



PLATSEARCH NL

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31 January 2008

QUARTERLY REPORT FOR PERIOD ENDED 31 DECEMBER 2007

HIGHLIGHTS

- Results of preliminary metallurgical test work produced results up to 55.7% iron on drill samples from the Coolabah West tenement, one of the **Eastern Iron** project tenements located in western NSW. All 15 of the Eastern Iron project tenements are now granted. Eastern Iron Limited is at an advanced stage of preparation of a Prospectus to raise funds and to list on the ASX. The funds will be used to pursue an aggressive programme of shallow drilling on iron-rich palaeochannels and metallurgical investigations.
- *Teck Cominco* has advised that in the **Mundi Plains** tenements its main focus in 2008 will be to follow-up an earlier Teck Cominco hole (DF2) at the Dome 5 prospect, which intersected two intervals of Mississippi Valley Type (MVT) carbonate-hosted lead-zinc mineralisation within the Adelaidean cover sequence. PlatSearch regards the DF2 intersection as a very significant result and is very encouraged by Teck Cominco's commitment to pursue this target. A star pattern of four holes will be drilled to a depth of approximately 400 metres to test the potential for a large MVT system.
- *Newcrest* has advised that a planned programme of 6-8 rotary core holes, delayed from November last year, will now commence at the **Benagerie** project SA, in mid February 2008. The drilling will target a series of discrete magnetic anomalies considered to be prospective for possible Olympic Dam-style copper-gold-uranium mineralisation.
- Joint venturer *Minotaur* has defined drill targets at the Singha and Great Goulburn prospects in the **Hollis Tank** tenement, NSW. At least one RC percussion hole to 200 metres will be drilled on each prospect. Drilling will commence as soon as a suitable drill contractor is engaged.
- *Crossland Uranium Mines* has advised that preparations are on track for a programme of trenching and auger drilling in the **Kalabity** tenement SA at the Tabita Prospect, and at a site along the Kalabity Fault, scheduled to commence in late February 2008. Widespread elevated uranium has been identified under shallow soil cover at the Tabita prospect.
- Following its IPO fund raising and expected ASX listing in early February, *Newport Mining* will now commence exploring the **Pathfinder** tenements in SA for Sudbury-style nickel sulphide deposits and iron-oxide associated copper-gold deposits.
- *WCP Resources* has successfully completed two deep core holes at the **Lilleyvale** project near Cloncurry in western Queensland, intersecting intensely skarn altered rocks. Assays are expected in March 2008.
- Joint venturer *Perilya* has advised that in mid February 2008 it will conduct a 13 hole, deep RC percussion drilling programme in the **Hillston** tenement in NSW.

CURNAMONA PROVINCE/BROKEN HILL, NSW AND SA

Mundi Plains, NSW – EL 6404, PlatSearch 100%, Teck Cominco can earn 80%

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

During the quarter, joint venturer Teck Cominco completed a deep diamond drilling programme on the Dome 5 prospect, following up on the anomalous Broken Hill Type lead-zinc mineralisation intersected there previously. The programme consisted of one new drillhole (DF3) and an extension to an earlier Teck Cominco hole (DF1). Hole DF3, which ended at 1,055 metres, was targeted to the southeast of DD97P2 and DD97P5, the two historical drillholes with the best BHT indicators. It intersected several narrow zones of massive to banded pyrite-pyrrhotite-sphalerite and intense garnet alteration indicative of the BHT system that was targeted, however no potentially economic intervals are apparent. Assay results are pending. Hole DF1, which previously ended at 1,023 metres in pegmatitic granite, was extended to test the theory that this granite was a local sill and prospective stratigraphy may lie beneath it. The hole was drilled to a depth of 1,207 metres, but it again ended in granite. Assay results are pending.

An auger geochemistry orientation line has been completed over the Mundi Plains tenement to determine if a more comprehensive auger survey is warranted for the Polygonum area. Geochemical analysis is being conducted on the orientation samples collected.

Teck Cominco has advised that its main focus in 2008 will be to follow up another earlier Teck Cominco hole (DF2), at the Dome 5 prospect, which intersected two intervals of Mississippi Valley Type carbonate-hosted lead-zinc mineralisation within the Adelaidean cover sequence. These intersections included 1.0 metre at 8.03% lead, 13.88% zinc and 74.85 g/t silver and 3.06 metres at 0.17% lead, 6.95% zinc and 4 g/t silver. A star pattern of four holes will be drilled to a depth of approximately 400 metres to test the potential for a large MVT system.

