

PLATSEARCH NL

ABN 16 003 254 395

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2004

CORPORATE DIRECTORY

PLATSEARCH NL

ABN 16 003 254 395

DIRECTORS

Raymond J Soper
Bob Richardson
Richard G Tweedie
Robert J Waring

SECRETARY

Robert J Waring

REGISTERED AND ADMINISTRATION OFFICE

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AUDITORS

Ernst & Young

BANKERS

Commonwealth Bank of Australia

STOCK EXCHANGE LISTING

Listed on Australian Stock Exchange Limited
ASX Code: PTS

SHARE CAPITAL

At 11 March 2005, the Company had 66,166,879 fully paid ordinary shares and 450,000 partly paid shares. In addition the Company had 4,495,000 options under the Employee Share Option Scheme.

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DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2004.

DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Ray Soper, BSc (Otago), MBA (NSW), MAusIMM (Non-Executive Chairman)

Bob Richardson, BSc (Sydney), BE (Hons) (Sydney), MAusIMM, MASEG (Managing Director)

Richard Tweedie, LLB (Wellington) (Non-Executive Director)

Robert J Waring, BEc (Sydney), CA, FCIS, ASIA, MAusIMM, FAICD (Executive Director)

REVIEW AND RESULTS OF OPERATIONS

The net result of operations after applicable income tax expense for the half-year was a loss of \$60,647 (2003 – loss \$140,072) which includes the write-off of exploration expenditure incurred in the current half-year and prior years of \$83,303 (2003 - \$57,300) and after equity accounting for the company's interests in Western Plains Gold Ltd (see below).

The principal continuing activity of the Company is the exploration for economic deposits of base metals, gold, nickel, uranium and mineral sands. These activities are largely funded by joint ventures with other resource companies. In addition PlatSearch continues an active programme of project generation to identify and acquire prospective areas to farm-out to major resource companies.

An important development during the half-year was the acquisition by PlatSearch of a shareholding in **Western Plains Gold Ltd** (WPG) and the signing of two joint venture agreements with WPG covering PlatSearch's **Mulyungarie** and **Euriowie** projects at Broken Hill. The shareholding in WPG has been achieved through the sale to WPG of PlatSearch's 80% interests in the **Trundle** and **Redan** tenements, the compensation by way of shares for commercial and technical services delivered to WPG and an \$80,000 seed capital investment by PlatSearch in WPG. Full details of these arrangements were announced to ASX on 18 October 2004 and in the December 2004 quarterly report.

WPG intends to list on the Australian Stock Exchange and PlatSearch shareholders will have a priority offer to purchase its shares. Following a successful listing and the raising of \$4.8 million by WPG, PlatSearch would hold approximately 18% of WPG. During the first year following the listing, WPG intends to complete exploration expenditure of \$758,000 on the Trundle, Redan, Mulyungarie and Euriowie tenements.

Olympic Dam style copper-gold-uranium deposits are being sought in 10 project areas in the Curnamona and Gawler Cratons. In the **Callabonna** and **Quinyambie** areas joint venturer Red Metal Ltd completed extensive gravity surveys and selected two gravity anomalies for drill testing which is scheduled to commence in March 2005. PlatSearch has completed ground geophysical surveys in the **Frome** and **Poverty Lake** areas. PlatSearch has obtained funding support from PIRSA under the State Government's "Plan for Accelerating Exploration, 2004" covering 50% of the drilling costs of the first drillhole in the Frome tenement. A joint venture agreement with a major mining company to fund the ongoing exploration in this area is being documented. In the **Mulyungarie** area PlatSearch has completed gravity and ground magnetic surveys over the K1 Prospect to define targets for drilling that will take place following the listing by WPG.

