
ASX Code: PTS

SHARE CAPITAL

At 30 June 2005, 66,166,879 fully paid ordinary shares,
450,000 partly paid ordinary shares and 4,155,000
employee share scheme options.



OVERVIEW

The tempo of the Australian mineral exploration industry increased significantly during the past year. Improving prices for copper, zinc, gold, nickel and uranium in particular have spurred exploration activity on a number of fronts. PlatSearch, with its valuable ground positions in highly prospective Proterozoic domains in the Curnamona and Gawler Cratons, the Mt Isa Block and the Ordovician volcanics of the Lachlan Fold Belt has been well placed to benefit from this heightened activity. However, increased interest in exploration has been offset by a serious shortage of drilling rigs and manpower which has curtailed the initiatives of many companies both large and small.

A major achievement for PlatSearch has been its participation in the listing on the Australian Stock Exchange of **Western Plains Gold Ltd (WPG)**. WPG listed on 23 August 2005, following the raising of \$2.8 million. PlatSearch holds a 25% interest in WPG. WPG is focussing exploration on copper-gold targets in the Broken Hill Block and the Lachlan Fold Belt in NSW and is conducting substantial work programmes on PlatSearch's **Mulyungarie** and **Euriowie** joint venture areas and the **Redan** and **Trundle** areas in which PlatSearch has a royalty interest. Further, through its shareholding in WPG, PlatSearch will participate in exploration success on any WPG property, including the **Cargelligo** and **Peak Hill East** properties. Within one week of listing WPG commenced aeromagnetic surveys at Trundle and Peak Hill East and drilling on several pre-defined copper-gold targets in the Broken Hill district.

Other highlights through the year were as follows:

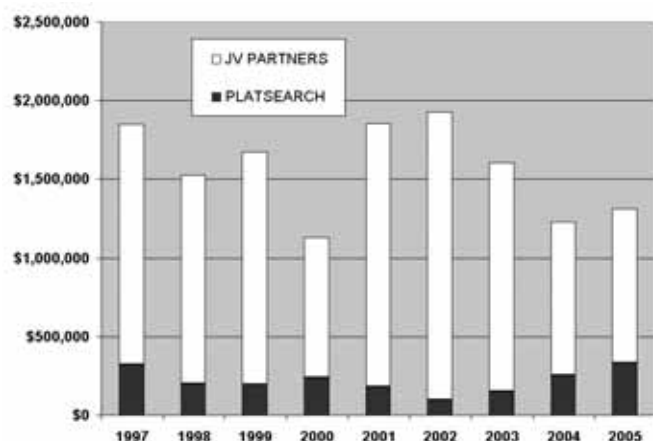
- Joint venturer Red Metal completed pre-collar drilling on the Big Bang and Super Nova prospects in the **Callabonna** and **Quinyambie** tenements. Both prospects are based on strong geophysical anomalies that are of a similar size and type to the anomalies at Olympic Dam. Previous drilling in the region has indicated favourable prospectivity for Olympic Dam style iron-oxide associated copper-gold-uranium (IOCG) mineralisation. Core drilling to extend both holes into basement rocks commenced in September 2005.
- The Benagerie joint venture agreement was signed with Newcrest Mining Ltd to fund further work on the **Frome** and **Poverty Lake** tenements in the Curnamona Craton. The tenements include a series of discrete magnetic and gravity targets with potential for IOCG mineralisation. Newcrest is committed to drill test at least one of these targets and drilling is expected to commence as soon as a rig is available.
- Under a joint venture agreement signed with a subsidiary of CBH Resources Limited (CBH) in September 2005, a major programme of detailed geochemical sampling, targeting base metals, will be conducted on a large tenement package at Broken Hill. The tenements include PlatSearch's **Yanco Glen**, **Lindsays Creek**, **Apollyon Valley**, **Copper Hill** and **Ziggys** licences and CBH's **Mt Robe** and **Big Alder** licences. The sampling will employ a new geochemical analysis technology that enables areas to be soil sampled rapidly and with a high degree of detail. The first stage of the work programme will be funded by CBH and PlatSearch will be the operator.
- PlatSearch commenced fieldwork to investigate the KR4 uranium prospect in the **Kalabity** tenement. A bulk sample of radioactive float material collected by PlatSearch assayed 3.46% uranium, 1.75% cerium and 2.75% lanthanum. A programme of calcrete sampling over the KR4 prospect showed that this technique is a useful tool to search for uranium in the wider tenement area. A joint venture agreement to fund further exploration for uranium and gold is being negotiated.
- In the **Stephens-Centennial** area, Broken Hill, joint venturer Sipa Exploration advised that it is introducing a major company to fund its share of the Stephens-Centennial joint venture. The major company will undertake a deep drill test of a strong gravity anomaly. Drilling is expected to commence during the December 2005 quarter.
- Joint venturer Inco completed a large airborne electromagnetic (AEM) survey over PlatSearch's **Wynbring** Project. The Wynbring tenement is located on the western margin of the Gawler Craton and is considered prospective for nickel sulphide deposits. Ground follow up of selected AEM and magnetic anomalies commenced in September 2005. Drilling at the Wynbring project is approved for 50% funding by the South Australian Government under the PACE programme.

Expenditure on PlatSearch's areas for the 12 months to 30 June 2005 was \$1,309,000, of which \$974,000 was spent by joint venturers.

Shareholders are encouraged to visit the Company's website www.platsearch.com.au where information on PlatSearch's activities can be obtained, including quarterly reports and announcements.

EXPLORATION STRATEGY

PlatSearch's primary targets are large, world-class deposits, principally base metals (copper, lead, zinc and nickel), precious metals (gold and silver) and uranium. The Company has continued to build a strong tenement holding with potential for these types of deposits. Attention is focussed on the Curnamona Province (including the Broken Hill Block), the Gawler Craton, the Mt Isa Block and the Lachlan Fold Belt.



Graph shows exploration expenditure by joint venturers and by PlatSearch over the last nine years.

During the 2005/2006 year, drilling funded by joint venturers including Western Plains Gold, Red Metal, Perilya, Sipa, Inco and Marathon will be conducted on the following projects in which PlatSearch has an interest:

- **Mulyungarie**
- **Euriowie**
- **Redan**
- **Stephens-Centennial**
- **Hillston**
- **Callabonna**
- **Quinyambie**
- **Coondambo**
- **Wynbring**
- **Kalabity**
- **Trundle**
- **Cargelligo**

Large mineral deposits commonly have signatures recognisable in regional geophysical data, specifically magnetic and gravity data. PlatSearch's selection of areas and prospects is often based on interpretation of the vast amount of geophysical and other exploration data increasingly available in Australia. The Company's in-house geophysical experience and computing expertise are a vital part of this process.

PlatSearch is introducing another advanced technology to its exploration "toolbox" – a technology that provides real time geochemical analysis of soils using a portable XRF analyser. This equipment provides an in-situ analysis of surface soil, for a range of elements (base metals) with results available immediately. Coupled with GPS positioning, the XRF analyser

enables areas to be geochemically mapped with an unprecedented level of detail. The technology is effective where there are large areas of shallow residual soils, such as much of the Broken Hill Block, where it is capable of defining anomalies that represent geochemical "hot spots" that are consistently and strongly anomalous over a significant area. These hot spots then represent ideal first stage drilling targets.

PlatSearch's activities are expertise intensive but relatively low cost. The higher cost activities, particularly drilling, are farmed out to larger companies. By this means PlatSearch's share capital remains tight. Following a discovery and successful development, PlatSearch would have a minority (10-30%) non-operating interest or a royalty interest in a mining project.

Exploration for world-class deposits is a high-risk, high-cost but potentially very high-reward endeavour. Mineral discoveries can only be made by drill testing quality targets. The more targets tested, the higher the probability of success.

This strategy requires persistence and is critically dependent on ongoing funding by larger joint venture partners. PlatSearch continues to attract such support for exploration on its areas. This is a reliable measure of the quality of our areas. The accompanying graph shows the level of exploration funding on the Company's areas by joint venture partners, which over the past nine years has averaged \$1,350,000 per annum, compared with \$205,000 per annum by PlatSearch. From time to time joint venturers may withdraw from specific projects. However, the high prospectivity of our areas determines that new partners are usually found. Areas that do not measure up, or that do not ultimately attract further funding, are relinquished.

REVIEW OF OPERATIONS

CURNAMONA PROVINCE

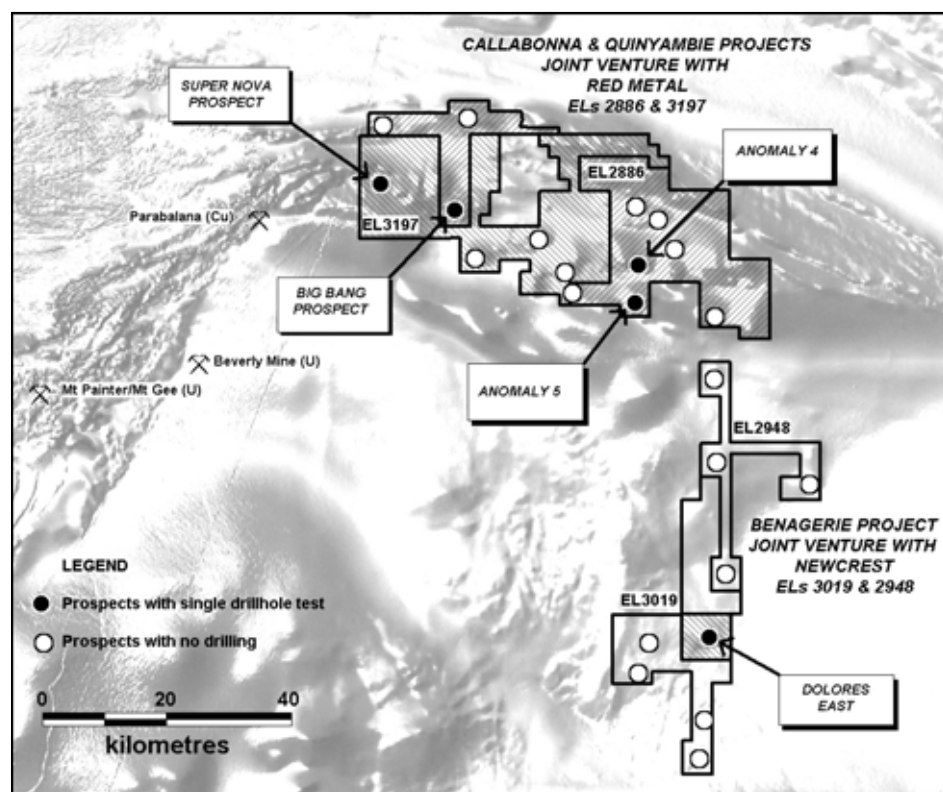
The Curnamona Province is recognised as a key target region for world-class copper, gold, zinc, silver, lead and uranium deposits. Of particular importance is the IOCG style target, similar to Olympic Dam, Prominent Hill and, more recently, the discovery by RMG Services at Carapateena in the Gawler Craton. In general terms, IOCG is a broad classification characterised by an association of copper and iron sulphides with iron oxides (both magnetite and haematite), strong hydrothermal alteration and brecciation. IOCG systems are commonly enriched in uranium and rare earth minerals. Within the IOCG category there are “themes and variations” and no two deposits will be identical. For instance some deposits contain economic grades of uranium and some contain only minor uranium.

IOCG deposits are often associated with large, discrete geophysical anomalies (gravity and/or magnetic anomalies). Although the geophysical anomalies may appear uncomplicated, it is important to understand that the mineralised systems are usually extremely complex and many drillholes may be required to make a “discovery”. Olympic Dam required 10 holes before a discovery could be confirmed.

Recent evidence of increasing interest in the Curnamona Province includes the commencement of final feasibility for White Dam gold mine (Exco), the announcement of the discovery of an 80 million tonne IOCG copper-gold deposit at Kalkaroo (Havilah) and a rapid escalation of exploration for uranium by Southern Cross Resources, Curnamona Energy, Pepinnini Minerals, Marathon Resources and others. In the Broken Hill area, the announcement of significant new lead-zinc-silver intersections by Perilya at its Stirlingvale project indicates that the Broken Hill area is far from thoroughly explored.