Hollis Tank, NSW – EL 5765, PlatSearch 80%, Eaglehawk 20%, Minotaur can earn 80%

Joint venturer Minotaur has defined drill targets at the Singha and Great Goulburn prospects to test geophysical/geochemical anomalies defined by PlatSearch. At least one RC percussion hole to 200 metres will be drilled on each prospect. Drilling will commence when a suitable drill contractor is engaged.

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%

Following the completion of geochemical sampling utilising a Niton XRF portable infield analyser on more than 100,000 sites, joint venturer CBH has isolated seven key target zones that show strongly anomalous lead-zinc values. These zones are being considered for drill testing, however, prior to the commencement of drilling and during the next two quarters, CBH will refine the delineation and categorisation of anomalies using conventional (and more accurate) soil geochemical analyses for lead and zinc as well as key indicator elements.

Hillston, NSW – EL 6363, PlatSearch 80%, Eaglehawk 20%, Perilya can earn 80%

Joint venturer Perilya completed structural mapping, some further rock-chip sampling and a review of historical drilling and geophysical data during the quarter. Assay results are pending. Based on the review, Perilya has decided to conduct a 13 hole, deep RC percussion drilling programme scheduled to commence in mid February 2008.

Cymbric Vale, NSW – ELs 6403 and 6834, PlatSearch 50%, Paradigm Mexico 50%, Bondi can earn 60%

Assays for one metre sample splits of the 4 metre composite samples of anomalous copper at Cymbric Vale prospect have been received. The results confirm the broad low-grade intersections of the

composite sampling. Better results include 1 metre at 2.01% copper, 10-11 metres in Hole CVAC12, and 3 metres at 1.05% copper, 6-9 metres in Hole CVAC13. A 1 metre sample in Hole CVAC17 at the Horseshoe Hills prospect contained nickel values of 4,707ppm (0.47%).

Callabonna and Quinyambie, SA – EL 3695, PlatSearch 100%, Red Metal can earn 70%, EL 3197, PlatSearch 52.6%, a prospecting syndicate 47.4%, Red Metal can earn 70%

Joint venturer Red Metal completed an airborne electromagnetic survey (REPTM) over the western portions of ELs 3695 and 3197 in November 2007 at 500 metre and 2 kilometre line spacing. The objective of the survey was to map possible conductive sand bodies within the Namba Formation which may be prospective host rocks for palaeochannel uranium mineralisation. Processing of the survey data is continuing.

In the Callabonna tenement gravity drill target BG1 was scheduled for drilling during the current quarter but has been postponed due to delays by the drilling contractor. Following native title clearances this drilling should commence during the June 2008 quarter.

A deep IP survey is planned over the area of the QBE2 drillhole.

Frome and Poverty Lake (Benagerie Joint Venture), SA – ELs 3952 and 3831, PlatSearch 50%, AH Syndicate 50%, Newcrest can earn 70%

The drilling programme planned for the quarter was delayed. Joint venturer Newcrest has advised that this drilling will now commence in February 2008. The planned programme consists of 6-8 rotary core holes that will target a series of discrete magnetic anomalies considered to be prospective for possible Olympic Dam style copper-gold-uranium mineralisation.

Kalabity, SA – EL 3297, PlatSearch 80%, Eaglehawk 20%, Crossland can earn 60%

Following the completion of the detailed airborne geophysical survey, field work during 2007 by joint venturer Crossland Uranium Mines identified widespread elevated values of uranium and other metals including a new anomalous zone which has been named the Tabita Prospect.

During the December quarter Crossland received additional precious metal analyses for a sub-set of the samples collected during the previous quarter. Gold, platinum and palladium values ranged from <1ppb to 33ppb, <5ppb to 10ppb, and <1ppb to 134ppb respectively.

Preparations are on track for a programme of trenching and auger drilling at the Tabita Prospect and at a site along the Kalabity Fault, scheduled to commence in late February 2008.

Mirikata, SA – EL 3537, PlatSearch 100%

Following the completion of four deep core holes, Newcrest has withdrawn from the Mirikata joint venture. PlatSearch is currently reviewing all results, in particular the results in hole MRK 5 that returned strongly anomalous zinc, lead and silver values from quartz-carbonate-sulphide veinlets hosted in a broad clay-chlorite-sericite altered fault zone. If other drill targets can be defined, PlatSearch will seek further joint venture funding to test them.

Wynbring, SA – EL 3234, PlatSearch 100%, Chesser can earn 60%

Ground electromagnetic surveys funded by joint venturer Chesser Resources were completed during the quarter. Useful results were obtained at two prospects. At Grid 1 prospect a moderately conductive 600 metre long zone has been defined in an area where previous drilling encountered ultramafic rocks and strongly anomalous chromium. At Grid 2 prospect, two conductors have been defined close to an area where minor outcrop shows anomalous gold values up to 1.2 g/t. The results are being reviewed by Chesser. In PlatSearch's opinion, drilling is warranted at both prospects to follow up these results.