The search for **stratabound copper-gold** and **cobalt** deposits has continued in the Broken Hill Block and Mt Isa Block. Joint venturer Perilya has completed extensive soil and RAB geochemistry over the **Hillston** tenement located approximately 50 kilometres south-west of Broken Hill. This work has identified a good percussion drilling target at the old Coultra Copper Mine where RAB drilling intersected anomalous copper up to 1.9%. Further north, a Heads of Agreement was signed with Broken Hill Cobalt (BHC) over the **Hollis Tank** tenement. BHC will conduct an extensive geochemical survey and further investigation of the Great Goulburn cobalt-gold prospect, following its proposed stock exchange listing in mid 2005. WPG completed detailed geological mapping and sampling on the Yalcowinna Creek prospect in the **Euriowie** project defining a 50-75 metre wide gossanous zone extending over a strike length of 700 metres and showing rock-chip assays up to 2.2g/t gold and 12% copper. This prospect will be an early drilling target for WPG following its listing. Recent rock-chip sampling in the **Redan** tenement, in which PlatSearch retains a royalty interest, has encountered very high gold values up to 9.49 g/t at Battery Tank and 172 g/t at Chert Ridge.



Report of the Directors (continued)

PlatSearch completed a detailed gravity survey over part of the **Horse Creek** tenement in the Mt Isa Block. The results provide further evidence for the presence of a large ironstone body at depth within PlatSearch's tenement.

Broken Hill style stratiform lead-zinc-silver deposits remain a primary target in several PlatSearch project areas in the Broken Hill Block. These include Mundi Plains (which replaced key areas held previously by the Mundi Mundi and Thunderdome tenements), Junction Dam, Yanco Glen, Lindsays Creek, Ziggys and Stephens-Centennial. Discussions regarding joint venture funding for ongoing exploration of these tenements is in progress.

The **Panama Hat** tenement at Broken Hill has potential for **shear-hosted, multiple vein style gold** deposits. In early 2005 PlatSearch completed a pilot study geochemical sampling programme to develop a method for more effectively exploring this terrain.

PlatSearch has exposure to potential for **Northparkes/Cadia style porphyry copper-gold potential** through its shareholding in WPG and a royalty interest in the **Trundle** tenement in the Lachlan Fold Belt, NSW. Substantial work will commence on this tenement following WPG's proposed ASX listing.

A review of previous work on the Kalabity and Bundera tenements, located near Olary, SA in the southern part of the Curnamona Craton shows potential for **intrusive-hosted uranium** mineralisation. An earlier explorer in the Kalabity tenement discovered an exposure of davidite mineralisation associated with quartz veining extending over a two kilometre strike length (the KR4 prospect). Davidite is a titanite of iron, uranium and rare earths. Selective sampling of costean material showed uranium values up to 4%. PlatSearch intends to commence a field programme to further investigate this occurrence and the potential for more substantive uranium mineralisation in March 2005.

Sulphide nickel deposits are the principal target in the **Wynbring, Toolgerie, Yalata** and **Black Hills** tenements located in the western Gawler Craton, SA. Joint venturer Inco Resources completed a large airborne EM survey at Wynbring and will commence ground follow-up in April 2005. PlatSearch (in 50/50 joint venture with Paradigm Mexico) applied for a new tenement at **Cymbric Vale**, located on the Koonenberry Belt north-west of Broken Hill. A large magnetic anomaly in this area is considered to be a possible ultramafic intrusive prospective for sulphide nickel deposits. Discussions with potential joint venture partners are in progress.

In the western Gawler Craton tenements have potential for **heavy mineral sands**. Discussions are in progress with several parties regarding joint ventures to explore for both mineral sands and nickel within the Toolgerie, Yalata and Black Hills tenements.

FINANCIAL

On 9 March 2005 PlatSearch made a placement of 4,055,000 shares at 8 cents which raised \$324,400. The funds raised are being used to provide additional capital to continue exploration project generation and project enhancement, prior to drill testing or farm-out to larger companies.

SUBSEQUENT EVENTS

The directors are not aware of any significant changes in the state of affairs of the Company occurring since the end of the half-year other than the placement of shares mentioned above.

