



PLATSEARCH NL

ACN 003 254 395

30 January 2007

QUARTERLY REPORT FOR PERIOD ENDED 31 DECEMBER 2006

HIGHLIGHTS

- **Five new joint venture agreements** were signed during the quarter bringing the total number of active joint ventures to 14. Incoming partners in these joint ventures are funding substantial work programmes seeking base and precious metals, nickel and/or uranium. In most projects, drilling is either in progress or will be undertaken during the next six months. The new joint ventures are:
 - Kalabity, SA** with *Crossland Uranium Mines*, seeking uranium
 - Mundi Plains/Junction Dam, NSW/SA** with *Teck Cominco*, seeking zinc-lead-silver
 - Cymbric Vale, NSW** with *Bondi Mining*, seeking nickel and copper
 - Dunmore/Tomingley, NSW** with *Bondi Mining*, seeking copper-gold
 - Lilleyvale, QLD** with *WCP Resources*, seeking copper-gold
- **Western Plains Resources**, in which PlatSearch has a 10% shareholding, has commenced a bankable feasibility study for the Peculiar Knob direct shipping ore (DSO) iron ore deposit in South Australia. A 7,900 metre drilling programme has commenced and will enable an upgrade of the status of the resource that can potentially be mined by open pit methods to the Measured and Indicated categories and provide essential data for a detailed mine design. At Hawks Nest a 17 hole RC percussion drill programme for an estimated 2,300 metres is scheduled to follow the Peculiar Knob drilling to test several promising geophysical targets for the presence of new DSO haematite and/or high grade magnetite deposits within the Hawks Nest BIF terrain.
- A substantial drilling programme is in progress at the **Euriowie Project**, Broken Hill. Joint venturer WPG is close to completing a programme of eight RC percussion holes and one core hole on the Son of Man, B40 and Yalcowinna Creek prospects. Encouraging copper mineralisation has been intersected in two holes at Yalcowinna Creek.
- An application for PACE funding of \$75,000 for drilling at **Wynbring Project**, SA, has been successful. Negotiations regarding a joint venture to fund ongoing work are progressing.
- PlatSearch has built a strong tenement position in the **Thomson Fold Belt** with a further four tenement applications. A recent intersection of encouraging base and precious metals by Compass Resources at their nearby Cuttaburra prospect has highlighted the potential of this region.
- Joint venturer Red Metal was awarded PACE funding for a deep drillhole to test one of several localised gravity anomaly targets for IOCG copper-gold-uranium in the eastern part of the **Callabonna** Project tenement in the Curnamona Craton, SA.
- The appointment during the quarter of geologist Peter Buckley as **Exploration Manager** will add considerable strength to PlatSearch's technical team.

CURNAMONA PROVINCE/BROKEN HILL, NSW AND SA

Euriowie, NSW – EL 5771 and EL 6188, PlatSearch 80%, Eaglehawk 20%, WPG can earn 60%

A programme of RC percussion and diamond drilling to test three high priority targets within the Euriowie project area is in progress.

Drilling of 415 metres in four holes has been completed at the *Son of Man prospect*. All holes intersected zones of disseminated and veined sulphides of variable thickness within altered metasediments. Sulphides comprise mostly pyrite, however, chalcopyrite has been noted in some intervals. A one metre thick zone of chalcopyrite, pyrite and pyrrhotite was intersected within a seven metre thick mineralised zone in Hole SOM-4.

Two RC drillholes were completed on geophysical targets at the *B40 Prospect*. Hole B40-1 intersected weathered chlorite-biotite-altered metasediments with weak disseminated pyrite for most of the hole to 204 metres, including a 10 metre thick interval of massive magnetite-rich chlorite-altered iron formation. Hole B40-2 intersected a similar sequence to B40-1.

Drilling of a fence of two inclined RC percussion holes and one inclined RC percussion precollared diamond hole at the *Yalcowinna Creek Prospect* is in progress. These holes are testing copper geochemical and EM targets down dip of the mineralised subcrop in the southern, soil covered, part of the grid. Previous Western Plains Resources (WPG) RC percussion holes intersected broad intervals of low-grade copper mineralisation (up to 24 metres at 0.35 % Cu). Two holes of the current programme were completed before heavy rain prevented access. Hole YC-1 intersected weakly pyritic, biotite-chlorite-altered metasediments to 75 metres followed by a 39 metre wide chalcopyrite bearing zone at 75-114 metres, with more massive sulphide rich bands at 77-78, 80-84 and 99-101 metres. Hole YC-11 intersected the same copper zone down-dip where an extensive, 42 metre wide chalcopyrite bearing mineralised zone was intersected at 144-186 metres with more abundant massive sulphide rich bands at 150-153, 157-166, 170-171, 174-177, 179-186 and 190-191 metres.