On the northern margin of the Curnamona Province, PlatSearch continues to hold a substantial ground position with its **Callabonna** and **Quinyambie** tenements. These tenements are along strike from the Mt Painter Block to the west where there are numerous uranium and copper-gold occurrences associated with granitic breccias, including Mt Gee and Parabarana. Within the Callabonna and Quinyambie licences aeromagnetic and gravity surveys highlight the presence of at least 18 large iron-oxide systems that could host Olympic Dam style copper-gold-uranium. The two most regionally significant anomalies are referred to as the Big Bang and Super Nova prospects. Joint venturer Red Metal commenced diamond drilling at these prospects in September 2005. Pre-collar drilling through the overburden was completed by Red Metal in June 2005. Under the PACE programme

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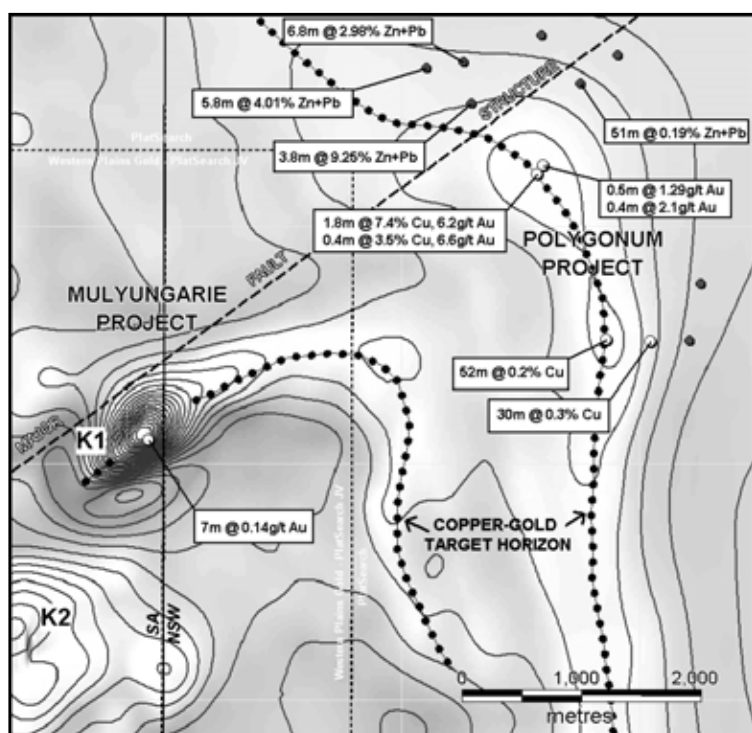


PlatSearch tenements and joint venture areas in the northern Curnamona Craton. Background is a greyscale image of the aeromagnetic data.

Review of Operations (continued)

the South Australian Government is funding 50% of drilling costs at both prospects.

The Big Bang target within the Callabonna tenement is a structure-controlled, coincident gravity (6.5 milligals) and magnetic anomaly, whereas the Super Nova prospect in the adjoining Quinyambie tenement is a 19 milligal gravity anomaly coincident with a flat-textured low magnetic zone. These very high gravity responses are indicative of haematite-bearing or calcsilicate-bearing source rocks, which have a high potential to be mineralised with copper, gold and/or uranium. Their magnitude and dimensions are comparable with that observed over the giant Olympic Dam deposit.



Aeromagnetic image and contours for the Mulyungarie project showing the K1 Anomaly drilling target.

The **Benagerie** project comprises the Frome and Poverty Lake tenements which are located south of Callabonna and Quinyambie in the central-north of the Curnamona Province. These tenements cover at least nine magnetic anomalies that could also represent iron-rich, breccia style targets. At the adjacent Dolores East prospect a single drill test of a similar magnetic anomaly intersected a strongly copper-anomalous, haematite-altered, volcanic breccia body. PlatSearch completed ground magnetic surveys over three of these anomalies during the year. A joint venture agreement was signed with Newcrest In March 2005 to conduct and fund ongoing work. Newcrest commenced detailed gravity surveys in September and is committed to drill test at least one selected target.

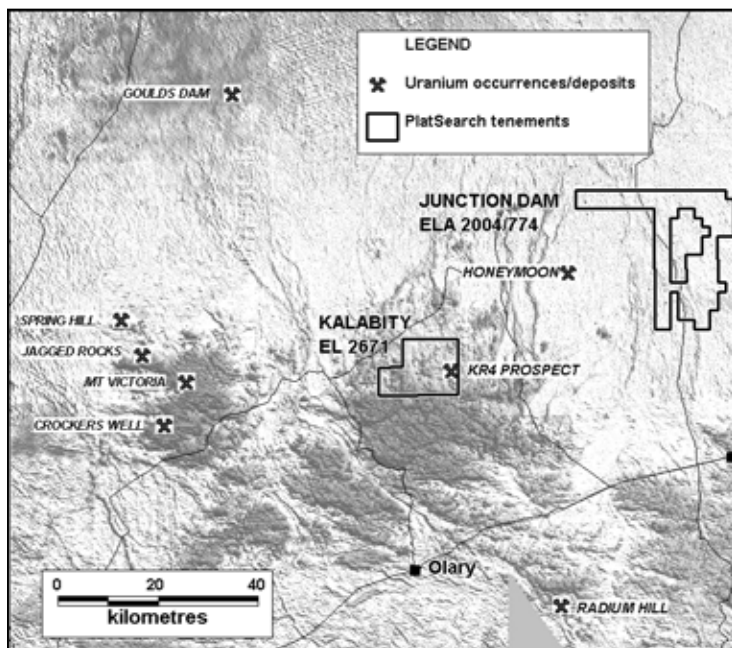
The **Mulyungarie** tenement contains the K1 Anomaly Prospect, which covers the strongest discrete magnetic anomaly within a 30 kilometre radius with a semi-coincident, strong gravity anomaly. Geophysical modelling indicates that the causative body has a strike length of 5-600 metres and that the ironstone mass could be of the order of 100-150 million tonnes. A previous shallow hole penetrated 50 metres into a major zone of intense iron-oxide alteration with weak gold anomalism. The body lies on stratigraphy that is known to be strongly copper and gold anomalous where tested some kilometres away, and the prospect

is regarded as a classic IOCG style target for copper-gold-uranium mineralisation. Joint venturer WPG completed ground geophysical surveys over the K1 prospect during the year and is required to test this anomaly with two inclined rotary/core holes. Drilling is scheduled to commence in October 2005. Both holes will be 50% funded by the South Australian Government under the PACE programme.

“The Kalabity tenement located near Olary, SA, has potential for intrusive-hosted uranium mineralisation, in addition to gold and base metals.”

The **Kalabity** tenement located near Olary, SA, has potential for intrusive-hosted uranium mineralisation, in addition to gold and base metals. Quartz veining extending over a 2.5 kilometres strike length contains davidite mineralisation at the KR4 prospect. Davidite is a titanite of iron, uranium and rare earths. Its presence indicates that some basement rocks are strongly anomalous in uranium. Other similar uranium occurrences are known in the surrounding Olary region including Crockers Well, Mt Victoria and notably Radium Hill, the first producing uranium mine in Australia.

Review of Operations (continued)



Previous surface rock-chip and LAG soil sampling shows widespread uranium and rare earth anomalism within the Kalabity tenement and the wider surrounding area. This is reflected in regional airborne radiometric data, which shows anomalously high radioactive response in the area (see adjacent Kalabity map). A bulk sample of radioactive float material collected by PlatSearch at the KR4 prospect over a 1.5 kilometre strike length assayed 3.46% uranium, 1.75% cerium and 2.75% lanthanum. A programme of regional calcrete sampling to search for uranium and gold mineralisation has been proposed and discussions with potential joint venturers to fund this work are in progress.

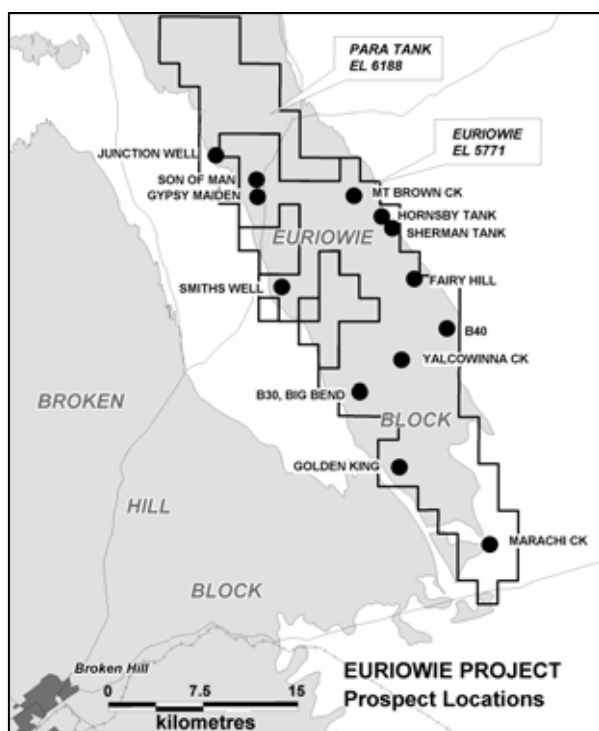
The **Mundi Plains** tenement includes key areas previously covered by the Thunderdome and Mundi Mundi tenements including the Polygonum and Dome 5 prospects, but excluding part of the Mundi Mundi tenement which is now subject to the joint venture with WPG. PlatSearch completed reviews of all previous drilling in this area and has been conducting presentations and discussions with potential joint venture partners. These discussions are continuing and the company is hopeful of attracting further joint venture funding to continue exploration for stratiform zinc-lead-silver in this important area.

Location of Kalabity and Junction Dam tenements in the southern Curnamona province. The greyscale radiometric image shows the areas of higher gamma radiation levels in the Olary region.

Within the **Euriowie** Project tenements, 13 prospects with good potential for copper-gold mineralisation have been identified and earmarked for further work. Of these prospects Yalcowinna Creek, Fairy Hill, Son of Man, Smiths Well and B40 have been selected for early attention by joint venturer WPG.

WPG completed detailed mapping and sampling at both Yalcowinna Creek and Fairy Hills prospects. At Yalcowinna Creek a 50-100 metre wide zone of outcropping sulphide gossans, with anomalous copper and gold (up to 12% copper and 2.2 g/t gold) extending over a strike length of at least 700 metres, has been defined.

At Fairy Hill, 14 of 17 samples collected are highly anomalous in copper with values up to 18.5%. Gold is also consistently anomalous with several values in excess of 100 ppb with a maximum value of 1.86 g/t. Detailed mapping defines a 220 metre long by 75 metre wide north-westerly trending zone of altered and mineralised gneissic rocks that contain prominent copper oxides. The mineralised rocks are exposed in a number of small old workings and the zone is open to the north-west where outcrop disappears beneath shallow soil cover. This prospect has never been drilled and has excellent potential for both a near surface oxide and deeper primary copper-gold deposit. A programme of RAB drilling designed to better define the mineralised zones and to provide targets for deeper RC percussion drilling was completed on both the Fairy Hill and Yalcowinna prospects in early September.



Prospect locations - Euriowie project, Broken Hill.

Review of Operations (continued)

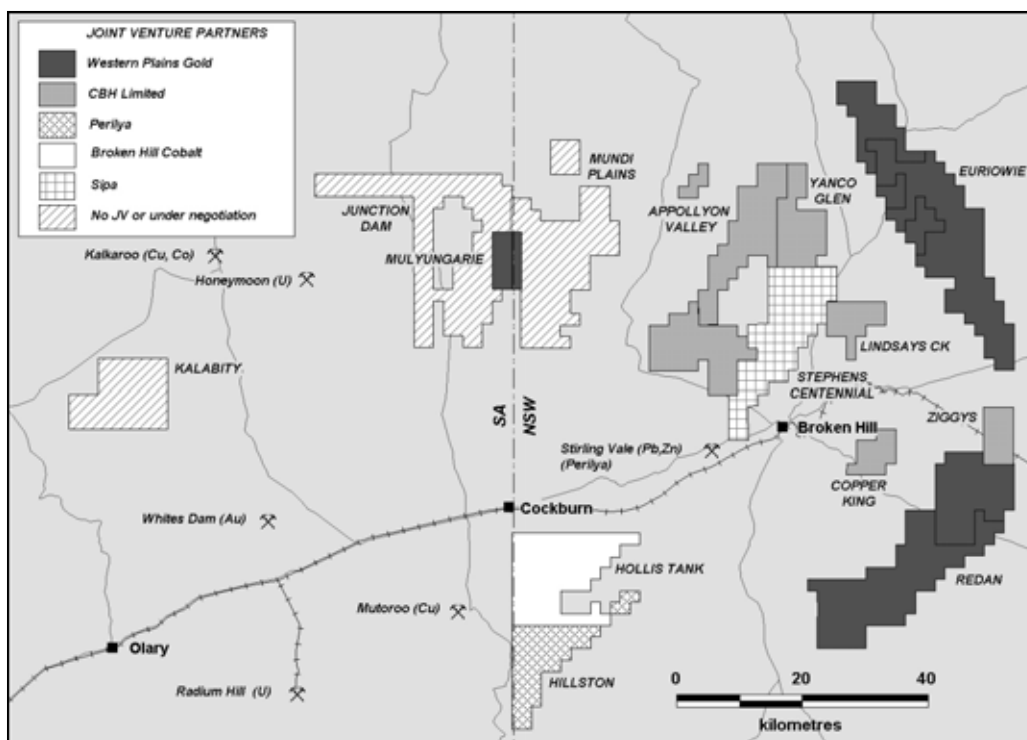
“Within the Euriowie Project tenements 13 prospects with good potential for copper-gold mineralisation have been identified and earmarked for further work.”

