



PLATSEARCH NL

ABN 16 003 254 395

HALF-YEAR FINANCIAL REPORT

31 December 2007

Corporate Information

PlatSearch NL

ABN 16 003 254 395

DIRECTORS

Raymond J Soper
Bob Richardson
Robert J Waring

COMPANY SECRETARY

Robert J Waring

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 1, 80 Chandos Street, St Leonards NSW 2065
PO Box 956, Crows Nest NSW 1585 Australia
T: +61 2 9906 5220 F: +61 2 9906 5233
E: pts@platsearch.com.au W: www.platsearch.com.au

SHARE REGISTER

Computershare Investor Services Pty Limited, ABN 48 078 279 277
Level 2, 45 St Georges Terrace, Perth WA 6000
GPO Box D182, Perth WA 6840
T: 1300 557 010 (within Australia), +61 8 9323 2000 (outside Australia)
F: +61 8 9323 2033

AUDITORS

Ernst & Young, 680 George Street, Sydney NSW 2000

BANKERS

Commonwealth Bank of Australia

STOCK EXCHANGE

Listed on the Australian Securities Exchange
ASX Code: PTS

SHARE CAPITAL

At 31 December 2007, 79,161,392 fully paid ordinary shares, 450,000 partly paid shares to 1 cent (24 cents payable) and 8,750,000 partly paid shares to 8 cents (4 cents payable) and 5,960,000 employee share options.

CONTENTS TO FINANCIAL REPORT

Directors' Report	1
Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	14
Independent Review Report	15
Auditor's Independence Declaration	17

Directors' Report

Your Directors submit their report on the Consolidated Entity (the Group) consisting of PlatSearch NL (PTS or the Company) and the entities it controlled at the end of, or during, the half-year ended 31 December 2007.

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 (Non-Executive Chairman)

Bob Richardson (Managing Director)

Robert J Waring (Executive Director)

REVIEW AND RESULTS OF OPERATIONS

The net result of operations after applicable income tax expense for the half-year was a Group profit of \$355,840 (2006 – loss \$429,290), which includes the write-off of exploration expenditure in the current half-year of \$48,196 (2006 - \$40,770).

The principal continuing activity of the PlatSearch Group is the exploration for economic deposits of **zinc, lead, silver, gold, nickel, iron ore, uranium and mineral sands**. These activities are largely funded by joint ventures with other resource companies (see table below). In addition PlatSearch continues an active programme of project generation to identify and acquire prospective areas that can be efficiently advanced by PlatSearch to the drill target stage and then farmed out. Highlights for the period up to the date of this report included:

- Teck Cominco completed further deep drilling at the Dome 5 prospect, **Mundi Plains** project and advised that it will undertake a further four holes during 2008 to follow up intersections of high-grade MVT style lead-zinc in the Adelaidean cover sequence.
- Newcrest commenced a programme of 6-8 rotary core holes at the **Benagerie** project, in mid February 2008. The drilling is targeting discrete magnetic anomalies considered to be prospective for Olympic Dam-style copper-gold-uranium mineralisation.
- Minotaur defined drill targets at the Singha and Great Goulburn prospects in the **Hollis Tank** tenement. 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.
- The Niton XRF geochemical sampling programme on the **ZincSearch** tenements was completed by CBH Resources. More than 100,000 sites have been completed since the programme commenced. Seven key target zones showing strongly anomalous lead-zinc values have been

JOINT VENTURE	REGION	FUNDED BY
Klongobangee	Thomson Belt, NSW	Minotaur
Mt Pleasant	"	Minotaur
Klondyke	"	Minotaur
Monolon	"	Minotaur
Pirillie	"	Minotaur
Tringadee	"	Minotaur
Hollis Tank	Broken Hill, NSW	Minotaur
Mundi Plains	"	Teck Cominco
Stephens Centennial	"	Triako/PlatSearch
Euriowie	"	WPG/PlatSearch
ZincSearch	"	CBH Resources
Cymbric Vale	Koonenberry Belt, NSW	Bondi Mining
Dunmore/Tomingley	Lachlan Belt, NSW	Bondi Mining
Woodlawn South	"	Tri Origin
Eastern Iron Project	"	Eastern Iron
Benagerie	Curnamona Craton, SA	Newcrest
Callabonna	"	Red Metal
Quinyambie	"	Red Metal
Coondambo	Gawler Craton, SA	Marathon
Wynbring	"	Chesser Resources
Pathfinder	"	Newport Mining
Lilleyvale	Mt Isa Block, QLD	WCP Resources

Directors' Report

selected for further work and possible drill testing. Of particular interest is a 22 kilometre long zone of strong zinc and lead values following the Apollyon Valley shear zone. Prior to drilling CBH will refine the delineation and categorisation of anomalies using conventional soil geochemical analyses.