Drilling will resume when access roads dry out. Drill samples from all holes completed so far are being forwarded for analysis.

Mulyungarie, NSW and SA – EL 4657, PlatSearch 100% and EL 3478, PlatSearch 80%, Eaglehawk 20%, WPG can earn 60%

Attempts to contract a suitable drill rig for the planned 15 vertical rotary-core hole programme at the *KI Prospect* are ongoing. No field work was conducted during the December quarter.

Mundi Plains, NSW – EL 6404, PlatSearch 100%, Teck can earn 51%

Junction Dam, SA – EL 3328, PlatSearch 80%, Eaglehawk 20%, Teck can earn 80%

A joint venture agreement was signed with Teck Cominco Australia Pty Ltd (Teck) during the quarter. Teck can earn a 51% interest by spending \$2 million and can increase its interest to 80% by spending a further \$2 million. When Teck earns an 80% interest, PlatSearch (or PlatSearch/Eaglehawk in the case of Junction Dam) can participate with a 20% interest or dilute to a net smelter royalty interest.

Teck is required to complete a drilling programme comprising at least 2,000 metres, as a minimum commitment, before September 2007. Drilling has commenced with one 754.7 metre deep hole (DT1) completed on the Dome 3 gravity anomaly and one hole (DF1) in progress at 350 metres on the Dome 5 gravity anomaly. Hole DT1 entered basement at 213 metres and continued in meta-siltstones and meta-psammo-pelites to 754.7 metres with frequent weak disseminated pyrite/pyrrhotite and traces of sphalerite. Analyses are expected during the March quarter.

ZINCSEARCH JOINT VENTURE - Razorback, Yanco Glen, Ziggys and Copper King, NSW – ELs 6600, 5764, 6036 and 5919, PlatSearch 16%, CBH Resources 80%, Eaglehawk 4%, Apollyon Valley, Big Aller and Mt Robe, NSW – ELs 6475, 6147 and 5646, PlatSearch 20%, CBH Resources 80%

Soil analysis using the NITON XRF analyser has now been completed over 31,000 sites on the ZincSearch tenement package. Joint venturer CBH is now managing the work programme. Currently the NITON team is completing coverage of selected parts of the Apollyon Valley tenement. Many new geochemical anomalies have been defined by the programme. On completion of this work all results will be assessed by field visits then prioritised for further work, including drill testing.

Stephens-Centennial, NSW – EL 6132, PlatSearch 48%, Triako 40%, Eaglehawk 12%, Teck can earn 75%. Endeavour Minerals has a NSR in 4 units of the EL area

Joint venturer Teck has completed soil sampling at approximately 20,000 sites using a Niton portable XRF analyser, as required under the joint venture agreement. The work has defined numerous zones that are strongly anomalous in lead and zinc, many of which are up to a kilometre in strike length. A detailed assessment of these anomalies together with other geological, geophysical and topographic data is in progress. Field inspection of selected anomalies will be necessary to determine their potential and to plan ongoing testwork.

Cymbric Vale, NSW – EL 6403, PlatSearch 50%, Paradigm Mexico 50%, Bondi can earn 60%

A joint venture agreement was signed with Bondi Mining Ltd (Bondi) during the quarter. Bondi may earn a 60% interest by spending \$750,000 within three years. On Bondi earning a 60% interest, the parties will contribute to expenditure on a pro-rata basis or PlatSearch/Paradigm may elect to dilute to a 20% interest, free-carried to a bankable feasibility study. In the event of a bankable feasibility study, PlatSearch/Paradigm may either contribute pro rata to development (20%) or dilute to a Net Smelter Royalty. Bondi must complete a minimum expenditure of \$50,000 within six months on a programme of ground magnetics and RAB drilling.

A field visit to sample known gossans in the area and plan further work will be undertaken in early February.

Callabonna and Quinyambie, SA – EL 2886, PlatSearch 100%, Red Metal can earn 70% and EL 3197, PlatSearch 52.6%, a prospecting syndicate 47.4%, Red Metal can earn 70%

The Callabonna and Quinyambie joint ventures are located in the northwestern portion of the metal-rich Curnamona Province of South Australia and target Olympic Dam style copper, gold and uranium mineralisation in basement rocks and uranium mineralisation in the younger sedimentary cover sequences.