Pathfinder, SA – *ELs 3216, 3281 and 3280, PlatSearch 80%, Bohuon 20%, Newport can earn 60%*

Joint venturer Newport Mining lodged its prospectus during the quarter and is expected to be listed on the Australian Securities Exchange in February 2008. PlatSearch holds 500,000 shares in Newport and 1,000,000 options with an exercise price of 35 cents through its wholly owned subsidiary Bluestone 23 Limited.

Newport will now commence exploring the Pathfinder tenements area for Sudbury-style nickel sulphide deposits and iron-oxide associated copper-gold deposits. Access negotiations with the traditional landholders in the area, the Yalata people, will be progressed during the March quarter.

THOMSON FOLD BELT, NSW

Tongo, Yantabangee, Kanga, Mt Pleasant, Klondyke, Monolon, Tringadee and Pirillie, NSW
– *ELs 6630, 6631, 6909, 6668, 6664, 6646, 6850 and 6851, PlatSearch 100%, Minotaur can earn 80%*

In November 2007 Minotaur commenced a planned nine hole drilling programme but this was terminated during the second hole due to drilling difficulties. One hole (F16RMD07) reached targeted basement at 280 metres, intersecting unmineralised siltstone. Attempts are being made to source a more appropriate drilling rig.

MT ISA BLOCK, QLD

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

Joint venturer WCP Resources completed a 1,660 metre diamond drilling programme at the Lilleyvale project located 200 kilometres south of Cloncurry in western Queensland.

The drilling successfully traversed the most intense part of the magnetic anomaly, which is coincident with the peak gravity response of a large and complex feature that measures 4 x 3.4 kilometres and which is located under nearly 600 metres of cover. Drilling intersected intensely skarn altered rocks with minor indications of mineralisation. Drill core is currently being cut and sampled with final assay results expected in March. The first hole has been cased for downhole EM probing that will be completed during the first quarter.

LACHLAN FOLD BELT, NSW

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

All assays have now been received for the Dunmore and Tomingley projects in the Parkes region of New South Wales, where a number of targets are being tested by joint venturer Bondi Mining for Cadia/Ridgeway/Cowal/Northparkes-style gold-copper mineralisation based on new targets identified in detailed magnetics flown earlier in 2007. A number of encouraging results have been returned from both the Dunmore and Tomingley programmes, including halo-style intersections on new targets which have never been drilled.

At Tomingley a widely spaced grid was drilled. The grid was designed to test a target zone defined by a major northwest-trending break in the regional government gravity and magnetic datasets, similar to the orogen-oblique features which host all of the major deposits in the region, including Northparkes, Cadia/Ridgeway, Cowal and Marsden. The drilling returned best in-hole results of 446ppm copper from a 4 metre composite in hole TOL25 and 0.36 g/t gold from a 4 metre composite in hole TOL17.

At Dunmore aircore drilling at target D02, a newly identified magnetic target, returned best results of 4 metres at 1,230ppm copper and 0.22 g/t gold from the top of the hole in D02-03. At target D08 a circular magnetic high with a flanking low, a maximum value of 475ppm copper was intersected from a 4 metre composite in hole D08-01 at a depth of 64 metres. A number of significant intersections were returned from drilling designed to test extensions of the TRE prospect, a 2,000 metre by 750 metre zone of gold mineralisation and quartz-sericite alteration. The best previous results from this

zone include 5 metres at 5 g/t gold in drillhole RP4 and 1 metre at 12.9 g/t gold in drillhole RP10. New drill results from this area include up to 61 ppm copper from a 4 metre composite in hole TR029 at a depth of 32 metres and up to 1 metre at 0.81 g/t gold from hole TR034 at a depth of 43 metres.

EASTERN IRON PROJECT

Cobar East, Coolabah West, Oakvale, Quartermaine, Techno, Tottington, Wendoline, Shaun, Wallace, Gromit, Bimbella, Euabalong, McGraw, Flamingo and Preston, NSW – ELs 6710, 6711, 6706, 6953, 6954, 6956, 6957, 6958, 6959, 6960, 6671, 6672, 6961, 6952 and 6962, PlatSearch 20%, Eastern Iron 80%

A Sale and Joint Venture Agreement between Eastern Iron and PlatSearch was negotiated during the quarter. Eastern Iron will acquire an 80% interest in the 15 tenements in consideration for 11 million shares and 5 million options in Eastern Iron. PlatSearch will retain a 20% free-carried joint venture interest in the tenements. Eastern Iron is at an advanced stage of preparation of a Prospectus to raise funds and to list on the ASX. There will be a priority offer to PlatSearch shareholders. The funds will be used to pursue an aggressive programme of shallow drilling on iron-rich palaeochannels and metallurgical investigations. This initiative is based on a new concept that recognises the existence of very large quantities of shallow, low-grade, easily mineable iron-rich material in the extensive networks of palaeochannels that exist in parts of western NSW. At this stage, field work including drilling is at a very preliminary stage, aimed at obtaining sufficient samples from selected palaeochannels to conduct scoping bench scale metallurgical testwork.

