



PLATSEARCH NL

ACN 003 254 395

28 April 2004

QUARTERLY REPORT FOR PERIOD ENDED 31 MARCH 2004

HIGHLIGHTS

- An agreement was signed with Inco in relation to PlatSearch's **Wynbring** project located on the western Gawler Craton. Inco will explore this area for sulphide nickel deposits commencing with an extensive airborne electromagnetic survey scheduled to commence in May 2004.
- An agreement was signed with Red Metal in relation to PlatSearch's **Callabonna** project located on the northern margin of the Curnamona Craton. Red Metal will conduct an extensive gravity survey to identify possible drilling targets for Olympic Dam style iron-oxide copper-gold deposits.
- An agreement was signed with Red Metal in relation to PlatSearch's **Quinyambie** project located on the northern margin of the Curnamona Craton. Red Metal will conduct an extensive gravity survey to identify possible drilling targets for Olympic Dam style iron-oxide copper-gold deposits and will complete one basement depth drillhole within the first 12 months.
- Joint venturer Sipa Resources completed 10 Reverse Circulation (RC) drillholes at the **Stephens-Centennial** project. The results are regarded as very encouraging and included a best intersection of 6 metres of 9.5% Zn, 0.7% Pb and 14 g/t Ag from 51 metres downhole. Sipa plans to conduct RAB drilling during the June 2004 quarter to define further drill targets.
- Joint venturer Marathon Resources is conducting detailed gravity surveys at **Coondambo** project in the Gawler Craton to identify further possible drilling targets for Olympic Dam style iron-oxide copper-gold deposits.
- PlatSearch has increased its tenement coverage over areas considered prospective for sulphide nickel deposits on the western Gawler Craton. Two new tenement applications **Yalata** ELA 242/04 and **Black Hill** ELA 243/04 are adjacent to the existing **Toolgerie** ELA 093/02 providing total tenement coverage of 2,300 square kilometres. Discussions with potential joint venture partners are in progress.
- Joint venture negotiations regarding a number of other PlatSearch projects including **Hollis Tank, Coultra, Euriowie, Panama Hat, Redan and Trundle** are in progress at various stages of advancement and the Company is confident that these projects will be funded adequately and actively explored.

CURNAMONA PROVINCE/BROKEN HILL, NSW AND SA

Mundi Mundi, NSW and Mulyungarie, SA - ELs 4656, 4657 PlatSearch 100%, and EL 2776 PlatSearch 100%, Eaglehawk 20%,

Drill core logging and data compilation has continued during the quarter. The following table is a summary of significant intersections from the last six holes on the project (DDHs IN 2, 3, 4, 5, 6 and 7). These holes are widely spaced over a strike length of 10 kilometres. Note that these intersections have been reported previously.

Hole	East (m)	North (m)	From (m)	To (m)	Interval (m)	Zn + Pb %	Ag g/t
IN2	503159	6495623	324.1	339.1	15.0	0.36	
			365.7	370.0	4.3	0.66	1
			542.6	544.0	1.4	1.46	1
			821.0	847.7	26.7	0.36	
			Incl 821.0	823.7	2.7	2.60	5
IN3	502575	6495045	170.1	242.0	71.9	0.70	
			Incl 224.2	228.0	3.8	9.21	17
			252.6	304.2	51.6	0.26	
			Incl 297.2	304.2	7.0	0.89	3
			355.2	401.5	46.3	0.54	
IN4	502197	6495349	205.0	414.0	209.0	0.34	
			Incl 206.6	212.4	5.8	4.01	17
IN5	500548	6496534	249.7	306.8	57.1	0.28	
			419.2	467.8	48.6	0.37	2
IN6	497131	6498065	153.3	157.2	3.9	0.42	2
			204.5	224.1	19.6	0.93	1
			305.8	356.0	50.2	0.35	2
			359.2	362.9	3.7	0.62	3
			365.6	367.0	1.4	0.68	8
			563.1	564.7	1.6	0.60	3
			584.5	584.7	0.2	2.41	4
IN7	502508	6495400	305.0	317.9	12.9	1.53	2
			Incl 315.0	316.4	1.4	0.69	1
			and 317.5	317.9	0.4	9.50	2
			347.4	356.0	8.6	2.45	14
			398.1	401.1	3.0	1.09	2
			415.8	419.4	3.6	0.32	
			424.4	432.3	7.9	0.36	
			458.6	468.0	9.4	0.56	2
495.9	550.0	54.1	1.07	3			

Although all intersections are sub-oregrade, the results from these six holes illustrate that the targeted stratigraphic package is highly anomalous in lead, zinc and silver over an extensive strike length. A review of all geological, geochemical and geophysical data is progressing to identify parts of the sequence that may contain mineralisation of higher grade. PlatSearch is seeking a joint partner to fund ongoing work.