AUDITOR'S INDEPENDENCE DECLARATION

The independence declaration of our auditor is on page 3 and forms part of this report.

Signed at Sydney this 11th day of March 2005 in accordance with a resolution of the directors.

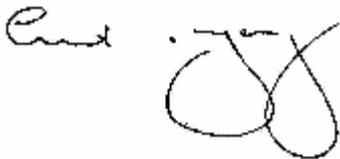


R L RICHARDSON
Managing Director



Auditor's Independence Declaration to the Directors of PlatSearch NL

In relation to our review of the financial report of PlatSearch NL for the six months ended 31 December 2004, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



Ernst & Young



Gary Daniels
Partner
Sydney
11 March 2005

STATEMENT OF FINANCIAL PERFORMANCE

Half-year ended 31 December 2004

	Note	2004	2003
		\$	\$
REVENUE FROM ORDINARY ACTIVITIES	2	281,005	46,123
Salaries and employee benefits expense		(86,775)	(36,997)
Salaries recharged to exploration projects		89,750	21,450
Depreciation expense		(1,564)	(963)
ASX and ASIC fees		(11,791)	(8,367)
Directors' fees		(6,300)	(6,092)
Exploration written-off on sale of tenements		(50,712)	-
Exploration expenditure written-off		(83,803)	(57,300)
Geological and corporate consultants		(69,440)	(52,064)
Operating lease rental expense		(19,074)	(19,124)
Auditors' remuneration		(5,813)	(4,182)
Share registry costs		(4,065)	(5,718)
Other expenses from ordinary activities		(19,112)	(16,838)
Share of net losses of associates accounted for using the equity method		(73,453)	-
LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		(60,647)	(140,072)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES		-	-
LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		(60,647)	(140,072)
NET LOSS ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL		(60,647)	(140,072)
TOTAL REVENUES, EXPENSES AND VALUATION ADJUSTMENTS ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL AND RECOGNISED DIRECTLY IN EQUITY		-	-
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL		\$(60,647)	\$(140,072)
Basic loss per share (cents per share)		0.10	0.26
Diluted loss per share (cents per share)		0.10	0.26



STATEMENT OF FINANCIAL POSITION

at 31 December 2004

	Note	31 Dec 04	30 Jun 04
		\$	\$
CURRENT ASSETS			
Cash assets		104,423	8,217
Receivables	3	8,286	8,410
Other financial assets		50,000	400,000
TOTAL CURRENT ASSETS		<u>162,709</u>	<u>416,627</u>
NON-CURRENT ASSETS			
Investments accounted for using the equity method	4	276,457	-
Tenement security deposits		158,000	158,000
Plant and equipment		3,835	2,986
Deferred exploration and evaluation expenditure	5	415,622	369,558
TOTAL NON-CURRENT ASSETS		<u>853,914</u>	<u>530,544</u>
TOTAL ASSETS		<u>1,016,623</u>	<u>947,171</u>
CURRENT LIABILITIES			
Payables		43,757	51,568
Other	6	9,597	21,597
TOTAL CURRENT LIABILITIES		<u>53,354</u>	<u>73,165</u>
TOTAL LIABILITIES		<u>53,354</u>	<u>73,165</u>
NET ASSETS		<u>\$963,269</u>	<u>\$874,006</u>
EQUITY			
Contributed equity	7	7,043,783	6,893,783
Accumulated losses		(6,080,514)	(6,019,777)
TOTAL EQUITY		<u>\$963,269</u>	<u>\$874,006</u>