Along strike from the Fairy Hill copper prospect, the strong B40 magnetic anomaly indicates the presence of a very large ironstone body that extends over a two kilometre strike length. A previous drillhole intersected anomalous base metals within a quartz-magnetite lode. WPG will conduct RAB drilling on this prospect to define C-horizon geochemistry prior to percussion drilling.

At Son of Man prospect, sulphide gossans carrying up to 3.6% copper and 13 g/t gold outcrop intermittently over a 3.5 kilometre strike length. WPG will conduct detailed geological mapping and sampling followed by RAB drilling in the December 2005 quarter.

Smiths Well prospect contains numerous outcrops of sulphide gossans and ironstones with anomalous copper and gold scattered over a large, mostly soil covered, area. A strong magnetic anomaly in the area represents a possible early drill target. WPG commenced RAB drilling to trace mineralised gossan horizons under the soil cover and to determine the cause of the strong magnetic anomaly in September 2005.

WPG commenced RAB drilling in its **Redan** tenement at Chert Ridge prospect in September 2005. Chert Ridge prospect lies on an extensive zone of anomalous copper, lead and zinc defined by previous RAB drilling. Rock-chip sampling by WPG at Chert Ridge returned highly anomalous gold values ranging from 14 to 172 g/t. Earlier explorers did not generally analyse for gold in this region. PlatSearch holds an NSR royalty interest in Redan.

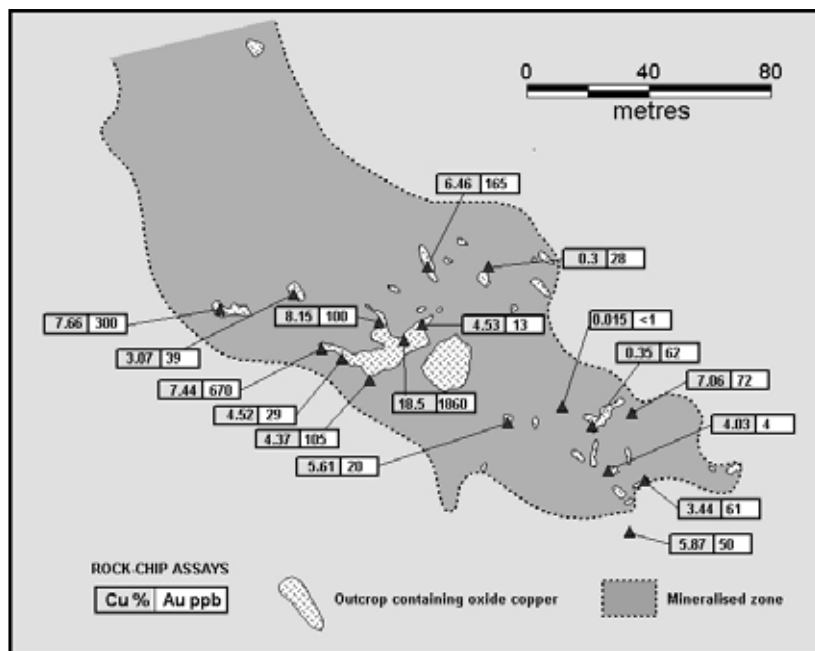


Location of PlatSearch tenements in the Broken Hill district and joint venture relationships.

In the **Hillston** tenement joint venturer Perilya has completed extensive shallow soil geochemical sampling followed by RAB drilling. The tenement covers part of a major structure, the Hillston Fault, that is regarded as a possible regional locus for mineralisation. Perilya is encouraged by results so far and intends to conduct further soil geochemistry, followed by drilling, to test anomalies defined by this work. They will also test a magnetic anomaly located south of the old Coultra Copper Mine where RAB drilling has encountered anomalous copper over a strike length of 400 metres with a best intersection of 13 metres of 1.11% copper.

In the adjacent **Hollis Tank** tenement to the north, Broken Hill Cobalt will conduct an extensive soil geochemical survey over the northern portion of the tenement. Previous work here has encountered widespread anomalism in base and precious metals, including significant cobalt values at the Great Goulburn prospect.

Review of Operations (continued)



Rock-chip sampling at Fairy Hill prospect shows values up to 18.5% copper and 1.86 g/t gold.

The **Stephens-Centennial** tenement is located only 10 kilometres north-west of the Broken Hill line-of-lode and embraces a 30 kilometre strike length of highly prospective Broken Hill Group metasediments, with numerous occurrences of Broken Hill style stratiform lead-zinc-silver mineralisation. Some of the best drill intersections in the Broken Hill Block, outside the main Broken Hill line of lode, have been encountered in the Stephens-Centennial area. Most previous drilling is relatively shallow with anomalous intersections open at depth.

Previous intersections include six metres of 9.5% zinc, 0.7% lead and 14 g/t silver (hole SGC1) by joint venturer Sipa and six metres of 11.83% zinc, 3.73% lead and 13 g/t silver (Hole SG3) by Aberfoyle in 1991. The best intersections are located at Stephens Trig prospect located at the end of a prominent linear gravity anomaly extending over an eight kilometre strike length. Sipa Exploration is introducing a major company to fund its share of the Stephens-Centennial joint venture. The gravity anomaly at Stephens Trig is the

intended target for the next stage of drilling which is expected to commence during the December 2005 quarter.

A large new tenement called **Apollyon Valley** was applied for during the year. The tenement covers a 149 square kilometre area located approximately 20-40 kilometres north of Broken Hill. Willyama Group rocks prospective for Broken Hill style lead-zinc-silver deposits occupy the entire tenement area. Despite the occurrence of a large number of minor lead-zinc-silver workings in areas of outcrop, there has been negligible RAB or percussion drilling in the area. PlatSearch considers the area to be only lightly explored.

Broken Hill 'ZincSearch' Joint Venture

In September 2005 Broken Hill Operations a subsidiary of CBH Resources Limited, PlatSearch and Eaglehawk formed a joint venture to undertake an extensive programme of soil geochemical analyses on a large combined tenement package in the Broken Hill Block. The joint venture will utilise a portable XRF analyser manufactured by NITON LLC. This equipment enables an in-situ analysis of surface soil, for a range of elements, to be carried out in approximately one minute and for the results to be available immediately. Coupled with GPS positioning, the NITON system enables areas to be geochemically mapped at a level of detail, which would not be feasible economically using conventional sample collection and laboratory analysis.

This enhanced level of detail provides a significant advantage for drillhole targeting, especially in areas of highly complex geology such as Broken Hill, where the surface geochemical "footprint" of steeply plunging orebodies can have a relatively small areal extent. The coarse measurement precision of the NITON system compared to laboratory techniques is compensated for by its ability to obtain a high sample density, quickly and at reasonable cost.

Within the joint venture tenement package there are large prospective areas where geochemical sampling (either soil sampling or RAB drilling) is wide-

"Some of the best drill intersections in the Broken Hill Block, outside the main Broken Hill line of lode, have been encountered in the Stephens-Centennial area. Most previous drilling is relatively shallow with anomalous intersections open at depth."

Review of Operations (continued)

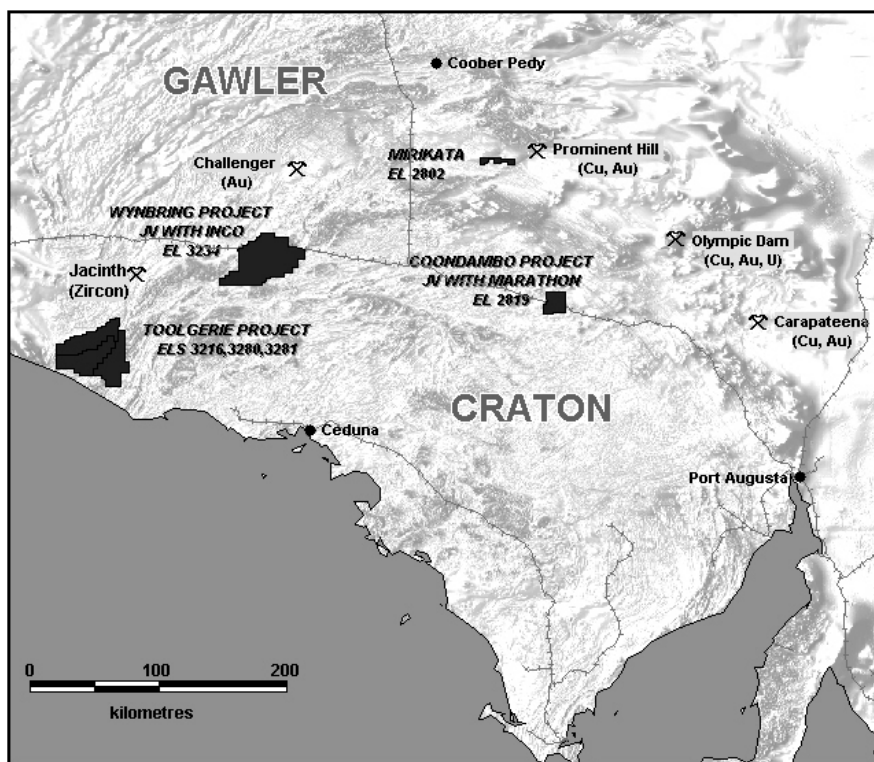
spaced, or non-existent. Any previous sampling is generally too “broad brush” to have adequately tested these areas, despite the existence of favourable stratigraphy including extensive zones of outcropping lode type rocks.

The ZincSearch joint venture agreement provides that CBH will fund a Stage One programme of NITON sampling in all tenements. PlatSearch will be the operator of Stage One. Five PlatSearch tenements (**Yanco Glen, Lindsays Creek, Apollyon Valley, Copper Hill and Ziggys**) and two CBH tenements (**Mt Robe and Big Alder**) have been combined to form a large tenement package with a combined area of 534 square kilometres. PlatSearch (including Eaglehawk in some tenements) and CBH will each hold a 50% interest in each tenement at the commencement of the joint venture. Full details of the agreement were announced in September 2005 and fieldwork is expected to commence in October 2005.

“The Wynbring tenement covers an area of approximately 2,000 square kilometres on the western flank of the Gawler Craton. It lies within the Fowler Domain, considered to be an analogue of the Thompson Nickel Belt in Canada, host to many important sulphide nickel-copper deposits.”

GAWLER CRATON

Joint venturer Inco Resources (Australia) Pty Ltd (Inco) completed an extensive detailed airborne electromagnetic survey within the **Wynbring** project tenement. The survey covered an area of approximately 400 square kilometres comprising 1,946 line kilometres and was designed to detect conductive sulphide bodies.



Location of PlatSearch tenements in the Gawler Craton, SA. Background is a greyscale image of regional aeromagnetic data.

The Wynbring tenement covers an area of approximately 2,000 square kilometres on the western flank of the Gawler Craton. It lies within the Fowler Domain, considered to be an analogue of the Thompson Nickel Belt in Canada, host to many important sulphide nickel-copper deposits. Widespaced reconnaissance bedrock drilling carried out by PIRSA indicated the presence of a 30 kilometre-long zone of intermediate to ultramafic rocks adjacent to a major fault and geochemically anomalous in gold, nickel, chromium, platinum and palladium. Most of this zone lies within PlatSearch’s tenement.

The Wynbring tenement lies within the Yellabinna Nature Reserve and an application for approval supported by a Declaration of Environmental Factors is required for ground access. Holdups in this process led to extensive delays in commencing ground follow-up, which started in September 2005. Under the PACE programme, the South Australian Government will fund 50% of the drilling costs for the drilling that is expected to be undertaken when the ground follow-up is completed.

The **Toolgerie** tenement, granted in June 2004, is located in the southern part of the Fowler Domain. It covers a very large layered mafic-ultramafic complex, considered by PlatSearch to be prospective for Sudbury style nickel

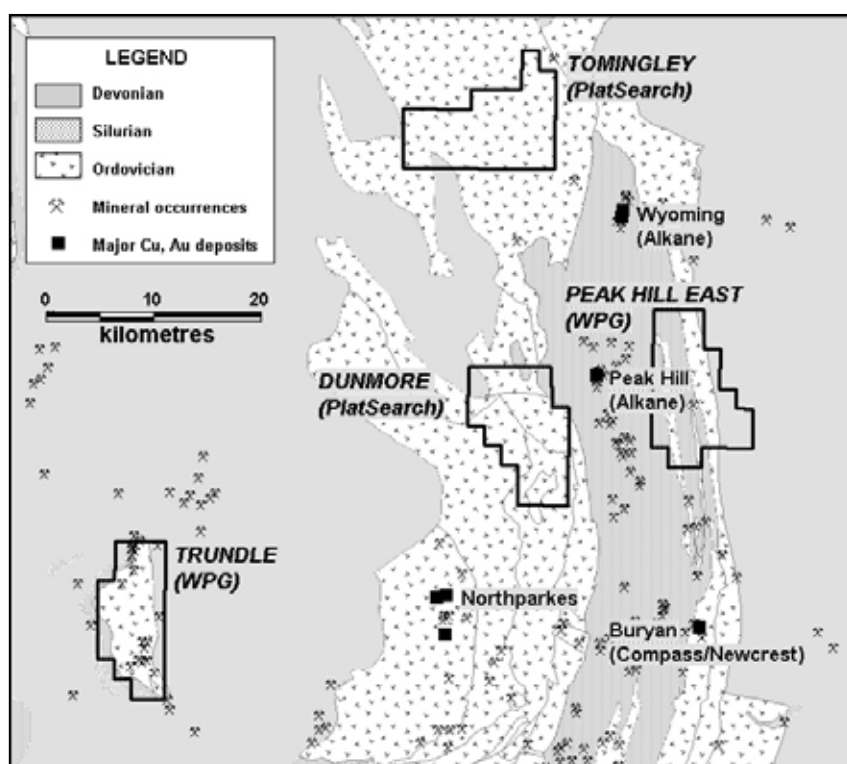
Review of Operations (continued)

sulphide deposits. The **Yalata** and **Black Hill** tenements, located adjacent to Toolgerie, cover the southern extension of major crustal fractures evident in aeromagnetic data. Previous exploration of these areas has been negligible. This tenement package lies within 50 kilometres of the Ooldea Range, a major coastal barrier containing highly prospective beach placer deposits including Iluka's Jacinth, Ambrosia and Immarna zircon-rich deposits. PlatSearch is seeking joint venture funding to pursue both nickel and mineral sands targets in these areas.

