



PLATSEARCH NL

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The Company Announcements Office
Australian Stock Exchange Limited

ANNOUNCEMENT OF JOINT VENTURE WITH INCO WYNBRING NICKEL PROJECT, SA

PlatSearch is pleased to announce that a letter agreement has been signed with Inco Resources (Australia) Pty Limited (Inco), a wholly owned subsidiary of Inco Limited, in relation to an Option/Joint Venture Agreement over PlatSearch's tenement ELA 082/03 "Wynbring". The Wynbring tenement (PlatSearch 100%) covers an area of approximately 2,000 square kilometres located on the western margin of the Gawler Craton and is considered to be prospective for nickel sulphide deposits.

The agreement permits Inco to earn a 60% interest in the tenement by incurring expenditures of \$2,000,000 within four years from the granting of the licence. Inco is committed to spend at least \$200,000 within the first year. Thereafter minimum commitment annual expenditures escalate to \$900,000 in the fourth year of the agreement. Inco retains the right to withdraw following expenditure of \$200,000.

Once Inco has earned its 60% interest, PlatSearch has the right to either participate in ongoing expenditure or revert to a 20% interest that is free carried to the completion of a feasibility study for a mining operation. On the completion of the feasibility study, PlatSearch can elect either to contribute to a mine development or revert to a 2% net smelter return royalty. The agreement is subject to granting of the exploration licence and relevant South Australian Government approvals.

Inco Limited is a leading Canadian mining and metals company and is the world's second largest nickel producer.

The Wynbring area covers a large part of the Fowler Domain, a major tectonic zone on the north western flank of the Gawler Craton. The Fowler Domain comprises dense, magnetic, highly deformed, intermediate to ultramafic intrusives overlain by thin Tertiary sands and recent sand dunes. Aeromagnetic surveys show the presence of a high concentration of crustal scale fractures and faults in this area. These structures could have provided pathways for the intrusion of mafic-ultramafic bodies with potential for nickel sulphides, chromite and platinoids. The Thompson Nickel Belt in Canada has similar features and is considered by the Department of Primary Industry and Resources of South Australia (PIRSA) as a possible analogue of the Fowler Domain. The Thompson Nickel Belt hosts major nickel deposits which have been mined by Inco since the early 1960s.

There has been only limited previous exploration in the Wynbring area, most of which was completed in recent years by PIRSA. Wide-spaced reconnaissance bedrock drilling by PIRSA has 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. Near its northern extremity,

drilling has intersected highly anomalous chromium in two holes with best results of 11 metres at 1.8%, 8 metres at 5.34% and 15 metres at 2%.

Previous airborne electromagnetic (AEM) testwork has demonstrated that the area is amenable to AEM surveying. Under appropriate conditions AEM can detect conductive sulphide bodies. Inco will undertake an AEM survey over selected parts of the tenement and this survey is expected to commence in May 2004.

