



PLATSEARCH NL

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Companies Announcements Office
Australian Stock Exchange Limited

PLACEMENT OF SHARES AND USE OF FUNDS RAISED

PlatSearch NL (ASX Code: PTS) is pleased to announce that \$324,400 has been raised from the placement of 4,055,000 ordinary shares at a price of 8 cents. The shares have been placed with clients of Pattersons Securities Ltd pursuant to section 708(10) of the *Corporations Act 2001* (2,550,000 shares) and to a group of five sophisticated investors (1,505,000 shares). A copy of Appendix 3B as required by ASX Listing Rule 3.10.3 will be submitted at the time of allotment of the shares.

The funds raised in the placement are being used to increase working capital available to meet the costs incurred in project generation, joint venture negotiations and exploration work on several existing projects, including the following:

Kalabity EL 3297, SA

A review of previous work on this tenement (located near Olary, SA) suggests potential for intrusive-hosted uranium mineralisation (refer PlatSearch December 2004 quarterly report). PlatSearch has undertaken field reconnaissance of the KR4 uranium prospect locating and mapping costeans undertaken by a previous explorer. Scattered surface float samples of davidite (a titanite of iron, uranium and rare earths) were observed over a strike length of approximately 1.5 kilometres within PlatSearch's licence. An aggregated sample of this float material was collected and submitted for assay for uranium and rare earths.

PlatSearch intends to undertake an orientation geochemical study at this prospect to investigate techniques that may be applicable to exploration of the wider licence area for uranium. Depending on contractor availability, this programme will be completed during March-April 2005.

Yanco Glen EL 5754, NSW

The Yanco Glen licence is located approximately 30 kilometres north of Broken Hill, NSW. It contains the old Allendale Mine, which was the third largest zinc producing mine in the Broken Hill field, and three key prospects, Esperanza, Bradies Tank and Speedwell. Previous wide-spaced lines (800 metres apart) of RAB drilling at these prospects encountered anomalous base metals in several zones, one of these having a strike length of 3 kilometres. PlatSearch intends to undertake limited in-fill RAB geochemistry to investigate and better define these anomalies.

Panama Hat EL 6014, NSW

The Panama Hat tenement embraces one of the most extensive systems of quartz/chert veins in the Broken Hill Block. Based on historical records and later sporadic rock-chip sampling many of these veins contain gold. Numerous old gold workings occur throughout the area and some of the more important workings are believed to occur in major shear zones. PlatSearch considers that the area has potential for multiple vein, shear-hosted gold deposits and has completed recently an orientation geochemical programme to develop an effective exploration methodology for the area. The results show clearly that gold values in calcrete are enhanced in the general area of the old workings and the interpreted shear zone and that calcrete sampling in this area will be a useful technique to highlight possible multiple, shear-hosted gold occurrences and define percussion drilling targets.

PlatSearch proposes to cover a larger area with calcrete sampling using an initial grid spacing of 200 by 200 metres, with possible closer spaced follow up if necessary. This work is expected to commence in April 2005.

Discussions with other companies regarding joint venture funding for these projects and others including **Yanco Glen, Mundi Plains, Cymbric Vale** and **Toolgerie** are continuing. Notwithstanding these discussions that may lead to ongoing work on these tenements being funded by other parties, it is PlatSearch policy to continue with low-cost work to define drilling targets and efficiently upgrade the prospectivity and value of its tenements.

In the **Callabonna** and **Quinyambie** tenements, in the Curnamona Craton, SA, joint venturer Red Metal has advised that drilling will commence in early April 2005 on two strong gravity anomalies considered to be targets for Olympic Dam style mineralisation. The Wynbring Joint Venture will commence an extensive programme of ground geophysical surveys in the **Wynbring** tenement in the Gawler Craton in April 2005 (refer to the PlatSearch September and December 2004 quarterly reports for details). This programme will investigate at least 20 targets for nickel sulphide mineralisation defined on the basis of the airborne electromagnetic survey, magnetic and geochemical data and available geology. An application has been submitted to Primary Industry and Resources SA for funding assistance under the PACE scheme for drilling up to 15 drillholes in the Wynbring tenement. A joint venture agreement regarding the **Frome** and **Poverty Lake** tenements in the Curnamona Craton is at an advanced stage of documentation. Subject to finalisation of this agreement and contractor availability drilling should commence in the Frome tenement before May 2005.

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

Yours faithfully

PLATSEARCH NL

Robert J Waring

Company Secretary