- Auger sampling by Crossland Uranium Mines at the **Kalabity** project identified a substantial area of elevated uranium in values at the Tabita prospect. Crossland commenced further auger drilling and sampling at Tabita prospect in February 2008.
- A new joint venture was signed with Newport Mining on the **Pathfinder** project in the western Gawler Craton. Newport will undertake a substantial exploration programme for Sudbury-style nickel sulphide deposits and iron-oxide associated copper-gold deposits.
- In the **Thomson Fold Belt**, Minotaur commenced a drilling programme on eight prospects with potential for base and precious metals and diamonds. The drilling was aborted due to contractor difficulties and will be restarted in 2008 when a suitable drill contractor becomes available.
- WCP Resources completed two deep core holes at the **Lilleyvale** project near Cloncurry, intersecting intensely skarn altered rocks. Assays are expected in March 2008.
- Perilya completed further geochemical sampling and intends to commence a 13 hole, deep RC percussion drilling programme in the **Hillston** tenement in February 2008.
- Eastern Iron Limited, which is currently a wholly owned PlatSearch subsidiary, completed further metallurgical test work on drill samples from preliminary shallow drilling 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. On 11 March 2008, Eastern Iron Limited lodged a Prospectus with ASIC 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.
- Red Metal completed core drilling to 501.7 metres depth at the Dolores East prospect at the **Quinyambie** project.
- Newcrest completed four rotary/core holes at the **Mirikata** project. Hole MRK 5 returned strongly anomalous metal values from quartz-carbonate-sulphide veinlets hosted in a broad clay-chlorite-sericite altered fault zone. Newcrest has withdrawn from the joint venture.
- Western Plains Resources (WPG) completed a bankable feasibility study for the **Peculiar Knob** direct shipping iron ore project in South Australia. 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 options are now under consideration. A major drilling programme was completed at Hawks Nest with encouraging early results. 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 12 March 2008 WPG shares were trading at \$0.98.

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 Eastern Iron transaction. In the months of July and December 2007 the Company and Bluestone 23 Limited acquired 10,000,000 shares in Eastern Iron Limited (EFE) for \$200,090. This equity purchase was to fund the corporate costs and proposed exploration on the 80% interest in 15 exploration licences that were acquired by EFE from PlatSearch on 30 January 2008. The consideration for the purchase of the interest in the tenements was the issue in January 2008 of an additional 11,000,000 EFE shares to PlatSearch. On 11 March 2008 EFE lodged a Prospectus with ASIC for the issue of up to 25,000,000 new shares. At 31 December 2007 PlatSearch's investment represented a 100% interest in EFE. At completion of the EFE share offer, if fully subscribed, PlatSearch will have 21,000,000 shares (and 5,000,000 options), which will represent a 45% undiluted interest in EFE. EFE is scheduled to commence trading on ASX on 21 May 2008.

Directors' Report

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration to the Directors as required under section 307C of the *Corporations Act 2001* is set out on page 17.

Signed at Sydney this 14th day of March 2008 in accordance with a resolution of the Directors.

A handwritten signature in black ink that reads "Bob Richardson". The signature is written in a cursive, flowing style.