At the **Coondambo** project, Marathon Resources completed geochemical surveys to assist in targeting the next drillhole. Marathon is required to complete at least one basement drillhole under the terms of the Coondambo joint venture agreement. A 504 metre deep hole sited on a large gravity anomaly in 2004 encountered an extremely high abundance of haematite between 349 and 402 metres in Gawler Range Volcanics, together with enhanced levels of cerium and lanthanum (rare earths). This drilling result indicated that the area is prospective for IOCG style copper-gold deposits analogous to Prominent Hill and Olympic Dam. Marathon expects to commence drilling during the December 2005 quarter.

LACHLAN FOLD BELT

PlatSearch has significant exposure to potential for Northparkes/Cadia style copper-gold mineralisation through its 25% shareholding in WPG, a royalty interest in WPG's Trundle tenement and its own Dunmore and Tomingley tenements in the Lachlan Fold Belt, NSW.



WPG completed an in-depth review of previous mapping and shallow drilling data at the Mordialloc prospect situated in the northern part of the **Trundle** tenement. This work defined monzonite and quartz monzonite porphyries interpreted as late stage intrusive phases, identical to the mineralising porphyries at Northparkes. This interpretation is supported by strongly anomalous bedrock copper values up to 1,000 ppm accompanied by low, but significant gold values. The arcuate shaped copper-gold anomaly extends over a distance of approximately 400 metres and is unclosed to the west and north. Two percussion holes drilled by a previous explorer in the near vicinity intersected broad zones of low-level copper mineralisation, associated with intrusive units and sporadic pink potassic alteration. A programme of grid-based RAB drilling to properly define the limits of the copper-gold anomaly will commence when a drilling rig is available. This work will be followed by deeper percussion or core drilling to provide a deeper test of the anomaly.

PlatSearch and WPG's tenements in the Parkes - Peak Hill region of the Lachlan Fold Belt. Ordovician volcanics host world-class deposits of porphyry style copper-gold such as Northparkes and Cadia-Ridgeway.

Review of Operations (continued)

WPG completed an ultra-detailed low-level aeromagnetic survey over the Trundle tenement in September 2005. The results of this survey are expected to assist in defining other drilling targets in the area.

Work is also progressing on WPG's **Peak Hill East** and **Cargelligo** tenements. An ultra-detailed low-level aeromagnetic survey was completed over the Peak Hill East tenement and the results will be used to plan RAB drilling to search for evidence of porphyry style copper-gold mineralisation. In the Cargelligo tenement a programme of two core drillholes to test for Cobar style shear-hosted copper-gold mineralisation at the Achilles One prospect is expected to commence in October 2005.

PlatSearch has applied for two new tenement areas **Dunmore** and **Tomingley** located in the Bogan Gate Synclinorium, 20 and 40 kilometres north of the Northparkes porphyry copper-gold mines and 10 kilometres west of the Peak Hill gold mine and the Wyoming gold deposit.

MT ISA BLOCK

A detailed gravity survey over the **Horse Creek** tenement has indicated that part of a large, IOCG style ironstone system containing anomalous copper and discovered in the adjoining tenement extends into PlatSearch's tenement. Discussions with potential joint venture partners regarding the large copper and gold bearing ironstone system at the **Lilleyvale** project have continued.



Bob Richardson
Managing Director

The information on mineralisation contained in this report accurately reflects information compiled by R L Richardson, BSc, BE(Hons), MAusIMM, MASEG, a Competent Person (as defined by the Australasian Code for Report of Identified Mineral Resources and Ore Reserves), who has relevant experience in relation to such mineralisation and has consented to the inclusion of such information in this report.

SUMMARY OF JOINT VENTURES

as at 27 September 2005

Apollyon Valley ELA 2544, Big Alder EL 5646 and Mt Robe EL 6147, NSW

PlatSearch 50% and Broken Hill Operations Pty Limited 50%. Broken Hill Operations can earn a 60% interest by funding the Stage One work programme. PlatSearch can then contribute with 40%, reduce to a 20% interest free-carried to completion of a bankable feasibility study and then participate or convert to a NSR royalty.

Callabonna EL 2886, SA

PlatSearch 100%. Red Metal can earn a 70% interest by spending \$3 million within three years. PlatSearch can contribute with 30% or reduce to a 15% interest, carried to completion of a bankable feasibility study and repayable from PlatSearch's share of net proceeds of mine production.

Coondambo EL 2819, SA

PlatSearch 50% and Marathon Resources Ltd 50%. PlatSearch has a 50% joint venture interest in this EL. Marathon can earn 80% by spending \$1 million within four years. PlatSearch can contribute with 20% or reduce to a 10% interest, carried to completion of a bankable feasibility study and then participate or convert to a NSR royalty.

Copper King EL 5919, Lindsays Creek EL 5704, Yanco Glen EL 5764 and Ziggys EL 6036, NSW

PlatSearch 40%, Eaglehawk 10% and Broken Hill Operations Pty Limited 50%. Broken Hill Operations can earn a 60% interest by funding the Stage One work programme. PlatSearch/Eaglehawk can then contribute with 40%, reduce to a 20% interest free-carried to completion of a bankable feasibility study and then participate or convert to a NSR royalty.

Cymbric Vale EL 6403, NSW

PlatSearch 50% and Paradigm Mexico Pty Limited 50%. PlatSearch has an agreement whereby Paradigm Mexico has a 50% joint venture interest in these tenements. In the event of a farm-out of a tenement to a third party, both parties would dilute in proportion 50:50.

Dunmore ELA 2513 and Tomingley ELA 2514, NSW

PlatSearch 90% and RobertsConsulting Pty Ltd 10%. PlatSearch has an agreement whereby RobertsConsulting has a 10% joint venture interest in these tenements. In the event of a farm-out of a tenement to a third party, both parties would dilute in proportion 90:10.

Euriowie ELs 5771 and 6188, NSW

PlatSearch 80% and Eaglehawk 20%. Western Plains Gold can earn a 60% interest by spending \$750,000 within four years. PlatSearch can then contribute with 32% or reduce to a 16% interest free-carried to completion of a bankable feasibility study.

Frome EL 3019, SA

PlatSearch 50% and Allender 50%. PlatSearch has a 50% joint venture interest in this EL. In the event of a farm-out to a third party, both parties would dilute in proportion 50:50. Newcrest can earn a 70% interest in the licence by completing expenditure of \$2 million within five years. When Newcrest earns a 70% interest PlatSearch can elect to participate in further expenditure with a 15% interest, or reduce to a 10% interest carried via a non-recourse loan up to a decision to mine stage, or reduce to a 5% free-carried to decision to mine. At decision to mine PlatSearch can elect either to participate or convert its interest to a net smelter royalty.

Hillston EL 6363, NSW

PlatSearch 80% and Eaglehawk 20%. Perilya can earn an 80% interest in this tenement by completing expenditure of \$1.5 million within four years. PlatSearch and Eaglehawk can then each participate with their respective interests of 16% and 4% or convert to a 10% and 2.5% free-carried interest to completion of a bankable feasibility study. On completion of a bankable feasibility study, PlatSearch and Eaglehawk can participate or convert their interests to a NSR interest.

Hollis Tank EL 5765, NSW

PlatSearch 80% and Eaglehawk 20%. Broken Hill Cobalt can earn a 75% interest in this tenement by completing expenditure of \$700,000. PlatSearch and Eaglehawk can then each participate with their respective interests of 20% and 5% or convert to a 12% and 3% free-carried interest to completion of a bankable feasibility study. On completion of a bankable feasibility study, PlatSearch and Eaglehawk can participate or convert their interests to NSR royalties.

Summary of Joint Ventures (continued)

Junction Dam EL 3328 and Kalabity EL 3297, SA

PlatSearch 80% and Eaglehawk 20%. PlatSearch has an agreement whereby Eaglehawk has a 20% joint venture interest in these tenements. In the event of a farm-out of a tenement to a third party, both parties would dilute in proportion 80:20.

Mulyungarie EL 2776 and Mundi Mundi EL 4657, SA and NSW

PlatSearch 80% and Eaglehawk 20% of EL 2776 and PlatSearch 100% of EL 4657. Western Plains Gold can earn a 60% interest in each licence by spending \$750,000 within four years. PlatSearch can then contribute with 32% or reduce to a 16% interest free-carried to completion of a bankable feasibility study on EL 2776. PlatSearch can then contribute with 40% or reduce to a 20% interest free-carried to completion of a bankable feasibility study on EL 4657.

Poverty Lake EL 2948, SA

PlatSearch 50%, Allender 25% and Hosking 25%. PlatSearch has an agreement whereby Allender and Hosking each have a 25% joint venture interest in this EL. In the event of a farm-out of a tenement to a third party, all parties would dilute in proportion 50:25:25. Newcrest can earn a 70% interest in the licence by completing expenditure of \$2 million within five years. When Newcrest earns a 70% interest PlatSearch can elect to participate in further expenditure with a 15% interest, or reduce to a 10% interest carried via a non-recourse loan up to a decision to mine stage, or reduce to a 5% free-carried to decision to mine. At decision to mine PlatSearch can elect either to participate or convert its interest to a net smelter royalty.

Quinyambie EL 3197, SA

PlatSearch 50% and Allender, Kennedy, Aurelius Resources, Hosking and Houldsworth (collectively Dolores Syndicate 50%). Red Metal can earn 70% by spending \$3 million. PlatSearch can contribute with 15% or reduce to a 7.5% interest, carried to completion of a bankable feasibility study and repayable from PlatSearch's share of net proceeds of mine production.

Redan and Kanbara ELs 5795 and 6394

PlatSearch sold its 80% interest in these ELs to WPG during the 2004-05 year and retains a royalty interest.

Stephens-Centennial EL 6132, NSW

PlatSearch 48%, Eaglehawk 12% and Triako 40%. Sipa can earn a 51% interest by completing expenditure of \$1,500,000 within four years and can then increase its interest to 70% by spending a cumulative \$2,250,000 within six years. PlatSearch then can participate at 14.4%, elect to be free-carried at 6% equity to completion of a bankable feasibility study or convert to a NSR royalty. Endeavour Minerals has a 1.5% NSR on any discovery in a small area of the licence.

Toolgerie EL 3216, Black Hill EL 3281 and Yalata EL 3280, SA

PlatSearch 80% and Bohoun Resources 20%. PlatSearch has an agreement whereby Bohoun has a 20% joint venture interest in these tenements. In the event of a farm-out of a tenement to a third party, both parties would dilute in proportion 80:20.

Trundle EL 4512, NSW

PlatSearch sold its 80% interest in this EL to WPG during the 2004-05 year and retains a royalty interest.

Woodlawn South EL 5652, NSW

PlatSearch 20%. Tri Origin earned an 80% interest by spending \$250,000 on exploration. PlatSearch is free carried for the next \$250,000 of exploration spending.

Wynbring EL 3234, SA

PlatSearch 100%. Inco can earn a 60% interest by spending \$2 million within four years from September 2004. PlatSearch can contribute with 40% or reduce to a 20% interest free carried to completion of a bankable feasibility study.