Mulyungarie, SA - EL 2776, PlatSearch 80%, Eaglehawk 20%; Southern Cross Resources Australia earning right to mine uranium

Southern Cross Resources has completed five drillholes totalling 488 metres of drilling searching for palaeodrainage channels defined by earlier airborne electromagnetic surveys. Drilling is ongoing.

Ziggys, NSW - EL 6036, PlatSearch 80%, Eaglehawk 20%

Geological logging of two RC percussion drillholes was completed during the quarter.

Hollis Tank, NSW - EL 5765, PlatSearch 80%, Eaglehawk 20%

Negotiations with a potential farm-in joint venture partner are progressing. PlatSearch is seeking an agreement that will progress exploration for cobalt-gold and lead-zinc-silver deposits. Previous work by PlatSearch has focussed on the Great Goulburn prospect where drilling intersected encouraging cobalt and gold values. Previous explorer Anglo Australian completed two short holes intersecting massive magnetite-pyrite lodes with values up to 23.3 metres at 0.15% cobalt and 0.4 g/t gold. A subsequent drill test of a sulphide zone by PlatSearch intersected 8 metres at 0.27 g/t gold and 560ppm cobalt. RAB drilling by PlatSearch has encountered anomalous base metals in several locations. Extensively shallow soil cover has inhibited previous exploration, however the area embraces many strike kilometres of prospective stratigraphy and is amenable to exploration by geochemical and geophysical techniques.

Euriowie, NSW – EL 5771 and EL 6188, PlatSearch 80%, Eaglehawk 20%

Negotiations with potential farm-in joint venture parties are in progress. Interest in this tenement has been stimulated by the results of rock-chip sampling and interpretation conducted by PlatSearch in late 2003. Of 183 samples of numerous outcropping gossans and ironstones sampled by PlatSearch many reported high values of gold (up to 26 g/t), silver (up to 650 g/t), copper (up to 37.7%) and lead (up to 34.0%). The PlatSearch sampling confirmed results of rock-chip sampling over the same areas by the NSW Geological Survey (NSW GS), which also reported high values of gold (up to 39.8 g/t), silver (up to 500 g/t), copper (up to 31.6%) and lead (up to 2.34%).

The prevalence of geochemically anomalous to high gold values and the association of these with high copper values shown by the recent rock-sampling programme are particularly encouraging. These results together with recent geological reconnaissance highlight the potential for copper-gold deposits in this area and the lack of serious exploration for copper-gold by previous operators who generally targeted Broken Hill style silver-lead-zinc and rarely analysed for gold.

PlatSearch has defined at least 21 prospect areas deserving further work to develop drilling targets (see accompanying map) and applied for a further tenement (EL 6188) to provide additional coverage of prospects in adjacent areas to the west and north. PlatSearch's total tenement coverage in the area is now 426 square kilometres.

POTENTIAL FOR COPPER-GOLD DEPOSITS AT BROKEN HILL

PlatSearch now has a valuable package of tenements covering a total area of approximately 1,400 square kilometres that have good potential for copper-gold mineralisation. These tenements are Euriowie (EL 5771 and EL 6188), Redan (EL 5795), Panama Hat (EL 6014), Coultra (EL 6041) and Mulyungarie (EL 2776). The Broken Hill region traditionally has been regarded as a lead-zinc-silver province and consequently the search for a repetition of the massive Broken Hill lead-zinc-silver deposit has dominated exploration in the region for the last 100 years. Systematic exploration for copper-gold, such as occurred with great success in the Mt Isa-Cloncurry region, has been minimal despite many encouraging indications.

A recent detailed study by the NSW Government "Copper-Gold Potential in the Broken Hill Block" has highlighted the potential and the lack of serious exploration for copper-gold and defined a

number of high priority areas and prospects. Many of these areas and prospects occur on PlatSearch's tenements. PlatSearch is investigating ways of funding an aggressive and sustained exploration programme for copper-gold on this tenement package.