Joint venturer Red Metal was awarded PACE funding for a deep drillhole to test one of several localised gravity anomaly targets in the eastern part of the Callabonna tenement.

In the Quinyambie tenement precollar hole QBE2 at Dolores East prospect intersected a volcanic hydrothermal breccia pipe containing low grade copper in siderite-sericite-hematite alteration. Completion of the diamond core drilling at QBE2 is pending availability of a suitable rig, possibly in early February.

Following a review of the uranium potential of the Callabonna and Quinyambie tenements, Red Metal has planned a wide spaced orientation airborne HoistEM survey to map Tertiary age faults which potentially control the distribution of channel sands prospective for uranium, to be followed by drilling on uranium targets. The timing of drilling will depend on completion of native title clearances and drill rig availability.

Frome and Poverty Lake (Benagerie Joint Venture), SA – *ELs 3019 and 2948, PlatSearch 50%, AH Syndicate 50%, Newcrest can earn 70%*

After a considerable delay due to the unavailability of suitable drill rigs in South Australia, joint venturer Newcrest commenced a four hole core drilling programme in the last week of November 2006. Holes BRD003 and BRD004 were completed to depths of 330.8 and 408 metres respectively. Both holes intersected reddened porphyritic rhyolite/rhyodacite volcanics with very minor quartz-carbonate-chlorite-sericite-haematite-pyrite veins. Some of the core has been despatched for cutting and analysis.

The two remaining holes BRD005 and BRD007 are expected to be completed in February 2007.

Kalabity, SA – *EL 3297, PlatSearch 80%, Eaglehawk 20%, Crossland earning 60%*

A joint venture Heads of Agreement was signed with Crossland Uranium Mines Limited (Crossland) during the quarter. Crossland may earn a 60% interest by spending \$500,000 within three years. On Crossland earning a 60% interest, the parties will contribute to expenditure on a pro-rata basis or PlatSearch/Eaglehawk may elect to dilute to a 20% interest free-carried to a bankable feasibility study. In the event of a bankable feasibility study, PlatSearch/Eaglehawk may either contribute pro rata to development (20%) or dilute to a Net Smelter Royalty. Continuance of the joint venture agreement is conditional upon Crossland, which is listed on NSX, completing an IPO and listing on the Australian Stock Exchange on or before 31 May 2007.

Crossland has agreed to a minimum expenditure of \$150,000 within 12 months on a programme of geochemistry, shallow drilling and a detailed airborne radiometric survey. A particular focus for ongoing work will be the KR4 prospect where uranium mineralisation occurs in a narrow zone of davidite veining over a strike length of at least 1.5 kilometres. Field work will commence during the March 2007 quarter.

GAWLER CRATON, SA**Mirikata, SA** – *EL 3537, PlatSearch 100%, Newcrest can earn 70%*

A joint venture agreement was signed with Newcrest Operations Limited (Newcrest) during the quarter. Newcrest will hold a 70% interest in the tenement provided that it completes expenditure of \$2 million within five years. When Newcrest has completed \$2 million expenditure PlatSearch can elect to participate in further expenditure with its 30% interest, reduce to a 20% carried interest, or convert to a net smelter royalty. If PlatSearch reduces to a 20% carried interest, then its 20% share of costs will be carried by Newcrest up to the decision to mine, however 50% of these costs, plus interest, must be repaid to Newcrest from mine proceeds. At decision to mine, PlatSearch can elect to participate its 20% share of costs, or convert to a net smelter royalty.

The Mirikata tenement is located approximately 100 kilometres southeast of Coober Pedy and 20 kilometres southwest of Oxiana's Prominent Hill project. It is considered to be prospective for large, iron-oxide associated copper-gold deposits such as exist at Prominent Hill and Olympic Dam. Newcrest must complete a minimum commitment programme costing at least \$100,000 prior to 30 June 2007. Drilling is expected to commence as soon as all necessary approvals are obtained and a drilling contractor is engaged.

Wynbring, SA – *EL 3234, PlatSearch 100%*

Negotiations regarding a joint venture to fund ongoing work are progressing. An application to the SA government for PACE funding of planned drilling was successful. Half the cost of this drilling, to a maximum of \$75,000, will be reimbursed by the SA government provided that the drilling is completed by December 2007.

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 have a similar tectonic setting to the Thompson Nickel Belt in Canada, location of many important sulphide nickel-copper deposits. Widespaced reconnaissance bedrock drilling carried out by Primary Industries of South Australia 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.