SCHEDULE OF TENEMENTS

as at 27 September 2005

Tenement	Tenement Number	Interest	Joint Venture Details
NEW SOUTH WALES			
Broken Hill			
Mundi Mundi	EL 4657	100%	WPG can earn 60%
Mundi Plains	EL 6404	100%	-
Euriowie	ELs 5771 and 6188	80%	WPG can earn 60%, Eaglehawk 20%
Stephens-Centennial	EL 6132	48%	Sipa can earn 70%, Note 1
Redan and Kanbara	EL 5795 and EL 6394	0%	Royalty interest only
Hollis Tank	EL 5765	80%	BHC can earn 75%, Eaglehawk 20%
Hillston	EL 6363	80%	Perilya can earn 80%, Eaglehawk 20%
Lindsays Creek and Yanco Glen	ELs 5704 and 5764	40%	BH Operations 50%, Eaglehawk 10%
Copper King and Ziggys	ELs 5919 and 6036	40%	BH Operations 50%, Eaglehawk 10%
Apollyon Valley, Big Alder and Mt Robe	ELA 2544, ELs 5646 and 6147	50%	BH Operations 50%
Cymbric Vale	EL 6403	50%	Paradigm Mexico 50%
Lachlan Fold Belt			
Woodlawn South	EL 5652	20%	Tri Origin 80%
Trundle	EL 4512	0%	Royalty interest only
Dunmore	ELA 2513	90%	RobertsConsulting 10%
Tomingley	ELA 2514	90%	RobertsConsulting 10%
QUEENSLAND			
Horse Creek	EPM 13304	100%	-
Lilleyvale	EPM 12115	100%	-
SOUTH AUSTRALIA			
Rudall	EL 2790	100%	-
Mirikata	EL 2802	100%	-
Callabonna	EL 2886	100%	Red Metal can earn 70%
Kalabity	EL 3297	80%	Eaglehawk 20%
Mulyungarie	EL 2776	80%	WPG can earn 60%, Eaglehawk 20%
Junction Dam	EL 3328	80%	Eaglehawk 20%
Quinyambie	EL 3197	50%	Red Metal can earn 70%, Note 2
Coondambo	EL 2819	50%	Marathon Resources 50%
Poverty Lake	EL 2948	50%	Newcrest can earn 70%, Allender 25% and Hosking 25%
Frome	EL 3019	50%	Newcrest can earn 70%, Allender 50%
Toolgerie	EL 3216	80%	Bohoun Resources 20%
Jacks Reward	EL 2999	100%	-
Wynbring	EL 3234	100%	Inco can earn 60%
Black Hill and Yalata	ELs 3281 and 3280	80%	Bohoun Resources 20%

- EL = Exploration Licence
 ELA = Exploration Licence Application
 EPM = Exploration Permit for Minerals

Note 1: Triako 40%, Eaglehawk 12%, Endeavour Minerals 1.5% NSR in 4 units of EL.

Note 2: Dolores Group 50% (Allender, Kennedy, Aurelius Resources, Hosking and Houldsworth).

Note 3: In addition to the interests above WPG (Western Plains Gold Ltd – currently owned 25% by PlatSearch) has a 100% interest in ELs 6342 and 6367 (Peak Hill East and Lake Cargelligo) and PlatSearch holds shares and options in WPG.

DIRECTORS' REPORT

Your Directors submit their report for the year ended 30 June 2005.

Directors

The following persons hold office as Directors at the date of this report and throughout the period. Their qualifications and experience are:

Ray Soper, BSc (Otago), MBA (NSW), MAusIMM **Non-Executive Chairman**

Ray has more than 39 years experience in mining operations, mineral economics, investment management, strategic analysis and merchant banking. He is currently a Director of the following listed companies: GTN Resources Limited, Huntley Investment Company Limited, Klondike Source Limited and Paradigm Gold Ltd. In addition, during the past three years Mr Soper was a Director of listed companies: Continental Minerals Corporation Limited and Buka Minerals Limited.

Bob Richardson, BSc (Sydney), BE (Hons) (Sydney), MAusIMM, MASEG **Managing Director**

Bob has 40 years experience in mineral exploration management, geophysics and exploration technology. His career includes 15 years with the Peko-Wallsend Group as Chief Geophysicist and Exploration Manager. He was a founder in 1976 and Managing Director of Austirex Aerial Surveys that became a major international airborne geophysical contractor. He was a co-founder and Managing Director of Lachlan Resources NL in 1986 and PlatSearch in 1987. During the past three years the only other listed company on which he has served as a Director is Western Plains Gold Ltd, where he is currently a non-executive Director.

Robert J Waring, BEc (Sydney), CA, FCIS, ASIA, MAusIMM, FAICD

Executive Director and Company Secretary

Company Secretary since 1990. His experience has been gained over 33 years in financial and corporate roles including 15 years in company secretarial roles for ASX listed companies and 11 years as a Director of an ASX listed company. Robert has had 23 years in industry and prior to that nine years with an international firm of chartered accountants. He is a Director of Oakhill Hamilton Pty Ltd, a company which provides secretarial and corporate advisory services to a range of listed and unlisted companies.

Richard Tweedie, LLB (Wellington) **Non-Executive Director**

Resigned as Director 16 March 2005.

Directors' Interests in Shares and Options

Directors' interests in shares and options as at 30 June 2005 are set out in Note 17 to the financial statements. There have been no changes in the Directors' interests in shares and options since that date.

Activities

The principal continuing activity of the Company is the exploration for economic base metals, gold and heavy minerals.

Results

The net result of operations after applicable income tax expense was a loss of \$377,019 which includes the write-off of exploration expenditure incurred in the current and prior years of \$302,591.

Dividends

No dividends were paid or proposed during the year.

Review of Operations

A review of the operations of the Company during the financial year and the results of those operations are contained in pages 3 to 10 in this report.

Corporate Structure

PlatSearch NL is a no liability company that is incorporated and domiciled in Australia.

Employees

The Company had one employee, R L Richardson, as at 30 June 2005 (2004 - one employee). The Company uses contract geologists and other consultants as required.

Significant Changes

The Directors are not aware of any significant changes in the state of affairs of the Company occurring during the financial year, other than as disclosed in this report.

Matters Subsequent to the End of the Financial Year

There were at the date of this report no matters or circumstances which have arisen since 30 June 2005 that have significantly affected or may significantly affect:

- i) the operations of the Company,
- ii) the results of those operations, or
- iii) the state of affairs of the Company,

in the financial years subsequent to 30 June 2005, other than the finalisation of the Western Plains Gold Ltd share offer in August 2005 (refer to Note 7).

Likely Developments and Expected Results

As the Company's areas of interest are at an early stage of exploration, it is not possible to postulate likely developments and any expected results. The Company

Directors' Report (continued)

is hoping to identify other precious and base metal exploration and evaluation targets.

Remuneration Report

Remuneration of the Board and Senior Management

The Board, on advice from the remuneration committee (Messrs Soper and Richardson), determine the fees for non-executive Directors and remuneration packages for employees and consultants. The fees for Directors are disclosed below. The Committee seeks independent external advice and market comparisons as necessary but Directors believe that the size of the Company makes individual salary and consultant rate negotiation more appropriate than formal remuneration policies. Remuneration levels, including participation in the Company's Share Option Scheme, are set to provide reasonable compensation in line with the Company's financial resources.

Non-executive Directors are encouraged by the Board to hold shares in the Company – see Note 17.

Messrs Richardson and Waring were the only Executive Directors and both have employment contracts which took effect on 1 July 2004. The contracts set out base rates and that one months notice is required for termination. There are no contracts in place which provide for any variable remuneration, including bonuses or commissions from the Company. See Notes 16 and 17 for further information.

The Company has established a Share Option Scheme for the benefit of Directors, officers, senior executives and consultants, details of which are set out below.

There is no retirement scheme for non-executive Directors.

Directors' Benefits, Emoluments and Share Options

During its annual budget review the Board reviews the Directors' Emoluments. Remuneration levels, including participation in the Company's Share Option Scheme, are set to provide reasonable compensation in line with the Company's limited financial resources. During the year no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in Notes 16 and 17 of the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

The emoluments of each Director for the year were as follows:

R J Soper – Director's fee \$6,300

R L Richardson – salary \$126,876 and superannuation \$31,720

R G Tweedie – Director's fee \$4,725

R J Waring – associated company consulting \$79,917

Options granted to Directors in the current year are set out in Note 17 of the financial statements. Options granted to Directors in the current and previous years have an exercise price significantly higher than the market price of the shares at the date of grant. The PlatSearch share price at the date of grant of options on 24 November 2004 was 10 cents. The option exercise price is 25 cents.

Particulars of options granted over unissued shares:

- i) There were no shares issued during the year ended 30 June 2005 by virtue of the exercise of options (2004 – nil).
- ii) As at the end of the financial year and at the date of this report, the Company had on issue:

205,000 options over unissued shares exercisable by 23 November 2005 at 25 cents per share, 570,000 options over unissued shares exercisable by 30 November 2006 at 25 cents per share and 3,380,000 options over unissued shares exercisable by 24 November 2009 at 25 cents per share under the Company's Employee Share Option Scheme. All options were vested as at 24 May 2005. The Directors have reviewed the value of these options using the Black and Scholes option valuation methodology. Using this methodology the \$0.25 options are valued at less than \$0.03. Accordingly the total value of the 3,450,000 \$0.25 options granted in November 2004 as included in the remuneration of Directors, employees and consultants was \$83,872 (made up of R L Richardson 1,600,000 options valued at \$38,896, R J Waring 1,150,000 options valued at \$27,957, R J Soper 400,000 options valued at \$9,725 and R G Tweedie 300,000 options valued at \$7,294). No options were granted since the end of the financial year and Mr Tweedie's options have now expired following his resignation.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company until the options are exercised.

Meetings of Directors

During the year the Company's Directors held seven Board meetings. Messrs R J Soper and R J Waring were in attendance at all of the meetings, Mr R L Richardson attended six meetings and Mr R G Tweedie attended one meeting before his resignation.

Directors' Report (continued)

Directors Messrs R J Soper and R J Waring (formerly R G Tweedie until March 2005) are members of the Company's Audit Committee. The Committee reviews the Company's financial systems, accounting policies, half-year and annual financial statements. There were two Audit Committee meetings during the year. Mr R J Soper met with the Company's auditors twice during the year as part of the Audit Committee review function.

Indemnification and Insurance of Directors and Officers

The Company has not, either during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

Environmental Performance

PlatSearch holds exploration licences issued by the Mines Departments of various state governments which specify guidelines for environmental impacts in relation to exploration activities. The licence conditions provide for the full rehabilitation of the areas of exploration in accordance with the various Mines Departments' guidelines and standards. There have been no significant known breaches of the licence conditions.

Auditor's Independence and Non-Audit Services

No non-audit services were provided by the Company's auditor, Ernst & Young. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised. The Directors received a declaration of independence from the auditors of PlatSearch NL. It is located on page 33 and forms part of this report.

Signed at Sydney this 28th day of September 2005 in accordance with a resolution of the Directors.



R J WARING
Director

STATEMENT OF FINANCIAL PERFORMANCE

year ended 30 June 2005

	Note	2005 \$	2004 \$
REVENUE FROM ORDINARY ACTIVITIES	2	290,467	64,141
Salaries and employee benefits expense		(170,108)	(100,049)
Salaries recharged to exploration projects		171,000	86,378
Depreciation expense	9	(2,823)	(2,256)
Directors' fees	16	(11,025)	(12,184)
Exploration expenditure written-off	10	(302,591)	(184,157)
Operating lease rental expense		(30,600)	(37,649)
Auditors' remuneration	4	(17,313)	(12,682)
ASX and ASIC fees		(16,909)	(12,811)
Share registry costs		(9,023)	(12,132)
Contract administration services		(114,855)	(86,308)
Other expenses from ordinary activities		(47,729)	(39,902)
Share of net losses of associate accounting for the equity method	7	(115,510)	-
(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		(377,019)	(349,611)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES	3	-	-
(LOSS) FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE	14	(377,019)	(349,611)
NET (LOSS) ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL		(377,019)	(349,611)
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL AND RECOGNISED DIRECTLY IN EQUITY		-	-
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL		\$(377,019)	\$(349,611)
Basic loss per share (cents per share)	15	0.6	0.6
Diluted loss per share (cents per share)	15	0.6	0.6

STATEMENT OF FINANCIAL POSITION

at 30 June 2005

	Note	2005	2004
		\$	\$
CURRENT ASSETS			
Cash assets		85,548	8,217
Receivables	5	108,336	8,410
Other financial assets	6	50,000	400,000
TOTAL CURRENT ASSETS		243,884	416,627
NON-CURRENT ASSETS			
Investments accounted for using the equity method	7	234,490	-
Tenement security deposits	8	123,000	158,000
Plant and equipment	9	2,576	2,986
Deferred exploration and evaluation expenditure	10	406,046	369,558
TOTAL NON-CURRENT ASSETS		766,112	530,544
TOTAL ASSETS		1,009,996	947,171
CURRENT LIABILITIES			
Payables	11	52,329	51,568
Other	12	-	21,597
TOTAL CURRENT LIABILITIES		52,329	73,165
TOTAL LIABILITIES		52,329	73,165
NET ASSETS		\$957,667	\$874,006
EQUITY			
Contributed equity	13	7,354,463	6,893,783
Accumulated losses	14	(6,396,796)	(6,019,777)
TOTAL EQUITY		\$957,667	\$874,006

STATEMENT OF CASH FLOWS

year ended 30 June 2005

	Note	2005	2004
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payment to suppliers and employees		(250,059)	(225,898)
Exploration joint venture fees received		1,785	33,579
Interest received		19,518	30,562
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	25	(228,756)	(161,757)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(2,413)	(2,975)
Purchase of shares in associated company		(80,000)	-
Advance to associated company		(100,304)	-
Joint venture cash calls received		-	134,900
Exploration on behalf of joint venturers		(21,597)	(612,707)
Expenditure on mining interests (exploration)		(335,279)	(222,740)
Tenement security deposits received/(paid)		35,000	(32,500)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		(504,593)	(736,022)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		474,400	580,744
Payment of share issue costs		(13,720)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		460,680	580,744
Net increase in cash held		(272,669)	(317,035)
Add opening cash brought forward		408,217	725,252
CLOSING CASH CARRIED FORWARD	25	\$135,548	\$408,217

NOTES TO AND FORMING PART OF THE ACCOUNTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Going Concern

The Company has incurred an operating loss after income tax of \$377,019 for the year ended 30 June 2005. The financial statements have been prepared on a going concern basis. The Company's ability to continue as a going concern and meet its debts as and when they fall due is dependent on the Company being able to obtain additional funding to support future long term exploration, evaluation and development of its properties. The Company has previously relied upon equity funding to support its exploration activities and presently intends to continue capital raising in the subsequent financial year to maintain those activities. The Company is currently investigating a fundraising which is expected to be finalised in the December quarter. In the Directors' opinion, there are reasonable grounds to believe that such funding will continue to be available. However, if these efforts are unsuccessful, the Company may be unable to continue as a going concern. No adjustments have been made relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Exploration and evaluation – costs carried forward

Costs carried forward

Costs incurred during exploration and evaluation activities related to an area of interest are accumulated. Costs are carried forward provided such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not at balance date reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made.