R L RICHARDSON
Managing Director

Income Statement

For the half-year ended 31 December 2007

		Consolidated	
	Note	31 Dec 07 \$	31 Dec 06 \$
REVENUE	4	913,792	30,619
Salaries and employee benefits expense net of salaries and on costs recharged to exploration projects		(47,069)	-
Depreciation expense		(2,857)	(1,425)
ASX and ASIC fees		(18,686)	(13,612)
Directors' fees		(5,500)	(5,000)
Exploration expenditure written-off		(48,196)	(40,770)
Contract administration services		(103,799)	(53,103)
Operating lease rental expense		(19,280)	(16,978)
Auditors' remuneration		(23,529)	(10,360)
Share registry costs		(6,099)	(4,738)
Share-based payments	11	(36,975)	(257,400)
Other expenses from ordinary activities		(62,196)	(28,157)
Share of net losses of associate accounted for using the equity method	8	-	(28,366)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE		539,606	(429,290)
Income tax expense	5	183,766	-
PROFIT (LOSS) AFTER INCOME TAX EXPENSE		355,840	(429,290)
NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL		355,840	(429,290)
Earnings per share			
■ Basic profit (loss) per share (cents per share)	16	0.42	(0.59)
■ Diluted profit (loss) per share (cents per share)	16	0.40	(0.59)

Balance Sheet

As at 31 December 2007

		Consolidated	
	Note	31 Dec 07	30 Jun 07
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	6	562,587	1,194,382
Receivables	7	47,246	25,074
Total Current Assets		609,833	1,219,456
Non-Current Assets			
Plant and equipment		9,462	11,946
Investments	8	8,243,750	8,518,750
Derivative financial instruments	9	5,656,093	4,793,500
Tenement security deposits		225,500	135,500
Deferred exploration and evaluation expenditure	10	825,226	664,637
Total Non-Current Assets		14,960,031	14,124,333
TOTAL ASSETS		15,569,864	15,343,789
LIABILITIES			
Current Liabilities			
Trade and other payables		62,917	108,423
Total Current Liabilities		62,917	108,423
Non-Current Liabilities			
Deferred tax liabilities	5	1,956,132	1,795,814
Total Non-Current Liabilities		1,956,132	1,795,814
TOTAL LIABILITIES		2,019,049	1,904,237
NET ASSETS		13,550,815	13,439,552
EQUITY			
Issued capital	14	9,345,609	9,345,609
Reserves	15	6,114,746	6,359,323
Accumulated losses		(1,909,540)	(2,265,380)
TOTAL EQUITY		13,550,815	13,439,552

Statement of Changes in Equity

For the half-year ended 31 December 2007

Consolidated	Attributable to the shareholders of PlatSearch NL				
	Note	Issued Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
AT 1 JULY 2006		7,676,546	(7,005,184)	558,429	1,229,791
Change in fair value of investments available for sale (net of tax)	8	-	-	1,113,911	1,113,911
Loss for the period		-	(429,290)	-	(429,290)
Total income and expenses for the period		-	(429,290)	1,113,911	684,621
Issue of share capital		350,000	-	-	350,000
Share options	11	-	-	257,400	257,400
AT 31 DECEMBER 2006		8,026,546	(7,434,474)	1,929,740	2,521,812
Change in fair value of investments available for sale (net of tax)		-	-	4,169,627	4,169,627
Profit for the period		-	5,169,094	-	5,169,094
Total income and expenses for the period		-	5,169,094	4,169,627	9,338,721
Issue of share capital		1,350,000	-	-	1,350,000
Share issue costs recognised directly in equity		(30,937)	-	-	(30,937)
Share options		-	-	259,956	259,956
AT 30 JUNE 2007		9,345,609	(2,265,380)	6,359,323	13,439,552
AT 1 JULY 2007		9,345,609	(2,265,380)	6,359,323	13,439,552
Change in fair value of investments available for sale (net of tax)	8	-	-	(281,552)	(281,552)
Profit for the period		-	355,840	-	355,840
Total income and expenses for the period		-	355,840	(281,552)	74,288
Issue of share capital		8,400	-	-	8,400
Share issue costs recognised directly in equity		(8,400)	-	-	(8,400)
Share options	11	-	-	36,975	36,975
AT 31 DECEMBER 2007		9,345,609	(1,909,540)	6,114,746	13,550,815