Ten additional large Exploration Licences applied for by PlatSearch in July 2007 to cover further extensive iron-rich palaeochannels have now been granted. This has secured PlatSearch's and Eastern Iron's ground position (3,800 square kilometres) over the majority of the prospective palaeochannels in the Cobar and Euabalong regions close to infrastructure. Specialised processing of aeromagnetic data by PlatSearch combined with field investigations and regolith mapping studies indicate that these licences cover over 1,100 kilometres of prospective, iron-rich palaeochannels.

Coolabah West, NSW

During the quarter results from ore characterisation studies and crush and grind tests aimed at lowering silica and aluminium contents and increasing the iron content were received.

Results for a single metre of sample from the Gadsbys Prospect, Hole EIAC0041, Sample EI1128, from 7 to 8 metres down hole, subjected to 1) bulk assay of drill cuttings, 2) simple magnetic separation, and 3) crush and grind test work (to a minimum 14 micron), include:

- 1) 29.9% Fe
- 2) 50.8% Fe, 52.5% (CaFe)*, 72.6% Fe₂O₃, 12.8% SiO₂, 8.2% Al₂O₃, 0.028% P, 0.03% S and 3.24% LOI
- 3) 55.73% Fe, 56.8% (CaFe)*, 79.7% Fe₂O₃, 8.4% SiO₂, 6.9% Al₂O₃, 0.030% P, 0.045% S and 1.91% LOI

Ore characterisation studies conducted by the University of Western Sydney have shown that the major iron bearing phase in magnetically separated material is maghemite (Fe₂O₃), with contaminant minerals including quartz and muscovite and only very minor traces of hematite and goethite. Maghemite pisolite morphology is variable and ranges from pisoids with maghemite rich cores to those with quartz and mica rich cores. Many samples have very fine grained, relatively pure maghemite rich, concentric overgrowths which give the iron rich fragments their spherical shape.

* Calcinated Fe (CaFe) calculated by the formula $CaFe\% = ((Fe\%)/(100-LOI)) \times 100$

NEW ENGLAND FOLD BELT, NSW

Kempsey and Gundle, NSW – EL 6813 and EL 6932, PlatSearch 100%

A reconnaissance field visit was conducted during January 2008. Some rock-chip sampling was conducted and samples have been submitted for assay. Discussions with potential joint venturers have commenced.

WESTERN PLAINS RESOURCES PROJECTS

PlatSearch holds 6.375 million WPG ordinary shares, 1.375 million options exercisable at \$0.25 and 3.475 million options exercisable at \$0.35. At 30 January 2008 WPG shares were trading at \$0.87.

SA Iron Ore Projects

Peculiar Knob and Hawks Nest, SA – RL 103 and EL 3196, WPG 100%

Western Plains Resources (ASX Code: WPG) completed a bankable feasibility study for the Peculiar Knob direct shipping iron ore project in South Australia in September 2007. Since then fine tuning of the proposed operating plan has commenced, and engineering design work for the mine site, haul road, crusher and rail loadout facility is well underway. As the Port of Whyalla will not be available in the short term (see ASX announcement by WPG dated 30 January 2008), alternative port option solutions are now under consideration. The drilling programme that began at Hawks Nest in October 2007 is continuing, with encouraging early results. In addition, good water flows from basement fractures have been reported.

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

WPG has advised it has signed an option agreement with Calibre Mining (Australia) Pty Ltd, a wholly owned subsidiary of Canadian company Calibre Mining Corporation. The region has considerable potential for the discovery of significant porphyry copper-gold deposits similar to those at Northparkes Cowal and Cadia. Calibre will manager the joint venture and is committed to conduct a significant amount of drilling during the first year.

OTHER PROJECTS

Two new exploration licence applications have been made. The Tinman tenement ELA 3372 is located south of Ardlethan NSW and covers a palaeochannel considered to have potential for alluvial tin and iron. The Zetta tenement ELA 3433 is located at Broken Hill, NSW and is considered to have potential for MVT style lead-zinc mineralisation. 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 \$91,000. Expenditure by joint venturers on the Company's projects was \$1,363,000 for the quarter. The Company has no borrowings. Cash funds available at the end of the quarter were \$563,000.

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 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.