Amortisation

Upon successful development of a mining project, accumulated costs will be amortised over the life of the areas of interest to which such costs related on a production output basis.

Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days, net of outstanding bank overdrafts.

Joint venture operations

Interests in joint ventures are brought to account by including in the respective classifications, the share of individual assets employed, and liabilities and expenses incurred.

Income tax

Tax-effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the time items are recognised in the accounts and when items are taken into account in determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

Earnings per share/Loss per share

Basic EPS is calculated as net profit or net loss attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit or net loss attributable to members, adjusted for:

- (a) cost of servicing equity (other than dividends) and preference share dividends;
- (b) the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- (c) other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

dividend by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Notes to and Forming Part of the Accounts (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Operating lease payments, where the lessor effectively retains substantially all of the risks and benefits of ownership of the lease items, are included in the determination of the operating profit in equal instalments over the lease term.

Plant and equipment

Plant and equipment is included at cost. Depreciation is provided on a straight line basis on all plant and equipment at rates calculated to write off the cost, less estimated residual value at the end of the useful lives of the assets, over those estimated useful lives. The major depreciation period for plant and equipment is three years; mainly computer equipment (2004 – 3 years).

Investments accounted for using the equity method

Investments in associates are carried at the lower of the equity-accounted amount and recoverable amount.

Recoverable amount

Non-current assets are not revalued to an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining recoverable amount the expected net cash flows have been discounted to their present value using a market determined risk adjusted discount rate.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue from the sale of goods is recognised when control of the goods has passed to the buyer. Revenue from the rendering of services is recognised where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. Interest is recognised when the control of a right to receive is attained.

Sale of goods

Control of the goods has passed to the buyer.

Rendering of services

Where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. State of completion is measured by reference to the labour hours. Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred.

Employee entitlements

Liabilities for wages and salaries are recognised and are measured as an amount unpaid at the reporting date at current pay rates in respect of employee's services up to that date. Current employee contracts do not entitle them to annual leave and long service leave. A liability in respect of superannuation at the current superannuation guarantee rate has been accrued at the reporting date. The value of the Employee Share Option Scheme is not being charged as an employee entitlement expense.

Money market securities and term deposits

Money market securities and term deposits are stated at the lower of cost and net realisable value. Money market bank accepted bills are generally taken out for 30 days and have an effective interest rate of 5.32% (2004 – 5.32%). Money market securities are at 24 hour call and have an effective interest rate of 5.05% (2004 – 5.05%).

Trade creditors

Liabilities to trade creditors are recognised for amounts to be paid in the future for goods and services received, whether billed or not billed to the Company. Trade creditor liabilities are carried at cost and are normally settled on 30 day terms.

Ordinary shares

Ordinary share capital is recognised at the fair value of the consideration received by the Company. Details of shares issued and the terms and conditions of options outstanding over ordinary shares at balance date are set out in Note 13.

Comparative figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Notes to and Forming Part of the Accounts (continued)

	2005 \$	2004 \$
2. REVENUE FROM ORDINARY ACTIVITIES		
Interest received – other persons/corporations	19,518	30,562
Joint venture operator's fee	949	33,579
Consulting fees	110,000	-
Sale of tenements	160,000	-
	<u>\$290,467</u>	<u>\$64,141</u>
3. INCOME TAX		
Prima facie income tax (credit) on operating (loss) at 30%	(113,106)	(104,883)
Future income tax benefit in respect of timing differences – not recognised	113,106	104,883
Income tax expense	<u>-</u>	<u>-</u>
<p>No provision for income tax is required in respect of the Company for the year ended 30 June 2005.</p> <p>No recognition has been given to any future income tax benefit which may arise from operating losses not claimed for tax purposes. The Company has estimated its losses not claimed of \$6,376,000 (2004 - \$6,077,000). These amounts have not been brought to account in calculating any future tax benefit.</p> <p>A benefit of 30% of approximately \$1,912,800 (2004 - \$1,823,100) will only be obtained if:</p> <ul style="list-style-type: none"> The Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, The Company continues to comply with the conditions for deductibility imposed by the law, and No changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the losses. <p>No franking credits are available for subsequent years.</p>		
4. AUDITORS' REMUNERATION		
Amounts received or due and receivable by Ernst & Young Australia, for:		
An audit or review of the financial report of the entity	<u>\$17,313</u>	<u>\$12,682</u>
5. RECEIVABLES - CURRENT		
Amount receivable from associated company	100,304	-
Other receivables	8,032	8,410
	<u>\$108,336</u>	<u>\$8,410</u>
6. OTHER FINANCIAL ASSETS		
Money market securities - bank deposits	<u>\$50,000</u>	<u>\$400,000</u>
7. NON-CURRENT ASSETS		
Investment accounted for using the equity method	<u>\$234,490</u>	<u>-</u>

Notes to and Forming Part of the Accounts (continued)

7. NON-CURRENT ASSETS (continued)

In the period October to November 2004 the Company acquired 6,750,000 shares and 4,850,000 options in Western Plains Gold Ltd (WPG) for \$350,000 (made up of a cash investment of \$80,000, consideration for the sale of the Trundle and Redan tenements \$160,000 and consulting fees of \$110,000). This equity purchase was part of a capital raising programme by WPG which culminated in WPG issuing a prospectus on 3 March 2005.

Notwithstanding that at 30 June 2005 PlatSearch's investment represented a 58% interest in WPG, the Directors believe that PlatSearch did not exercise control of WPG, nor did it have the capacity to control WPG by reason of the informal undertakings given to WPG and formal statements made by PlatSearch included in the WPG prospectus that it does not intend to invest additional funds under the share offer. At completion of the WPG share offer in August 2005, PlatSearch had a 24.8% interest in WPG.

The Company's interest in WPG has been brought to account as an investment in an equity accounted associate in accordance with Australian Accounting Standard AASB 1016 "Accounting for Investments in Associates" as the Directors consider that significant influence exists.

Interest in Associate Name	Balance Date	Ownership interest held	
		2005 %	2004 %
Western Plains Gold Ltd – ordinary shares	30 June	58	-
(i) Principal activity WPG is an Australian minerals explorer			
		2005 \$	2004 \$
(ii) Share of associate's profits/(losses)			
Share of associate's:			
- net loss before income tax		(48,840)	-
- income tax expense attributable to net profit		-	-
Share of net profits after income tax		(48,840)	-
Adjusted for:			
- amortisation of goodwill on acquisition		(2,870)	-
- unrealised intercompany profits		(63,800)	-
Share of associate's net profits/(losses)		\$(115,510)	-
(iii) Carrying amount of investment in associate			
Balance at the beginning of the financial period		-	-
- cost of investment		350,000	-
- share of associate's net losses for the financial period		(48,840)	-
- unrealised intercompany profits		(63,800)	-
- goodwill amortisation		(2,870)	-
Carrying amount of investment in associate at the end of the financial period		\$234,490	-
(iv) Share of associate's assets and liabilities			
Current assets		482,641	-
Non-current assets		232,760	-
Current liabilities		(463,437)	-
Net assets		\$251,964	-

Notes to and Forming Part of the Accounts (continued)

7. NON-CURRENT ASSETS (continued)

	2005 \$	2004 \$
(v) Accumulated losses of the Company attributable to associate		
Balance at the beginning of the financial period	-	-
Share of associate's net losses	(115,510)	-
Dividends received from associate	-	-
	<hr/>	<hr/>
Balance at the end of the financial period	\$(115,510)	-

8. TENEMENT SECURITY DEPOSITS

Cash at bank – bank deposits	100,000	150,000
Cash with government mines department	23,000	8,000
	<hr/>	<hr/>
	\$123,000	\$158,000

These deposits are restricted so that they are available for any rehabilitation that may be required on exploration tenements (refer to Note 20).

9. PLANT AND EQUIPMENT

Plant and equipment – at cost	56,011	53,598
Accumulated depreciation	(53,435)	(50,612)
	<hr/>	<hr/>
	\$2,576	\$2,986

Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current and previous financial year

Carrying amount at beginning	2,986	2,267
Additions	2,413	2,975
Disposals	-	-
Depreciation expense	(2,823)	(2,256)
	<hr/>	<hr/>
	\$2,576	\$2,986

10. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Costs brought forward	369,558	318,384
Costs incurred during the year	339,079	235,331
Expenditure written off during year	(302,591)	(184,157)
	<hr/>	<hr/>
Costs carried forward	\$406,046	\$369,558

Exploration expenditure costs carried forward are made up of:

Expenditure on joint venture areas	215,948	109,316
Expenditure on non joint venture areas	190,098	260,242
	<hr/>	<hr/>
Costs carried forward	\$406,046	\$369,558

The above amounts represent costs of areas of interest carried forward as an asset in accordance with the accounting policy set out in Note 1. The ultimate recoupment of deferred exploration and evaluation expenditure in respect of an area of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest for at least their carrying value. Amortisation, in respect of the relevant area of interest, is not charged until a mining operation has commenced.

Notes to and Forming Part of the Accounts (continued)

	2005 \$	2004 \$
11. CURRENT LIABILITIES – PAYABLES		
Trade creditors	42,875	42,292
Employee entitlements – accrued salaries and superannuation	9,454	9,276
	<u>\$52,329</u>	<u>\$51,568</u>
12. CURRENT LIABILITIES – OTHER	<u>-</u>	<u>\$21,597</u>

PlatSearch has an option Joint Venture Agreement with Inco Limited to explore a PlatSearch mineral tenement located in South Australia. The agreement provides for the funding by Inco of a substantial work programme to explore for nickel deposits on PlatSearch's project area. At 30 June 2005 the balance of the cash calls less amounts expended or accrued on exploration was nil (2004 - \$21,597).

13. CONTRIBUTED EQUITY

Share capital

66,166,879 ordinary shares fully paid (2004 – 59,969,022)	7,349,963	6,889,283
450,000 ordinary shares paid to one cent with 24 cents unpaid (2004 – 450,000)	4,500	4,500
	<u>\$7,354,463</u>	<u>\$6,893,783</u>

Movements in ordinary share capital	Date	Number of shares	Issue price	\$
Opening balance at end of previous financial year	30-06-03	54,689,531		\$6,313,039
Movement during the previous financial year	19-01-04	5,279,491	\$0.11	580,744
Balance at end of previous financial year	30-06-04	59,969,022		\$6,893,783
Placement	22-10-04	2,142,857		150,000
Placement	14-03-05	4,055,000		324,400
Less: Transaction costs arising on share issues		-		(13,720)
Balance at end of current financial year	30-06-05	66,166,879		\$7,354,463

Shares issued during the year

In November 2004 the Company made a placement of 2,142,285 ordinary shares at 7 cents to raise \$150,000 and in March 2005 the Company made a placement of 4,055,000 ordinary shares at 8 cents to raise \$324,400.

Terms and conditions of contributed equity

Ordinary Shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. In respect to members who hold shares which are paid to one cent, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof. The shares were issued under the Platinum Search Share Incentive Plan, which was replaced by the Employee Share Option Scheme on 25 November 1993. The unpaid portion can be called by the Directors at any time, subject to the rules of the Plan. Option holders have no voting rights until the options are exercised.

Notes to and Forming Part of the Accounts (continued)

13. CONTRIBUTED EQUITY (continued)

Options

There are 4,155,000 options outstanding under the Company's Employee Share Option Scheme. There are 205,000 options which expire on 23 November 2005, which are exercisable at 25 cents and there are 570,000 options which expire on 30 November 2006, which are exercisable at 25 cents. There were 3,380,000 options issued in December 2004 which expire on 24 November 2009, which are exercisable at 25 cents. Options expire if not exercised 90 days after a participant resigns from the Company. The Scheme is open to employees, consultants, contractors and Directors of PlatSearch.