Toolgerie, Yalata and Black Hills – *ELs 3216, 3280 and 3281, PlatSearch 90%, Bohoun 10%*

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 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 in the southeastern part of the Eucla Basin, now being explored intensively for heavy mineral sands and covers an extensive strike length of the Nundroo Range, an old shoreline feature and possible coastal barrier some 50 kilometres from the Ooldea Range, a major coastal barrier containing important beach placer deposits including Iluka's Jacinth, Ambrosia and Immarna zircon rich deposits. PlatSearch is engaged in negotiations with another party regarding funding to pursue both nickel and mineral sands targets in these areas.

THOMSON FOLD BELT, NSW

Tongo, Yantabangee, Kango, Mt Pleasant, Klondyke, Monolon, Callindary, Mulga, Laurel and Glendara, NSW – *ELs 6630, 6631, 6632, 6668, 6664 and 6646, ELA's 2917, 2918, 2920 and 2921, PlatSearch 100%*

PlatSearch has applied for four new tenements providing further coverage along the southern boundary of the Thomson Fold Belt. PlatSearch now holds approximately 1,900 square kilometres in this area that embraces at least 30 discrete magnetic anomalies that are potential targets for sediment hosted, massive/disseminated silver-lead-zinc deposits (Endeavor style).

The potential in this region for this style of mineralisation has been highlighted by the recent discovery by Compass Resources of sulphide mineralisation with strongly anomalous silver, zinc and copper at their Cuttaburra prospect located approximately 35 kilometres along strike from PlatSearch's Yantabangee tenement. (Compass Announcement - 1 November 2006). Apart from Compass's recent drilling there has been no previous exploration for base and precious metals in this region.

During the quarter PlatSearch completed ground magnetic surveys on twelve selected aeromagnetic anomalies. The results have been interpreted to show that the depth of cover over most of the targets in PlatSearch's tenements is within the range 50-150 metres. Information packages on all tenements are being progressively forwarded to PlatSearch's alliance partner Minotaur Exploration for their consideration regarding joint venture participation.

MT ISA BLOCK, QLD

Lilleyvale Project, QLD – *EPM 12115, PlatSearch 100%, WCP can earn 60%*

PlatSearch has signed a joint venture agreement with WCP Resources Limited (WCP) on the Lilleyvale project in Queensland. A previous drillhole at this prospect discovered a large Cloncurry-style copper-gold system. WCP is required to complete two deep rotary/core holes on this prospect, scheduled to commence as soon as weather permits and a suitable drilling contractor can be engaged. Further gravity surveys to refine the drilling targets will be completed as soon as possible.

LACHLAN FOLD BELT, NSW

Dunmore and Tomingley West, NSW – ELs 6473 and 6474, PlatSearch 90%, RobertsConsulting 10%, Bondi can earn 60%

A joint venture agreement was signed with Bondi Mining Ltd (Bondi). Bondi may earn a 60% interest by spending \$1 million within three years. On Bondi earning a 60% interest, PlatSearch/Roberts may elect to participate or dilute to a 20% interest free-carried to a bankable feasibility study. In the event of a bankable feasibility study, PlatSearch/Roberts may either contribute pro rata to development (20%) or dilute to a Net Smelter Royalty.

Bondi must complete a minimum expenditure of \$175,000 within 12 months on a programme consisting of detailed aeromagnetic surveys over both tenements followed by RAB drilling on selected targets. A key objective will be to test for extensions to gold mineralisation at the TRE Prospect, where RAB and RC percussion drilling by a previous explorer encountered significant gold mineralisation associated with sheeted quartz veining. PlatSearch's interpretation of the available data indicates that the TRE prospect lies on a six kilometre long structure that is essentially unexplored.

The Dunmore and Tomingley tenements are also considered to be prospective for large porphyry style copper-gold deposits such as exist at the nearby Northparkes mine which is located only 12 kilometres to the southwest of the Dunmore tenement. The Peak Hill gold deposit is located 5 to 10 kilometres to the east and the recently discovered Wyoming porphyry copper-gold deposit 18 to 20 kilometres to the north northeast.

Cobar East, Coolabah West, Oakvale, Bimbella and Euabalong, NSW – ELAs 2822, 2824 and 2863, ELs 6671 and 6672, PlatSearch 100%

Shallow aircore drilling on three targets in the Coolabah West tenement was completed. Samples are being analysed.

WESTERN PLAINS RESOURCES PROJECTS

PlatSearch holds 10% of Western Plains Resources ordinary shares and 4.85 million options.