Stephens-Centennial, NSW - EL 6132, PlatSearch 48%, Triako 40%, Eaglehawk 12%; Sipa can earn 70%. Endeavour Minerals has a 1.5% NSR in Southern Cross area only

Joint venturer Sipa Resources completed 10 Reverse Circulation (RC) drillholes at the Stephens Trig, Corruga South and Limestone prospects. The results are regarded as very encouraging in the context of past exploration in the district away from the famous Broken Hill 'Line of Lode'.

The Stephens Trig Prospect is about 15 kilometres north of the Broken Hill 'Line of Lode'. Sipa's drilling targeted potentially open-pitabile mineralisation centred on a 1991 RC drill intersection of:

6 metres of 11.8% Zn, 3.8% Pb and 13 g/t Ag from 112 metres downhole.

Five of Sipa's seven holes intersected significant mineralisation, with the best result being:

6 metres of 9.5% Zn, 0.7% Pb and 14 g/t Ag from 51 metres downhole.

Three RC holes were also drilled at the Corruga South and Limestone Tip prospects (neither previously RC drilled) 15 kilometres southwest of Stephens Trig. Hole CSC2 at Corruga South intersected:

2 metres of 6.5% Zn, 0.2% Pb and 17 g/t Ag from 72 metres downhole.

Intersections of greater than 1% zinc are tabled below:

Hole	From (m)	To (m)	Interval	Zn %	Pb %	Ag g/t	Cu %
SGC1	51	57	6	9.53	0.71	14	0.04
	43	47	4	1.91	0.17	4	0.16
SGC2	54	57	3	5.86	1.38	16	0.03
	134	137	3	8.48	1.69	53	0.14
SGC4	196	198	2	2.36	0.84	7	0.01
SGC5	66	67	1	1.55	0.05	5	0.18
SGC6	48	50	2	5.87	0.01	2	0.09
CSC2	72	74	2	6.46	0.24	17	0.24

These drill results need to be considered in the context of previous results from RC and diamond drilling at the Stephens Trig Prospect. Aberfoyle and Pasminco completed 15 holes for about 6,000 metres in the 1990s, drilled over about 1 kilometre of strike. The results of this drilling included the following intersections (lower cut of 1% Zn, minimum 1 metre width):

Hole	From (m)	To (m)	Interval	Zn %	Pb %	Ag g/t	Cu %
SG001	66	68	2	12	4.27	62	0.05
SG003	110	122	12	6.75	2.28	10	0.02
Incl	112	118	6	11.8	3.8	13	0.04
SG005	76	80	4	5.31	0.32	13	0.07
SG006	56	58	2	2.3	2.71	20	0.04
SG010	374.5	375.8	1.3	6.62	0.06	9	0.13
SG012	126	142	16	1.29	0.3	2	0.02
SG016	335	336	1	9	5.08	43	0.05
SG017	342	346	4	1.1	0.33	8	0.08
	390	392	2	1.54	2.38	117	0.08

There is no outcrop within one kilometre north and south of the recent drilling, though RAB drilling in the 1980s through thin sand cover, along with the RC and diamond drill holes tabled above, show continuity of the lode system over at least two kilometres of strike and down dip to at least 300

metres depth. The lode dips steeply to the northwest (local grid west). The historical results are regarded as amongst the most significant zinc-rich mineralization in the district away from the Broken Hill Line of Lode.

The recent drilling results confirm and extend the significance of Stephens Trig. The challenge for the joint venture is to determine whether structural complexity between the sparsely RC-drilled, 100 metre-spaced sections could result in the definition of a resource amenable to open pit mining, such as was successfully mined at the Potosi deposit two kilometres north east of Broken Hill in the late 1990s.

Sipa will complete infill RAB drilling in the June Quarter of 2004 to better define the footprint of the mineralisation immediately beneath the shallow sand cover (typically less than 6 metres thick), before planning further RC drilling at Stephens Trig.

Callabonna, SA - EL 2886, PlatSearch 100%; Red Metal can earn 51%

A Heads of Agreement was signed with Red Metal Limited (Red Metal). The Callabonna tenement covers an area of approximately 710 square kilometres located on the northern margin of the Curnamona Craton and is considered to be prospective for large iron oxide copper-gold (IOCG) deposits, of a similar style to the Olympic Dam deposit.

The agreement permits Red Metal to earn a 51% interest in the tenement by completing expenditure of \$1,000,000 on the tenement. This expenditure shall include a minimum commitment work programme consisting of a detailed gravity survey covering extensive parts of the tenement area, to be completed within the first 12 months. When Red Metal has earned a 51% interest, the parties will enter into a joint venture agreement that permits Red Metal to increase its interest to 70% by completing further expenditure of \$2,000,000.