STATEMENT OF CASH FLOWS

Half-year ended 31 December 2004

	2004	2003
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment to suppliers and employees	(125,257)	(127,382)
Exploration joint venture fees received	992	33,345
Interest received	11,005	12,778
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	<u>(113,260)</u>	<u>(81,259)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(2,413)	(691)
Joint venture cash calls received	-	72,000
Expenditure on mining interests (exploration)	(196,121)	(75,633)
Exploration on behalf of joint venturers	(12,000)	(569,904)
Tenement security deposits	-	30,000
Investment in associate	(80,000)	-
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES	<u>(290,534)</u>	<u>(544,228)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	150,000	451,970
Equity raising expenses	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>150,000</u>	<u>451,970</u>
NET INCREASE (DECREASE) IN CASH HELD	(253,794)	(173,517)
Add opening cash brought forward	408,217	725,252
CLOSING CASH CARRIED FORWARD	<u><u>\$154,423</u></u>	<u><u>\$551,735</u></u>



NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

31 December 2004

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of PlatSearch NL as at 30 June 2004. It is also recommended that the half-year financial report be considered together with any public announcements made by PlatSearch NL during the half-year ended 31 December 2004 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of accounting

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(b) Future funding

The financial statements have been prepared on a going concern basis, the basis of which is dependent upon the Company being able to obtain additional funding to support future long term exploration, evaluation and development of its properties. The Company has previously relied upon equity funding to support its exploration activities and presently intends to continue capital raising in the subsequent financial year to maintain those activities. There is significant uncertainty whether the entity will be able to obtain additional funding in subsequent periods to continue as a going concern. If the Company is unable to obtain such funding, it may be required to vary future exploration, evaluation and development programmes, to realise assets and extinguish liabilities and commitments other than in the normal course of business and at amounts which are different to those which are currently stated in the accounts.

(c) Investments accounted for using the equity method

Investments in associates are carried at the lower of the equity-accounted amount and recoverable amount.

(d) Changes in accounting policies

The accounting policies adopted are consistent with the most recent annual financial report for the year ended 30 June 2004.

2. REVENUE FROM ORDINARY ACTIVITIES

	31 Dec 04	31 Dec 03
	\$	\$
Interest received – other persons/corporations	11,005	12,778
Joint venture operator's fee	-	33,345
Consulting fees	110,000	-
Sale of tenements	160,000	-
	<u>\$281,005</u>	<u>\$46,123</u>

3. RECEIVABLES - CURRENT

	31 Dec 04	30 Jun 04
	\$	\$
Other receivables	<u>\$8,286</u>	<u>\$8,410</u>



Notes to the Half-Year Financial Statements (continued)

4. NON-CURRENT ASSETS

	31 Dec 04	30 Jun 04
	\$	\$
Investment accounted for using the equity method	\$276,457	-

In the period October and November 2004 the Company acquired 6,750,000 shares and 4,850,000 options in Western Plains Gold Ltd (WPG). This equity purchase was part of a capital raising programme by WPG which culminated in WPG issuing a prospectus to issue 24,000,000 new shares on 3 March 2005.

Notwithstanding that at 31 December 2004 PlatSearch's investment represented a 58% interest in WPG, the directors believe that PlatSearch did not exercise control WPG, nor did it have the capacity to control WPG by reason of the informal undertakings given to WPG and formal statements made by PlatSearch included in the WPG prospectus that it does not intend to invest additional funds under the share offer. At completion of the WPG share offer, if fully subscribed, PlatSearch will have a 19% interest in WPG.

The Company's interest in WPG has been brought to account as an investment in an equity accounted associate in accordance with Australian Accounting Standard AASB 1016 "Accounting for Investments in Associates" as the Directors consider that significant influence exists.

Interest in Associate

Name	Balance date	Ownership interest held	
		31 Dec 04	30 Jun 04
		%	%
Western Plains Gold Ltd – ordinary shares	30 June	58	-

(i) Principal activity

WPG is an Australian minerals explorer

	31 Dec 04	31 Dec 03
	\$	\$
(ii) Share of associate's profits (losses)		
Share of associate's:		
- net loss before income tax	(9,184)	-
- income tax expense attributable to net profit	-	-
Share of net profits after income tax	(9,184)	-
Adjusted for:		
- amortisation of goodwill on acquisition	(559)	-
- unrealised intercompany profits	(63,800)	-
Share of associate's net profits	\$(73,453)	-

The Company's share in any retained profits or reserves of the associated company are not available to PlatSearch until such time as those profits and reserves are distributed by the associated company.