Statement of Cash Flows

For the half-year ended 31 December 2007

	Consolidated	
Note	31 Dec 07	31 Dec 06
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment to suppliers and employees	(341,205)	(128,305)
Consultancy fees	15,650	13,527
Interest received	32,549	7,092
Rental income	5,000	10,000
NET CASH FLOWS USED IN OPERATING ACTIVITIES	<u>(288,006)</u>	<u>(97,686)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(373)	(2,156)
Expenditure on mining interests (exploration)	(231,816)	(239,787)
Tenement security deposits	(90,000)	(30,000)
Purchase of shares – investments	(30,000)	(5,000)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES	<u>(352,189)</u>	<u>(276,943)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	8,400	350,000
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>8,400</u>	<u>350,000</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(631,795)	(24,629)
Cash and cash equivalents at beginning of period	<u>1,194,382</u>	<u>211,577</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6 <u>562,587</u>	<u>186,948</u>

Notes to the Financial Statements

For the half-year ended 31 December 2007

1. CORPORATE INFORMATION

The financial report of PlatSearch NL (PlatSearch or the Company) for the half-year ended 31 December 2007 was authorised for issue in accordance with a resolution of the Directors on 14 March 2008. PlatSearch is a company incorporated in Australia as a No Liability company.

The nature of the operations and principal activities of the Group are described in Note 3.

2. 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 as at 30 June 2007.

It is also recommended that the half-year financial report be considered together with any public announcements made by PlatSearch during the half-year ended 31 December 2007 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

(a) Basis of Preparation

The half-year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements. The half-year financial report has been prepared on a historical cost basis except for disclosures relating to Available for Sale Investments, which have been measured at fair value.

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

(b) Significant Accounting Policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2007.

Effective 1 July 2007 the Group has adopted AASB 7 *Financial Instruments: Disclosures*, which is a disclosure standard only. This has had no impact on the half-year financial report but will result in additional disclosure in the 30 June 2008 Annual Report.

There are other amendments to current accounting standards which are now effective. The impact of these amendments is not expected to be significant for PlatSearch NL.

Certain Australian Accounting Standards and Interpretations have been recently issued or amended but are not yet effective. These standards have not yet been adopted by PlatSearch NL in the 31 December 2007 half-year financial report. The Directors are in the process of finalising their assessment of the impact of these standards and interpretations to the extent relevant to the Company.

(c) Adjustments to Previously Published Financial Statements

The comparatives as at 30 June 2007 have been restated to account for the Group's interests in share options as a derivative financial asset in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. The share options have been brought to account at fair value with fair value variations brought to account through profit and loss. The impact of the restatement is to reduce the accumulated losses and reserves at 30 June 2007 and increase the profit for the year-ended 30 June 2007 by \$3,355,450.

Notes to the Financial Statements

For the half-year ended 31 December 2007

(d) Basis of Consolidation

The half-year consolidated financial statements comprise the financial statements of PlatSearch NL and its subsidiaries (the Group). The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The Group includes PlatSearch NL and its two wholly owned subsidiaries (refer Note 12). The comparative figures for 2006 include only PlatSearch NL, as the two subsidiaries were incorporated in July and August 2007.

3. SEGMENT INFORMATION

The Group operates predominantly in the one business segment and in one geographical area, namely Australian mineral exploration and evaluation and investment in mineral exploration and development companies.

4. REVENUE

	Consolidated	
	31 Dec 07	31 Dec 06
	\$	\$
Gain on options	862,593	-
Interest received – other persons/corporations	32,549	7,092
Rental income	3,000	10,000
Consulting fees	15,650	13,527
	913,792	30,619

5. INCOME TAX

Prima facie income tax expense (credit) on operating profit (loss) at 30%	161,881	(128,787)
Non-deductible expenses / tax losses not booked	21,885	128,787
Income tax expense (benefit)	183,766	-

No provision for income tax is required in respect of the Company for the period ended 31 December 2007.

The Company has a deferred income tax liability of \$4,289,232 (June 2007 - \$4,016,414) largely associated with revaluation of investments classified as available for sale and derivative financial instruments. This liability has been brought to account and offset by a deferred tax asset attributed to available tax losses.

Recognition has been given to a deferred income tax asset of \$2,333,100 (June 2007 - \$2,220,600), which arose from the available tax losses.

No franking credits are available for subsequent years.