	2005 \$	2004 \$
14. ACCUMULATED LOSSES		
Balance at the beginning of year	6,019,777	5,670,166
Operating loss after income tax expense	377,019	349,611
Balance at the end of year	\$6,396,796	\$6,019,777

15. LOSS PER SHARE

Basic loss per share (cents per share) 0.6 cents (2004 – 0.6 cents).

Diluted loss per share (cents per share) 0.6 cents (2004 – 0.6 cents).

Weighted average number of ordinary shares on issue used in the calculation of basic and diluted loss per share is 62,895,272 (2004 – 57,079,686).

Loss used in calculating basic and diluted loss per share	\$377,019	\$349,611
---	------------------	------------------

The number of potential ordinary shares that are not dilutive and not included in determining diluted EPS are 4,155,000.

Conversion, call, subscription or issue after 30 June 2005: Since the end of the financial year there have been no other conversions to, call of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of these financial statements.

16. REMUNERATION AND RETIREMENT BENEFITS

(a) Directors' remuneration

The following table outlines the nature and amount of the elements of the remuneration of specified Directors of the Company for the year ended 30 June 2005.

	Salary \$	Directors Fees \$	Consulting Fees \$	Superannuation Contributions \$	Options \$	Total \$
2005						
R L Richardson	126,876	-	-	31,720	38,896	197,492
R J Soper	-	6,300	-	-	9,725	16,025
R G Tweedie	-	4,725	-	-	7,294	12,019
R J Waring	-	-	79,917	-	27,957	107,874
	\$126,876	\$11,025	\$79,917	\$31,720	\$83,872	\$333,410

Directors' interests in shares and options in the Company are set out in Note 17.

(b) Executive Officers' remuneration, shares and options

Other than Directors, there are no other officers who satisfy the definition of "Executive Officers" who are or were involved in, concerned with, or who take part in, the management of the affairs of PlatSearch.

Notes to and Forming Part of the Accounts (continued)

17. RELATED PARTY DISCLOSURES

The Directors in office during the year were R L Richardson, R J Soper and R J Waring. Mr R G Tweedie resigned as a Director on 16 March 2005.

Interests and movements in the shares and options of the Company held by Directors and their Director-related entities as at 30 June 2005:

	R L Richardson	R J Soper	R J Waring	Total
Fully Paid Ordinary Shares				
at 30 June 2004	1,514,324	1,612,501	416,295	3,543,120
changes during year	266	-	-	266
at 30 June 2005	1,514,590	1,612,501	416,295	3,543,386
Employee Share Option Scheme				
2006 Options				
at 30 June 2004	250,000	40,000	240,000	530,000
at 30 June 2005	250,000	40,000	240,000	530,000
2009 Options				
at 30 June 2004	-	-	-	-
issued during the year	1,600,000	400,000	1,150,000	3,150,000
at 30 June 2005	1,600,000	400,000	1,150,000	3,150,000

There were 3,150,000 options issued to current Directors during the year. The 300,000 options issued to Mr Tweedie during the year expired prior to 30 June 2005. The options have an exercise price of 25 cents and expire on 24 November 2009. Options held under the Scheme may be exercised on the expiration of six months from the date the option is granted. Shares and options held by Directors included those held by the Directors and their Director-related entities, including the spouses of such Directors and relatives of such Directors. All shares and options, excluding those under Employee Share Option Scheme, were issued or granted on terms no more favourable than to other shareholders or option holders.

Mr R L Richardson is a Director of and has a significant financial interest in Richardson Geophysics Pty Ltd, a company that provided technical services to the Company until April 2004. Services provided during the year ended 30 June 2005, which are included in the remuneration of Directors in Note 16, amounted to \$nil (2004 - \$57,850). Mr R J Waring is a Director and has a significant financial interest in Warinco Services Pty Limited, a company that provides company secretarial, general commercial and accounting services to the Company. Services provided during the year ended 30 June 2005 amounted to \$114,855 (2004 - \$86,308) and included services provided by Mr R J Waring of \$79,917 (2004 - \$57,570). The \$79,917 (2004 - \$57,570) is included in the remuneration of Directors in Note 16.

Services provided by Director-related entities were under normal commercial terms and conditions. There are no service agreements and hence no liabilities will arise from termination of such agreements. No other benefits have been received or are receivable by Directors, other than those already disclosed in the notes to the accounts.

18. JOINT VENTURES

The Company is a party to a number of exploration joint venture agreements to explore for copper, gold, zinc, lead and heavy minerals. Under the terms of the agreements the Company will be required to contribute towards the exploration and other costs if it wishes to maintain or increase its percentage holdings. The joint ventures are not separate legal entities. There are contractual arrangements between the participants for sharing costs and future revenues in the event of exploration success. There are no assets and liabilities attributable to PlatSearch at balance date resulting from these joint ventures, other than exploration expenditure costs carried forward as detailed in Note 10.

Notes to and Forming Part of the Accounts (continued)

18. JOINT VENTURES (continued)

Percentage equity interests in joint ventures at 30 June 2005 were as follows:

	Percentage Interest 2005	Percentage Interest 2004
New South Wales		
<i>Broken Hill - Base Metals, Gold and Mineral Sands</i>		
Euriowie, Hollis Tank, Hillston, Yanco Glen, Ziggys and Lindsays Creek	80%	80%
Stephens-Centennial – diluting to 14.4%	48%	48%
Cymbric Vale	50%	0%
<i>Woodlawn – Base Metals</i>		
Woodlawn South	20%	20%
South Australia – Base Metals and Gold		
Kalabity and Toolgerie	80%	80%
Callabonna – diluting to 30%	100%	100%
Quinyambie – diluting to 15%	50%	50%
Frome and Poverty Lake – diluting to 15%	50%	50%
Coondambo – diluting to 40%	50%	50%
Mulyungarie – diluting to 32%	80%	80%
Wynbring – diluting to 40%	100%	100%

19. FINANCIAL REPORT BY SEGMENT

The Company operates predominantly in the one business and in one geographical area, namely Australian mineral exploration and evaluation.

20. CONTINGENT LIABILITIES

The Company's bankers have provided guarantees totalling \$100,000 (2004 - \$150,000) in respect of mining tenements and the guarantees are secured against short term deposits of these amounts. Additional guarantees of \$23,000 (2004 - \$8,000) in respect of mining tenements is secured against deposits with the NSW Department of Primary Industries and Mineral Resources, the Queensland Department of Mines and the Victorian Department of Energy and Minerals. The Company does not expect to incur any material liability in respect of the guarantees.

21. EMPLOYEE ENTITLEMENTS

The aggregate employee entitlement liability is set out in Note 11 and is calculated in accordance with the accounting policy set out in Note 1. An employee share option scheme has been established where selected officers and employees of the Company are issued with options over ordinary shares in PlatSearch NL. The options, issued for nil consideration, are issued in accordance with a performance review by the Directors. The options cannot be transferred and will not be quoted on the ASX. There are currently five option holders under the scheme holding 4,155,000 options, of which no options were issued during the current or previous year, as detailed in Note 13. No options have been exercised up to 30 June 2005 and accordingly, no amount has been received or is due and receivable from holders of options. The option exercise price is 25 cents and the market value of ordinary PlatSearch NL shares closed at 7.4 cents on 30 June 2005.

Notes to and Forming Part of the Accounts (continued)

22. FINANCIAL INSTRUMENTS

Interest rate risk exposure

At balance date, the Company was exposed to a floating weighted average interest rate as follows:

	2005	2004
Weighted average rate of cash balances	4.68%	1.08%
Cash balances	\$85,548	\$8,217
Weighted average rate of money market securities	5.51%	5.32%
Money market securities – bank deposits	\$50,000	\$400,000
Weighted average rate of cash at bank – term deposits (non-current assets)	4.78%	5.05%
Cash at bank – term deposits (non-current assets)	\$123,000	\$158,000

Bank negotiable certificates of deposit are normally invested for 30 days and other cash at bank balances are at call. All other financial assets and liabilities are non-interest bearing.

Net fair value of financial assets and liabilities, on balance sheet and credit risk

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Company approximates their carrying value. Credit risk is minimal at balance date.

2005	2004
\$	\$

23. COMMITMENTS

Lease commitments

The Company has obligations under the terms of an operating lease agreement for its office premises as follows:

Payable not later than one year	33,600	21,613
Payable later than one year and not later than five years	47,600	-
	\$81,200	\$21,613

The Company's lease of its office premises is for a three year period expiring on 26 January 2008.

Exploration licence expenditure requirements

In order to maintain the Company's tenements in good standing with the various mines departments, the Company will be required to incur exploration expenditure under the terms of each licence. These expenditure requirements will diminish as the Company joint ventures projects to third parties. It is the Company's exploration strategy to farm-out to larger companies to fund drilling programmes. In addition, the Company has commitments to expend funds towards earning or retaining an interest under joint venture agreements.

Payable not later than one year	981,201	1,736,478
Payable later than one year but not later than two years	259,250	170,762
	\$1,240,451	\$1,907,240

It is likely that variations to the terms of current and future joint ventures, the granting of new licences and changes in licence areas at renewal or expiry, will change the expenditure commitment to the Company from time to time.

24. SUBSEQUENT EVENTS

There have been no material events subsequent to 30 June 2005 other than the finalisation of the WPG share offer in August 2005 (refer to Note 7).

Notes to and Forming Part of the Accounts (continued)

	2005 \$	2004 \$
25. STATEMENT OF CASH FLOWS		
Reconciliation of net cash outflow from operating activities to operating loss after income tax		
(a) Operating (loss) after income tax	(377,019)	(349,611)
Depreciation	2,823	2,256
Exploration expenditure written-off	302,591	184,157
Services provided with equity consideration	(270,000)	-
Share of associate's net losses	115,510	-
Change in assets and liabilities:		
(Increase)/decrease in receivables	378	(846)
(Decrease)/increase in trade and other creditors	(3,039)	2,287
Net cash outflow from operating activities	<u>\$(228,756)</u>	<u>\$(161,757)</u>
(b) For the purpose of the Statement of Cash Flows, cash includes cash on hand, at bank, deposits and bank bills used as part of the cash management function. The Company does not have any unused credit facilities.		
The balance at 30 June 2005 comprised:		
Cash assets	85,548	8,217
Money market securities – bank deposits (Note 6)	50,000	400,000
Cash on hand	<u>\$135,548</u>	<u>\$408,217</u>

26. IMPACT OF ADOPTING AASB EQUIVALENTS TO IASB STANDARDS

PlatSearch NL is in the process of transitioning its accounting policies and financial reporting from current Australian Accounting Standards (AGAAP) to Australian equivalents of International Financial Reporting Standards (AIFRS) which will be applicable for the financial year ended 30 June 2006. The Company is in the process of conducting impact assessments to isolate key areas that will be impacted by the transition to AIFRS.

As PlatSearch has a 30 June year-end, priority has been given to considering the preparation of an opening balance sheet in accordance with AASB equivalents to AIFRS as at 1 July 2004. This will form the basis of accounting for AIFRS in the future, and is required when PlatSearch prepares its first fully AIFRS compliant financial report for the year ended 30 June 2006. Set out below are the key areas where accounting policies are expected to change on adoption of AIFRS and the best estimate of the quantitative impact of the changes on total equity as at the date of transition and 30 June 2005 and on the result for the year ended 30 June 2005. The figures disclosed are managements best estimates of the quantitative impact of the changes as at the date of preparing the 30 June 2005 financial report and may change due to ongoing work and emerging accepted practice in the interpretation and application of AIFRS.

Deferred Exploration and Evaluation Expenditure

Under current AGAAP exploration and evaluation expenditure carried forward is valued on a cost basis in accordance with the exploration, evaluation and development expenditure accounting policy set out in Note 1 to the Financial Statements. Under AIFRS this will remain unchanged except that "pre-exploration" cost will not be recognised. Pre-exploration costs are costs incurred prior to licences being granted. Management are currently analysing capital expenditures, however it is not expected that any adjustments will be necessary.

Income Taxes

Income tax will be calculated based on the "balance sheet" approach, which could at some stage result in more deferred tax assets and liabilities and, as tax effects follow the underlying transaction, some tax effects will be recognised in equity. The effects for the Company are not expected to be significant.

Notes to and Forming Part of the Accounts (continued)

26. IMPACT OF ADOPTING AASB EQUIVALENTS TO IASB STANDARDS (continued)

Equity-based Compensation Benefits

The Company has elected to adopt the exemption under AASB 1 first time adoption of AIFRS and has not valued options issued to employees after 7 November 2002 which vested before 1 January 2005. Under AASB 2 Share-based Payment, equity-based compensation to employees that were granted after 1 January 2005 will be recognised as an expense in respect of the services received. This will result in a change to the current accounting policy, under which no expense is recognised for equity-based compensation.

Management have estimated an expense of \$68,474 will be required to be recognised in the income statement for the year ended 30 June 2005 with a corresponding credit made to the an option reserve in equity for comparative purposes.