	31 Dec 04	30 Jun 04
	\$	\$
(iii) Carrying amount of investment in associate		
Balance at the beginning of the financial period	-	-
- cost of investment	350,000	-
- share of associate's net losses for the financial period	(9,184)	-
- unrealised intercompany profits	(63,800)	-
- goodwill amortisation	(559)	-
Carrying amount of investment in associate at the end of the financial period	\$276,457	-



Notes to the Half-Year Financial Statements (continued)

4. NON-CURRENT ASSETS (continued)

	31 Dec 04 \$	30 Jun 04 \$
(iv) Share of associate's assets and liabilities		
Current assets	86,800	-
Non-current assets	191,840	-
Current liabilities	<u>(4,863)</u>	-
Net assets	<u>\$273,777</u>	-
(v) Accumulated losses of the Company attributable to associate		
Balance at the beginning of the financial period	-	-
Share of associate's net losses	(73,543)	-
Dividends received from associate	-	-
Balance at the end of the financial period	<u>\$(73,543)</u>	-

5. NON-CURRENT ASSETS

Deferred exploration and evaluation expenditure

	31 Dec 04 \$	30 Jun 04 \$
Costs brought forward	369,559	318,384
Costs incurred during the half-year	180,078	235,331
Expenditure written off during the half-year	<u>(134,015)</u>	<u>(184,157)</u>
Costs carried forward	<u>\$415,622</u>	<u>\$369,558</u>

6. CURRENT LIABILITIES

Other - unexpended cash calls received from Inco	<u>\$9,597</u>	<u>\$21,597</u>
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PlatSearch has an option Joint Venture Agreement with Inco Limited to explore a PlatSearch mineral tenement located in South Australia. The agreement provides for the funding by Inco of a substantial work programme to explore for nickel deposits on PlatSearch's project area. During the year to 30 June 2004 cash calls of funds amounting to \$134,900 had been received from Inco to finance agreed work programmes under this agreement and other agreements which terminated prior to 30 June 2004. At 31 December 2004 the balance of the cash calls less amounts expended or accrued on exploration was \$9,597 (30 June 2004 - \$21,597).

7. CONTRIBUTED EQUITY

Share capital

62,111,879 ordinary shares fully paid (June 2004 - 59,969,022)	7,039,283	6	6,889,283
450,000 ordinary shares paid to one cent with 24 cents unpaid (June 2004 - 450,000)	<u>4,500</u>		<u>4,500</u>
	<u>\$7,043,783</u>		<u>\$6,893,783</u>

On 18 October 2004 PlatSearch announced the placement of 2,142,857 ordinary shares at 7 cents. The issue raised \$150,000. On 9 March 2005 PlatSearch announced a placement of 4,055,000 ordinary shares at 8 cents. The issue raised \$324,400.

8. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no change of any contingent liabilities or contingent assets.



Notes to the Half-Year Financial Statements (continued)

9. SEGMENT INFORMATION

The Company operates predominantly in the one business segment and in one geographical area, namely Australian mineral exploration and evaluation.

10. SUBSEQUENT EVENTS

Other than the placement of shares in March 2005 mentioned in note 7, no event has occurred subsequent to 31 December 2004 requiring disclosure in, or amendment to, these financial statements.

11. IMPACT OF ADOPTING AASB EQUIVALENTS TO IASB STANDARDS

PlatSearch NL has commenced transitioning its accounting policies and financial reporting from current Australian Standards to Australian equivalents of International Financial Reporting Standards (IFRS). As PlatSearch NL has a 30 June year end, priority has been given to considering the preparation of an opening balance sheet in accordance with AASB equivalents to IFRS as at 1 July 2004. This will form the basis of accounting for Australian equivalents of IFRS in the future and is required when PlatSearch NL prepares its first fully IFRS compliant financial report for the year ended 30 June 2006. Set out below are the key areas where accounting policies will change and may have an impact on the estimate as at the date of preparing the half-year financial statements and could change due to further work undertaken to assess the impact of IFRS and potential amendments to AIFRSs and interpretations thereof being issued by standard-setters and IFRIC.