6. CASH AND CASH EQUIVALENTS

	Consolidated	
	31 Dec 07	30 Jun 07
	\$	\$
Cash at bank and in hand	262,587	170,436
Short-term deposits	300,000	1,023,946
	562,587	1,194,382

7. RECEIVABLES - CURRENT

Amounts receivable from Western Plains Resources Ltd	15,698	1,189
Other receivables	31,548	23,885
	47,246	25,074

Notes to the Financial Statements

For the half-year ended 31 December 2007

8. INVESTMENTS

	Consolidated	
	31 Dec 07	30 Jun 07
	\$	\$
Investments – available for sale – WPG (a)	7,968,750	8,351,250
Investments – available for sale – CHZ (b)	245,000	167,500
Investments – available for sale – NMN (c)	30,000	-
	8,243,750	8,518,750

- (a) Western Plains Resources Ltd (WPG) ceased to be an associated company of PlatSearch on 15 September 2006 when WPG carried out a placement of 3,833,000 shares and PlatSearch's interest in WPG was reduced below 20%. The 24.8% share of WPG's net losses for the period 1 July 2006 to 15 September 2006 amounted to \$28,366. Following the issue of shares by WPG to acquire Southern Iron Pty Ltd and further share issues to raise additional funds, the PlatSearch interest in WPG was reduced to 10% in November 2006 and since that date has reduced to 8.0% following further share issues by WPG.

In accordance with Australian Accounting Standard AASB 139 the interest in WPG is now an "available for sale" asset carried at fair value with revaluation/devaluation taken directly to equity reserve.

Interest in (former) Associate	Balance date	Ownership interest held	
		31 Dec 07	30 Jun 07
Name		%	%
Western Plains Resources Ltd – ordinary shares	30 June	8.0	8.8
(i) Principal activity WPG is an Australian minerals explorer		31 Dec 07	31 Dec 06
		\$	\$
(ii) Share of associate's loss for period (2006: to 15 September 2006) Share of associate's			
- net loss before income tax		-	(28,366)
- income tax expense attributable		-	-
Share of associate's net loss		-	(28,366)
		31 Dec 07	30 Jun 07
		\$	\$
(iii) Carrying amount of investment Balance at the beginning of the financial period		8,351,250	592,205
- share of associate's net loss		-	(28,366)
- purchase of shares in WPG		-	5,000
		8,351,250	568,839
Fair value uplift/(devaluation)		(382,500)	7,782,411
		7,968,750	8,351,250

- (iv) The market value on ASX of PlatSearch's 6,375,000 shares in Western Plains Resources Ltd at 31 December 2007 was \$7,968,750 (\$1.25 per share) and on 12 March 2008 it was \$6,247,500 (\$0.98 per share).
- (b) In March 2007 the Company purchased 500,000 shares in Chesser Resources Limited (CHZ) for \$30,000. The market value on ASX of PlatSearch's shares in CHZ at 31 December 2007 was \$245,000 (49 cents per share) and on 12 March 2008 was \$152,500 (30.5 cents per share). Of these CHZ shares, 350,000 are subject to an ASX imposed escrow for one year until 3 April 2008.

Notes to the Financial Statements

For the half-year ended 31 December 2007

- (c) In December 2007 the Group purchased 500,000 shares and options in Newport Mining Limited (NMN) for \$30,000. The shares and options were recorded at cost at the half-year as these shares and options were not listed on ASX and therefore the fair value could not be reliably estimated. The market value on ASX of the Group's shares in NMN at 13 February 2008 was \$105,000 (21 cents per share), the date on which NMN commenced trading on ASX and on 12 March 2008 was \$85,000 (17 cents per share). Of these NMN shares, 350,000 are subject to an ASX imposed escrow for one year until 19 December 2008.

9. DERIVATIVE FINANCIAL INSTRUMENTS

	Consolidated	
	31 Dec 07	30 Jun 07
	\$	\$
Share options – WPG (a)	4,887,293	4,793,500
Share options – CHZ (b)	768,800	-
	<u>5,656,093</u>	<u>4,793,500</u>