Other PlatSearch nickel areas in the Fowler Domain

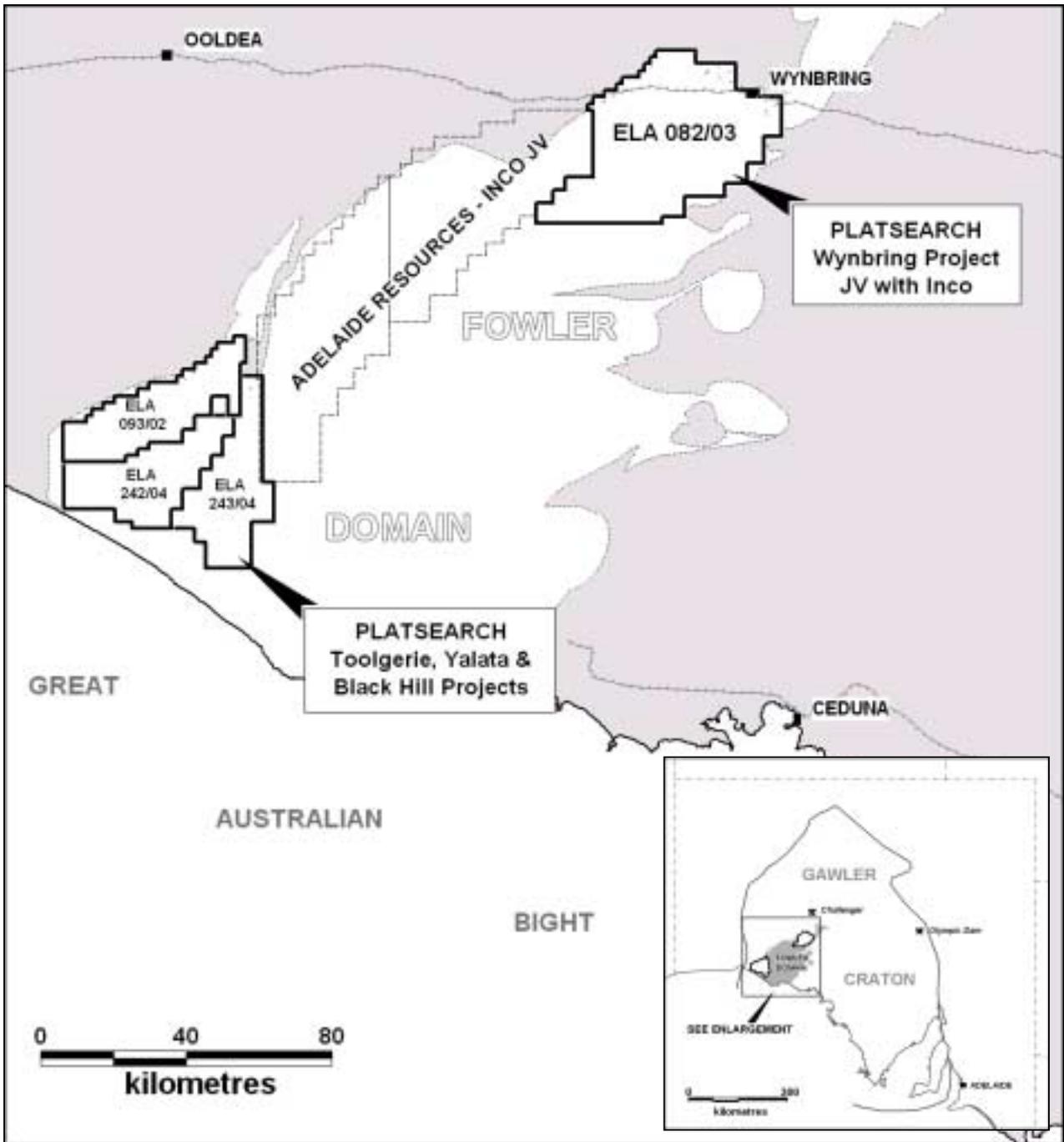
Elsewhere in the Fowler domain, PlatSearch holds three contiguous exploration licence applications (PlatSearch 80%, Bohoun Resources Pty Ltd 20%) covering a combined area of approximately 2,300 square kilometres. Two of these tenements Toolgerie ELA 093/02 and Yalata ELA 242/04 cover a very large layered mafic-ultramafic complex, considered by PlatSearch to be prospective for Sudbury style nickel sulphide deposits. The adjacent Black Hill ELA 243/04 covers major structures in the southern part of the Fowler Domain. Previous exploration of these tenements has been negligible to non-existent. The Toolgerie tenement will be offered for grant shortly. Discussions with several parties regarding possible farm-in joint ventures over these tenements are in progress.

PLATSEARCH NL

Bob Richardson
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Please direct any questions to Bob Richardson on (02) 9906 5220 or 0414 592 080.

wynbring inco.jv.asx/rac



Plan shows location of PlatSearch nickel exploration projects in the Western Gawler Craton, SA