When Red Metal has earned a 70% interest, PlatSearch can participate with its 30% interest, or convert to a 15% interest carried to the decision to mine stage, or exchange its interest for a net smelter return (NSR) royalty. If PlatSearch elects to have a 15% carried interest then the carried expenditure shall be repayable to Red Metal from 80% of PlatSearch's share of the net proceeds of mine production.

In 2002 previous joint venture partner Inco Resources (Australia) Pty Limited (Inco), a wholly owned subsidiary of Inco Limited, funded a rotary/core hole to 630 metres depth which was targeted on a large magnetic anomaly at the Anomaly 5 prospect. The hole intersected a highly altered, ferruginous, brecciated body with abundant magnetite, haematite, disseminated pyrite and moderately anomalous base metals. Maximum values were 1,143ppm zinc, 780ppm copper and 671ppm lead. Although these are sub-economic levels, the results demonstrated that the Anomaly 5 system is significantly anomalous in base metals and the degree of alteration encountered showed evidence of intense hydrothermal activity.

There are at least 10 other similar geophysical targets within the Callabonna tenement. It is hoped that planned gravity surveys being undertaken currently by Red Metal will assist in the identification of further IOCG targets and the planning of drilling programmes to test these.

Quinyambie, SA - EL 3197, PlatSearch 50%, a prospecting syndicate 50%, Red Metal can earn 51%

A Heads of Agreement has been signed recently with Red Metal. The agreement will require Red Metal to conduct extensive gravity surveys and complete one drillhole to basement depth on a selected target. Full details of the terms of the agreement will be announced shortly.

LACHLAN FOLD BELT, NSW

Trundle, NSW - EL 4152, PlatSearch 80%, Nosebi 20%

Data interpretation has continued during the quarter. Several prospects with potential for further drilling have been identified. Induced polarisation surveys are being planned to assist in drill target

definition. These surveys are expected to commence during the June 2004 quarter. Discussions with potential farm-in joint venture partners have commenced.

GAWLER CRATON, SA

Wynbring, SA - ELA 082/03, PlatSearch 100%, Inco earning 60%

A letter agreement was signed with Inco in relation to an Option/Joint Venture Agreement over PlatSearch's Wynbring tenement ELA 082/03. Wynbring (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.

Toolgerie, Yalata and Black Hill, SA - ELA 093/02, 242/04, 243/04, PlatSearch 80%, Bohoum Resources 20%

The Toolgerie licence was granted during the quarter. The tenement is located on the southern part of the Fowler Domain (see Wynbring above) and covers a very large layered mafic-ultramafic complex, considered by PlatSearch to be prospective for Sudbury style nickel sulphide deposits.

Discussions with several parties regarding possible farm-in joint ventures on Toolgerie are in progress.

Located adjacent to Toolgerie, two further licences Yalata and Black Hill were applied for during the quarter giving a total coverage of 2,300 square kilometres in this area. Previous exploration of these tenements has been negligible to non-existent.

Discussions with several parties regarding possible farm-in joint ventures over these tenements are in progress.

Coondambo, SA - EL 2819, PlatSearch 50%, Marathon 50% and earning 80%

During the December 2004 quarter an Option Joint Venture Agreement was signed with Peninsula Exploration Pty Ltd (Peninsula). Peninsula's interest has been assigned to Marathon Resources Limited (Marathon) and currently Marathon is undertaking planned gravity surveys covering the northern half of the tenement where aeromagnetic data shows several strong magnetic anomalies that could be related to Olympic Dam style mineralisation.

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 \$65,000. Expenditure by joint venturers on the Company's projects was \$189,000 for the quarter. Cash funds available at the end of the quarter were \$510,000. The Company has no borrowings.

In January 2004 PlatSearch successfully concluded an issue under its Shareholder Share Purchase Scheme. Applications for up to \$4,950 of ordinary shares at 11 cents were received from 199 shareholders and the amount raised was \$580,594. Of this amount \$451,950 was received prior to 31 December 2003 and \$129,000 was received in January 2004. The 5,279,491 new ordinary shares were allotted on 19 January 2004. The funds will be used for ongoing project generation, project enhancement and corporate costs.

PLATSEARCH NL

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, Managing Director 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 report.