- (a) PlatSearch holds 3,475,000 options in WPG with an exercise price of 35 cents (expiry date 28 September 2009) and 1,375,000 options in WPG with an exercise price of 25 cents (expiry date 28 September 2009). A valuation of these options has been obtained using the Binomial valuation methodology model and the following assumptions: expected volatility of 95.04%, risk-free interest rate of 6.835% and an option life of 1.75 years. This results in a fair value of \$4,887,293 at 31 December 2007.
- (b) As part of the Wynbring joint venture agreement with CHZ, PlatSearch holds 2 million options with an exercise price of 35 cents and an expiry date of 29 May 2011. A valuation of these options has been obtained using the Binomial valuation methodology model and the following assumptions: expected volatility of 114.04%, risk-free interest rate of 6.835% and an option life of 3.41 years. This results in a fair value of \$768,800 at 31 December 2007. PlatSearch's options in CHZ are subject to an ASX imposed escrow for one year until 3 April 2008.

10. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Costs brought forward	664,637	352,249
Costs incurred during the period	208,785	457,140
Expenditure written off during the period	(48,196)	(144,752)
Costs carried forward	<u>825,226</u>	<u>664,637</u>

11. SHARE-BASED PAYMENTS

In June 2007 the Company's Exploration Manager was issued with 300,000 options with an exercise price of 18 cents and expiry date of 28 May 2012; the options vest on 9 January 2008. The issue was based on a five day average market share price at the time of issue. The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted determined by using the Black-Scholes option valuation methodology model and the following assumptions: expected volatility of 104.79%, risk-free interest rate of 6.38% and an expected life of 5 years. The estimated fair value of each option at the date of grant was 13.5 cents per option (total value of 300,000 options \$40,500).

In December 2007 the Company's wholly owned subsidiary Eastern Iron Limited issued three consultants with 320,000 options with an exercise price of 25 cents and expiry date of 19 December 2010; half of the options vest on 30 June 2008 and the balance on 30 June 2009. The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted determined by using the Black-Scholes option valuation methodology model and the following assumptions: expected volatility of 120.00%, risk-free interest rate of 6.51% and an expected life of 3 years. The estimated fair value of each option at the date of grant was 0.25 cents per option (total value of 320,000 options was \$800 after applying an illiquidity discount of 50%).

Notes to the Financial Statements

For the half-year ended 31 December 2007

12. INVESTMENT IN SUBSIDIARIES

The Company has two subsidiaries, Eastern Iron Limited (incorporated on 23 July 2007) and Bluestone 23 Limited (incorporated on 31 August 2007).

In the months of July and December 2007 the Company and Bluestone 23 Limited acquired 10,000,000 shares in Eastern Iron Limited (EFE) for \$200,090. This equity purchase was to fund the corporate costs and proposed exploration on the 80% interest in 15 exploration licences that were acquired by EFE from PlatSearch on 30 January 2008. The consideration for the purchase of the interest in the tenements was the issue of an additional 11,000,000 EFE shares to PlatSearch. On 11 March 2008 EFE lodged a Prospectus with ASIC for the issue of up to 25,000,000 new shares. At 31 December 2007 PlatSearch's investment represented a 100% interest in EFE. At completion of the EFE share offer, if fully subscribed, PlatSearch will have 21,000,000 shares (and 5,000,000 options), which will represent a 45% undiluted interest in EFE. EFE is scheduled to commence trading on ASX on 21 May 2008.

In August 2007 the Company acquired 50,000 shares in Bluestone 23 Limited (Bluestone) for \$5,000. At 31 December 2007 PlatSearch's investment represented a 100% interest in Bluestone.

At 31 December 2007 the Company's interests in EFE and Bluestone have been consolidated in accordance with Note 2(d).

13. CONTINGENT ASSETS AND LIABILITIES

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

14. ISSUED CAPITAL

	Consolidated	
	31 Dec 07	30 Jun 07
	\$	\$
Share capital		
79,161,392 ordinary shares fully paid (June 2007 – 79,101,392)	8,641,109	8,641,109
450,000 ordinary shares paid to 1 cent with 24 cents unpaid (June 2007 – 450,000)	4,500	4,500
8,750,000 ordinary shares paid to 8 cents, with 4 cents unpaid	700,000	700,000
	9,345,609	9,345,609

On 6 July 2007 the Company issued 60,000 shares following the exercise of 60,000 14 cent options, which raised \$8,400.