Impairment of Assets and Goodwill relating to Investment in Western Plains Gold Ltd (WPG)

The standard AASB 136 Impairment of Assets, including goodwill, will require a change in accounting policy to determine if impairment indicators exist, and if they do exist then the company will perform an impairment assessment to determine whether any assets need to be written down. Whilst a full assessment has not yet been performed management do not believe that any assets, including the investment in WPG, were impaired on transition or at 30 June 2005. The goodwill amortisation in respect of WPG investment (refer to Note 7) would no longer be required under AIFRS and accordingly the \$2,870 amortisation charge would not have been made.

Presentation of Financial Statements

There will be presentation impact as required under various standards. Changes in accounting policies will be recognised by restating comparatives rather than making current year adjustments with note disclosure of prior year effects.

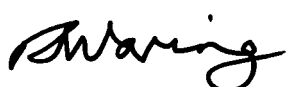
The above should not be regarded as a complete list of changes in accounting policies that will result from the transition to Australian equivalents to IFRS, as not all standards have been analysed as yet, and some decisions have not yet been made where choices of accounting policies are available. For these reasons it is not yet possible to fully quantify the impact of the transition to AIFRS on the Company's financial position and reported results.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of PlatSearch NL, I state that:

- (1) In the opinion of the Directors:
 - (a) financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2005.

On behalf of the Board



R J Waring
Director

Sydney, 28 September 2005

INDEPENDENT AUDIT REPORT



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Australia

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Independent Audit Report to Members of PlatSearch NL

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for PlatSearch NL (the company), for the year ended 30 June 2005

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company, and that complies with Accounting Standards in Australia, in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

Liability limited by the Accountants Scheme, approved under the Professional Standards Act 1994 (NSW)

Independent Audit Report (continued)

2

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, as set out below.

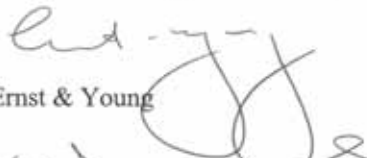
Audit Opinion

In our opinion, the financial report of PlatSearch NL is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of PlatSearch NL at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
- (b) other mandatory financial reporting requirements in Australia.

Inherent Uncertainty Regarding Continuation of Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 1 to the financial statements, there is significant uncertainty whether the company will be able to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.



Ernst & Young

Gary Daniels
Partner

Sydney

28 September 2005

Auditor's Independence Declaration to the Directors of PlatSearch NL

In relation to our audit of the financial report of PlatSearch NL for the financial year ended 30 June 2005, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



Ernst & Young

Gary Daniels
Partner

26 September 2005

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of PlatSearch NL is responsible for corporate governance and strives for high standards in this regard. The Board monitors the business and affairs of PlatSearch on behalf of the shareholders by whom they are elected and to whom they are accountable. The Board draws on relevant best practice principles particularly those issued by the ASX Corporate Governance Council in March 2003. At a number of its meetings the Board examined the PlatSearch corporate governance practices and the progress towards a review of its practice compared to the best practice principles proposed by the ASX Corporate Governance Council. While PlatSearch is attempting to adhere to the principles proposed by ASX, it is mindful that there may be some instances where compliance is not practicable for a company of PlatSearch's size.

The March 2003 Australian Stock Exchange Corporate Governance Council publication "Principles of Good Corporate Governance and Best Practice Recommendations" is for guidance purposes, however all listed companies are required to disclose the extent to which they have followed the recommendations; to identify any recommendations that have not been followed; and reasons for not doing so. The Company's Board of Directors has reviewed the recommendations. In many cases the Company was already achieving the standard required. In other cases the Company will have to consider new arrangements to enable compliance. In a limited number of instances, the Company may determined not to meet the standard set out in the recommendations, largely due to the recommendation being considered by the Board to be unduly onerous for a company of this size.

The following paragraphs set out the Company's position relative to each of the 10 principles contained in the ASX Corporate Governance Council's report.

Principle 1: Lay solid foundations for management and oversight

The Company has not yet formalised and disclosed the functions reserved to the Board and those delegated to management. However, the Company has a small Board of four Directors (two Non-Executive Directors plus the Managing Director and Finance Director) and a small team of people, so roles and functions have to be flexible to meet specific requirements.

Principle 2: Structure the Board to add value

The Company complies with most of the recommendations within this area as the Chairman is independent; separate from the Managing Director. The Company does not comply with the recommendation that a majority of Directors are independent, because two are Executive Directors. The Company does not have a Board nomination committee.

One of the Company's three Directors is a Non-Executive Director and he has not undertaken "material" consultancy work for the Company within the past three years. Each Director of the Company has the right to seek independent professional advice at the expense of the Company. Prior approval of the Chairman is required, but this will not be unreasonably withheld.

Principle 3: Promote ethical and responsible decision-making

The Company has a policy concerning trading in its securities by Directors, management, staff and significant consultants which is set out below. The Company does not have a formal code of conduct, again reflecting the Company's size and the close interaction of individuals throughout the organisation.

Principle 4: Safeguard integrity in financial reporting

The Company is reviewing its procedures to ensure compliance with the recommendations set out under this principle.

Senior management confirms that the financial reports represent a true and fair view and are in accordance with relevant accounting standards. The Managing Director and the Finance Director state in writing to the Board that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company are in accordance with relevant accounting standards.

The Company has an Audit Committee and is reviewing its formal charter and the written charter will be approved by the Board.

The Audit Committee consists of the Non-Executive Director Mr Soper and the Managing Director Mr Richardson. These Directors have applicable expertise and skills for this Committee. This structure does not meet the ASX's guidance regarding independence, in that it should have a majority of independent Directors and have at least three members. The audit committee reports to the Board after each committee meeting. In conjunction with the full Board, the committee reviews the performance of the external auditors (including scope and quality of the audit).

Corporate Governance Statement (continued)

Principle 5: Make timely and balanced disclosure

The Company, its Directors and staff are very aware of the ASX's continuous disclosure requirements and operate in an environment where strong emphasis is placed on full and appropriate disclosure to the market. Whilst the Company does not have formal written policies regarding disclosure, it uses strong informal systems underpinned by experienced individuals.

Principle 6: Respect the rights of shareholders

All significant information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the Group's operations, the material used in the presentation is released to the ASX and posted on the Company's website. Procedures have also been established for reviewing whether any price sensitive information has been inadvertently disclosed, and if so, this information is also immediately released to the market.

Whilst the Company does not have a communications strategy to promote effective communication with shareholders, as it believes this is excessive for small companies, the Company does communicate regularly with shareholders. The Company has requested the external auditor to attend general meetings and this has been supported by the Company's audit partner at Ernst & Young.

Principle 7: Recognise and manage risk

The Company is a small, exploration company and does not believe that there is significant need for formal policies on risk oversight and management of risk. Risk management arrangements are the responsibility of the Board of Directors and senior management collectively.

Principle 8: Encourage enhanced performance

The Company has a Remuneration Committee of Messrs Soper and Richardson which meets as and when required, to review performance matters and remuneration. There has been no formal performance evaluation of the Board during the past financial year, although its composition is reviewed at a Board meeting at least annually. The Directors work closely with management and have full access to all the Company's files and records.

Principle 9: Remunerate fairly and responsibly

Directors believe that the size of the Company makes individual salary and contractor negotiation more appropriate than formal remuneration policies. The Remuneration Committee will seek independent external advice and market comparisons as necessary. In accordance with Corporations Act requirements, the Company discloses the fees or salaries paid to all Directors, plus the five highest paid officers. The Company has an Employee Share Option Plan that was introduced in November 1993.

Principle 10: Recognise the legitimate interests of stakeholders

Due to the Company's size and relative level of operational activity which makes legal compliance a less onerous task than with larger companies, the Company does not have a formal code of conduct to guide compliance with legal and other obligations. The Board of Directors continues to review the situation to determine the most appropriate and effective operational procedures.

Ethical Standards

The Board's policy is for the Directors and management to conduct themselves with the highest ethical standards. All Directors and employees will be expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Securities Trading and Trading Windows

Directors, employees and key consultants must consult with the Chairman of the Board or the Managing Director before dealing in shares of the Company. Purchases or sales in the Company's shares by Directors, employees and key consultants may not be carried out other than in the "window", being the period commencing two days and ending 30 days following the date of announcement of the Company's annual or half yearly results, its quarterly reports or a major announcement leading, in the opinion of the Board, to an informed market. However, Directors, employees and key consultants are prohibited from buying or selling PlatSearch shares at any time if they are aware of price sensitive information that has not been made public.

SHAREHOLDER INFORMATION

Information relating to shareholders at 16 September 2005 (per ASX Listing Rule 4.10)

Substantial Shareholder	Shareholding
Viking Investments Limited	8,373,201

Distribution of Shareholders

Number of ordinary shares held	Number of Holders	Ordinary Shares
1 – 1,000	317	140,725
1,001 – 5,000	218	577,715
5,001 – 10,000	140	1,133,902
10,000 – 100,000	382	16,228,707
100,001 – and over	116	48,085,830
	1,173	66,166,879

At the prevailing market price of 8.1 cents per share, there were 574 shareholders with less than a marketable parcel of \$500.

Top 20 Shareholders of Ordinary Shares as at 16 September 2005

	Shares	% Shares issued
Viking Investments Limited	8,373,201	12.65
Mr Chris Carr and Mrs Betsy Carr	3,000,000	4.53
Warman Investments Pty Ltd	2,334,857	3.53
Whistler Limited	1,702,060	2.57
Panstyn Investments Pty Ltd	1,570,000	2.37
Mr Robert L Richardson and Ms Susanne Brint <The Rathroam Staff Fund >	1,514,590	2.29
Ipseity Pty Limited	1,437,501	2.17
Howard-Smith Investments Pty Ltd	1,086,021	1.64
Mr Phillip Clive Hardcastle	997,200	1.51
Mr Michael Anthony Parnell	750,000	1.13
Huntley Family Holdings Pty Ltd <Superfund A/C>	678,417	1.03
Mr Barry John Wishart <The Wishart Family A/C>	634,100	0.96
Wimtone Pty Limited	600,000	0.91
Mr Bruce Samuel Harris Rosenberg	507,000	0.77
Kimbriki Nominees Pty Ltd	500,000	0.76
Merrill Lynch (Australia) Nominees Ltd	500,000	0.76
Nefco Nominees Pty Ltd	475,000	0.72
Mr Arnold Getz and Mrs Ruth Getz <Super Fund A/C>	450,000	0.68
Mr Clinton Stuart Wright	437,033	0.66
Warinco Services Pty Limited	416,295	0.63
Total of top 20 holdings	27,963,275	42.27
Other holdings	38,203,604	57.73
Total fully paid shares issued	66,166,879	100.00

Shareholder Information (continued)

Partly paid, unlisted ordinary shares

There are 450,000 ordinary 25 cent shares paid to 1 cent which are not listed on any stock exchange. Holders of these shares are Glenn Elliott Goodacre (200,000), Geonz Associates Limited (200,000) and Maxel Franz Rangott (50,000). The shares were issued under the Platinum Search Share Incentive Plan, which was replaced by the Employee Share Option Scheme on 25 November 1993.

Employee Share Option Scheme

At the Company's Annual General Meeting held on 25 November 1993, shareholders approved the adoption of the Company's Employee Share Option Scheme. The Scheme has been "refreshed" at a number of Annual General Meetings since then. On 23 November 2000 the Directors resolved to grant 205,000 options to eligible persons under the scheme. The options are for a period of five years, expire on 23 November 2005 and are exercisable at 25 cents. Holders of the 23 November 2005 options are Wendy L Corbett (175,000) and Robin A Catalano (30,000). On 30 November 2001 the Directors resolved to grant 650,000 options to eligible persons under the scheme, 80,000 of these options have since expired and 570,000 remain on issue. The options are for a period of five years, expire on 30 November 2006 and are exercisable at 25 cents. Holders of the 30 November 2006 options are Robert L Richardson (250,000), Robert J Waring (240,000), Raymond J Soper (40,000) and Wendy L Corbett (40,000). On 24 November 2004 the Directors resolved to grant 3,680,000 options to eligible persons under the scheme, 300,000 of these options have since expired and 3,380,000 remain on issue. The options are for a period of five years, expire on 24 November 2009 and are exercisable at 25 cents. Holders of the 24 November 2009 options are Robert L Richardson (1,600,000), Robert J Waring (1,150,000), Raymond J Soper (400,000), Wendy L Corbett (200,000) and Robin A Catalano (30,000).

Voting rights

There are no restrictions on voting rights. On a show of hands every member present or by proxy shall have one vote and upon a poll each share shall have one vote. Where a member holds shares which are not fully paid, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof. Option holders have no voting rights until the options are exercised.

Audit Committee

At the date of the Report of the Directors, the Company has a committee of one Non-Executive Director and the Managing Director which meets with the Company's external auditors at least once during each half-year. These meetings take place prior to the finalisation of the half-year financial statements and Annual Report and prior to the signing of the Audit Report.



PlatSearch's primary targets are large, world-class deposits known in the industry as "elephants"



PLATSEARCH NL

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