SA Iron Ore Projects

Peculiar Knob, SA – RL 103, WPG 100%

WPG has commenced a bankable feasibility study for the Peculiar Knob DSO iron ore deposit in South Australia. As a key part of this study an extensive programme of resource definition drilling comprising 54 RC percussion and five diamond drillholes for an estimated total of 7,900 metres has commenced and will continue into the March 2007 quarter. Results of this programme will enable an upgrade of the status of the resource that can potentially be mined by open pit methods to the Measured and Indicated categories and provide essential data for a detailed mine design. Core from the five diamond holes will provide material for metallurgical test work and rock mechanics studies. Several deeper RC holes will also be drilled to test the width and grade of the deeper sections of the Peculiar Knob haematite bodies.

This \$1 million drilling programme forms part of the project's \$1.6 million feasibility study. The feasibility study is scheduled to be completed by the end of June 2007 with the grant of the mining lease expected later this year.

Hawks Nest, SA – EL 3196, WPG 100%

During the quarter WPG acquired and integrated the significant amount of drillhole data from the most recent previous drilling by others into the Company's GIS database. All previous drillhole data and other relevant technical reports were subsequently reviewed in detail. Hawks Nest contains the

Buzzard haematite deposit with a total Measured and Indicated Resource estimated by others of 6.7 million tonnes at an average grade of 60% iron, together with a number of magnetite deposits which have been drilled out to various levels of detail in the past. Resource estimates reported by others for these deposits are set out in the following table.

Deposit	Category	Million Tonnes	Fe %	P ₂ O ₅ %	SiO ₂ %	Al ₂ O ₃ %	LOI %
Kestrel	Measured Resource	100	37	0.13	37	0.83	0.58
	Indicated Resource	60	36	0.13	38	1.00	0.79
	Inferred Resource	60	36	0.13	39	1.05	0.78
	Total Resource	220	36	0.13	38	0.94	0.69
Goshawk	Inferred Resource	148	35	-	-	-	-
Harrier	Inferred Resource	54	35	-	-	-	-
Eagle	Inferred Resource	92	31	-	-	-	-
Kite	Inferred Resource	30	51	-	-	-	-
Falcon	Inferred Resource	25	32	-	-	-	-
Total Measured, Indicated and Inferred		569	35	-	-	-	-

Source WPG December 2006 Quarterly Report

A 17 hole RC percussion drill programme for an estimated 2,300 metres has been planned to test several promising geophysical targets for the presence of new DSO haematite and/or high grade magnetite deposits within the Hawks Nest BIF terrain. As part of this programme several holes will be drilled to follow-up high grade (>60% Fe) iron intercepts made in previous drillholes at the Kite prospect.

A contract has been let for this programme which will follow the completion of the resource definition drilling at Peculiar Knob.

WPG will review existing data on the Hawks Nest magnetite deposits with a view to identifying optimal development strategies. The magnetite deposits are thought to be suitable for the production of concentrates, pellets and other forms of value added products. This work will commence during the March quarter.

Trundle, NSW – EL 4512, WPG 100%, PlatSearch has a NSR royalty

Two inclined RC percussion holes for a total of 499 metres were completed at the *Mordialloc Prospect*. The holes were designed to test coincident gold and copper anomaly peaks within the large anomalous zone defined from previous programmes of RAB and aircore drilling. Both holes intersected mixed sequences of Ordovician shoshonitic andesitic volcanics and monzonitic intrusive rocks. Minor intervals of calc-silicate skarn were also intersected. Variable amounts of disseminated pyrite and chalcopyrite were present in both holes. Assay samples have been submitted for analysis and results are expected early in the March quarter.

OTHER PROJECTS

There has been no significant work or developments on other projects during the quarter.

FINANCIAL

Cash expenditure by PlatSearch on exploration for the quarter was \$158,000. Expenditure by joint venturers on the Company's projects was \$806,000 for the quarter. The Company has no borrowings. Cash funds available at the end of the quarter were \$187,000. On 25 January 2007 PlatSearch announced the placement of 5,000,000 shares at a price of \$0.12 per share which will raise \$600,000

and also announced an issue under its Share Purchase Plan which will have a maximum raising of \$400,000 (3,333,333 shares at a price of \$0.12).

PLATSEARCH NL

Bob Richardson
Managing Director

The information on mineralisation contained in this announcement accurately reflects information compiled by R L Richardson, BSc, BE (Hons), MAusIMM, MASEG, Managing Director and a part-time employee of PlatSearch NL a Competent Person (as defined by the Australasian Code for Reporting 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 announcement.