15. RESERVES

Share-based compensation reserve	379,099	342,124
Investment revaluation reserve	5,735,647	6,017,199
	6,114,746	6,359,323

The share-based compensation reserve represents the cumulative expense associated with the options issued in November 2004 (\$82,168), December 2006 (\$257,400), June 2007 (\$2,556) and December 2007 (\$36,975) – as detailed in Note 11.

The investment revaluation reserve arises in connection with the accounting for the investments as per Note 8.

Notes to the Financial Statements

For the half-year ended 31 December 2007

16. EARNINGS PER SHARE

Basic profit per share (cents per share) 0.42 cents (2006 – 0.59 cents loss).

Diluted profit per share (cents per share) 0.40 cents (2006 – 0.59 cents loss).

Weighted average number of ordinary shares on issue used in the calculation of basic and diluted profit (loss) per share is 85,011,246 (2006 – 72,496,105). The weighted average number of ordinary shares adjusted for the effect of dilution used in the calculation of diluted profit per share is 89,221,681.

	Consolidated	
	31 Dec 07	31 Dec 06
	\$	\$
Profit (loss) used in calculating basic and diluted profit (loss) per share	355,840	(429,290)

Conversion, call, subscription or issue after 31 December 2007: Since the end of the financial half-year there have been no other conversions to, call of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of these financial statements.

17. SUBSEQUENT EVENTS

No event has occurred subsequent to 31 December 2007 requiring disclosure in, or amendment to, these financial statements, other than the finalisation of an IPO Prospectus for the listing of PlatSearch's wholly owned subsidiary Eastern Iron Limited on ASX (refer to Note 12). On 30 January 2008 the Company sold an 80% interest in 15 exploration licences to Eastern Iron Limited (EFE). The consideration for the sale of the interest in the tenements was the issue in January 2008 of 11,000,000 EFE shares to PlatSearch. On 11 March 2008 EFE lodged a Prospectus with ASIC for the issue of up to 25,000,000 new shares. At 31 December 2007 PlatSearch's investment represented a 100% interest in EFE. At completion of the EFE share offer, if fully subscribed, PlatSearch will have 21,000,000 shares (and 5,000,000 options), which will represent a 45% undiluted interest in EFE. EFE is scheduled to commence trading on ASX on 21 May 2008.

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 consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - i) give a true and fair view of the Company's financial position as at 31 December 2007 and the performance for the half-year ended on that date of the consolidated entity; and
 - ii) comply with the Australian Accounting Standard AASB 134 *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, 14 March 2008

Independent Review Report

To the members of PlatSearch NL

Report on the Condensed Half-year Financial Report

We have reviewed the accompanying Half-year financial report of PlatSearch NL, which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the 6 months ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the Half-year end or from time to time during the Half-year.

Directors' Responsibility for the half-year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half-year period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory financial reporting requirements in Australia. As the auditor of PlatSearch NL and the entities it controlled during half-year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

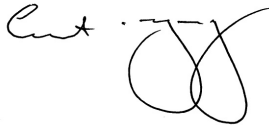
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which follows the Director's Report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of PlatSearch NL and the entities it controlled during the half-year is not in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



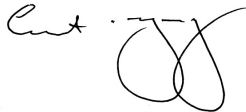
Ernst & Young



Gary Daniels
Partner
Sydney
14 March 2008

Auditor's Independence Declaration to the Directors of PlatSearch NL

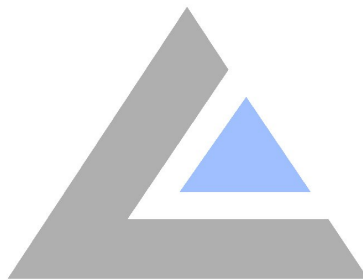
In relation to our review of the financial report of PlatSearch NL for the half-year ended 31 December 2007, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



Ernst & Young



Gary Daniels
Partner
14 March 2008



PLATSEARCH NL

ACN 003 254 395
ABN 16 003 254 395

ASX CODE: PTS

Level 1, 80 Chandos Street, St Leonards, NSW, 2065 Australia
PO Box 956, Crows Nest, NSW, 1585 Australia
Telephone: +61 2 9906 5220 Facsimile: +61 2 9906 5233
Email: pts@platsearch.com.au Website: www.platsearch.com.au