Classification of financial instruments

Under AASB 139 *Financial Instruments: Recognition and Measurement*, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item. The classifications are loans and receivables – measured at amortised cost, held to maturity – measured at amortised cost, held for trading – measured at fair value with fair value changes charged to net profit or loss, available for sale – measured at fair value with fair value changes taken to equity; and non-trading liabilities – measured at amortised cost. This will result in a change in the current accounting policy that does not classify financial instruments.

Impairment of assets

Under AASB 136 *Impairment of Assets* the recoverable amount of an asset is determined as the higher of net selling price and value in use. This will result in a change in the Company's current accounting policy which determines the recoverable amount of an asset on the basis of discounted cash flows. Under the new policy it is likely that impairment of assets will be recognised sooner and that the amount of write-downs will be greater. It is not expected that there will be any material impact as a result of adoption of this standard.

Income taxes

Under AASB 112 *Income Taxes*, the Company will be required to use a balance sheet liability method which focuses on the tax effects of transactions and other events that affect amounts recognised in either the Statement of Financial Position or a tax-based balance sheet. It is not expected that there will be any material impact as a result of adoption of this standard.

Exploration, evaluation and development costs

In December 2004 the Australian Accounting Standards Board released AASB 6 *Exploration for and Evaluation of Mineral Resources*. AASB 6 effectively grandfathered the existing accounting policies used by Australian entities to recognise and measure exploration and evaluation assets. AASB 6 and AASB 136 *Impairment of Assets* provides more detailed guidance than existing Australian accounting standards on testing the impairment of assets. The Company is still considering the implications of the newly released standard but it is unlikely to have a material impact.

Share-based payments

Under AASB 2 *Share-based Payments*, the Company will be required to determine the fair value of options issued to employees as remuneration and recognise an expense in the Statement of Financial Performance. This standard is not limited to options and also extends to other forms of equity based remuneration. It applies to all share-based payments issued after 7 November 2002 which have not vested as at 1 January 2005.



DIRECTORS' DECLARATION

In accordance with a resolution of the directors of PlatSearch NL, I state that:

In the opinion of the directors:

- a) the financial statements and notes of the Company:
 - i) give a true and fair view of the Company's financial position as at 31 December 2004 and the performance for the half-year ended on that date; and
 - ii) comply with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



R L RICHARDSON
Director

Sydney, 11 March 2005



Independent review report to members of PlatSearch NL

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements and the directors' declaration for PlatSearch NL (the Company) for the six months ended 31 December 2004.

The directors of the Company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the Company and that complies with Accounting Standard AASB 1029 "Interim Financial Reporting", in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the Company, and in order for the Company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the *Corporations Act 2001*, Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, so as to present a view which is consistent with our understanding of the Company's financial position, and of its performance as represented by the results of its operations and cash flows.

A review is limited primarily to inquiries of Company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*. We have given to the directors of the Company a written Auditor's Independence Declaration a copy of which is included in the Directors' Report.

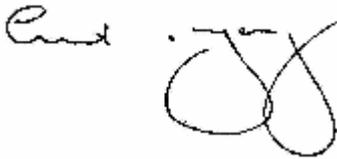
Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the Company is not in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Company at 31 December 2004 and of its performance for the period ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029 “Interim Financial Reporting” and the *Corporations Regulations 2001*; and
- (b) other mandatory financial reporting requirements in Australia.

Inherent Uncertainty Regarding Continuation of Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 1 to the financial statements, there is significant uncertainty whether the Company will be able to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.



Ernst & Young



Gary Daniels
Partner
Sydney
11 March 2005



PLATSEARCH NL

ACN 003 254 395

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ASX CODE: PTS

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PLATSEARCH NL