

**ASX Code: PTS**

Issued Shares: 175.3M

Unlisted Options: 23.9M

Cash Balance for PTS: \$9.7M

Cash Balance for Group: \$12.8M

ABN 16 003 254 395

DIRECTORS

Pat Elliott

Greg Jones

Kwan Chee Seng

Dr Kah Foo

Alan Breen

TOP SHAREHOLDERS

Kwan Chee Seng

Xiangjun Zhang

Minotaur Resources

Viking Investments

Top 20 Shareholders hold 72.5%

Head Office

Level 1, 80 Chandos Street

St Leonards NSW 2065

T: +61 (2) 9906 5220

F: +61 (2) 9906 5233

www.platsearch.com.au**HIGHLIGHTS**

- **PlatSearch** continued assessment and acquisition work for advanced properties within Europe. Good progress has been achieved and the Company remains confident that it will be successful in acquiring high quality, advanced properties.
- PlatSearch had \$9.7 million in **cash** at the end of the quarter. Investment value of shares held in other ASX listed resource companies totalled \$4.9 million.
- **Eastern Iron Limited** completed drilling as part of its planned mine scoping study over the advanced Nowa Nowa iron project, Victoria. Good intercepts were recorded at the Five Mile deposit including 62.9 metres at 57.6% iron in hole NND014, confirming the continuity and quality of the iron mineralisation.
- A revised Resource estimate completed over **Nowa Nowa** generated a total Resource of 11.55 million tonnes at 49.8% iron, for a tonnage increase of 23% over the February 2012 estimate. Considerable upside remains.
- Eastern Iron finalised a pro-rata Entitlement Offer raising a total of \$2.5 million to help progress the Nowa Nowa scoping study. On completion of the issue, PlatSearch's shareholding in Eastern Iron was 45.8%.
- **Thomson Resources** completed air core drilling over the Achilles base metal project south of Cobar. Anomalous base metal results were recorded and a ground electromagnetic survey completed to attempt to define massive sulphides.
- **Silver City Minerals Limited** completed RC drilling at the Allendale base metal prospects near Broken Hill. A best result of 10 metres at 6.2% zinc, 3.4% lead and 26g/t silver was recorded in one of five mineralised zones defined to date.



EXPLORATION

CURNAMONA PROVINCE / BROKEN HILL, NSW AND SA

MUNDI PLAINS, NSW - UXA JV - PlatSearch 20%, Teck 40%, UXA 40%

JUNCTION DAM, SA– UXA JV - PlatSearch 16%, Eaglehawk 4%, Teck 40%, UXA 40%.

UXA JOINT VENTURE

UXA Resources Ltd (ASX: UXA) is currently focussed on the Polygonum - Mammoth Cu-Au and Pb-Zn-Ag prospect, in the southwest of the tenement block. This highly prospective mineralised zone was previously identified in drilling by a number of companies (including CRA and Inco) who recorded significant intersections including 3.8 metres at 9.25% zinc + lead (Figure 2).

Polygonum-Mammoth is located within a well known mineralised horizon, the Bimba Formation, which in South Australia hosts the Portia (Au) and Kalkaroo (Cu, Au) deposits and stretches for over 50 kilometres in strike length through the Junction Dam and Mundi Plains tenements.

UXA has prepared a new exploration program, including geophysics and drilling, to follow up the previous mineralised drill intersections targeting stratabound Pb-Zn-Ag mineralisation in the Bimba and within the overlying garnet-rich metasediments, believed to be the lateral extension of the Broken Hill ore horizon. The review of data has highlighted the possibility that the Polygonum-Mammoth area is part of a third order basin (Figure 3) which, elsewhere in the world, are recognised as important controlling basins for hosting major stratabound Pb-Zn-Ag deposits.

A large airborne magnetic survey is planned to commence during the December quarter to better delineate “Bimba Horizon” and overlying Broken Hill Group stratigraphy, structure and the margins of the third order basin, and to assist in targeting core drilling of the base metal prospects.

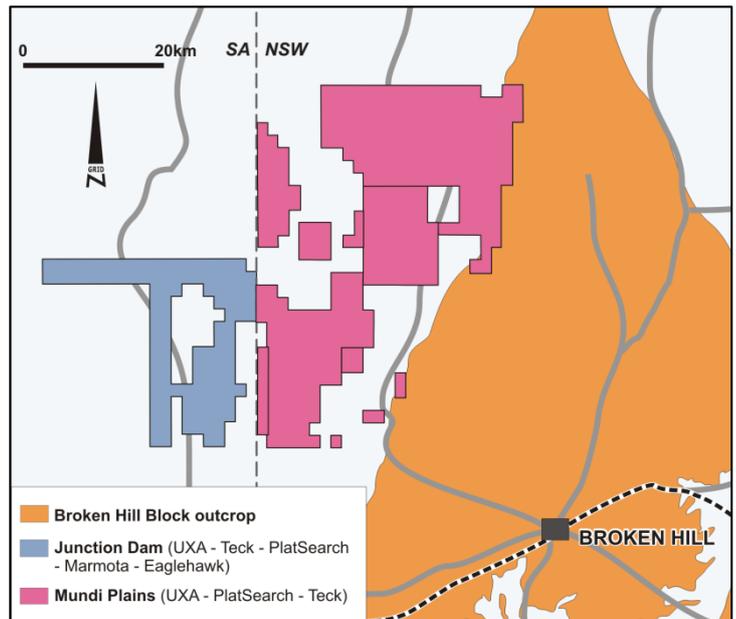


Figure 1 – Mundi Plains and Junction Dam tenement blocks

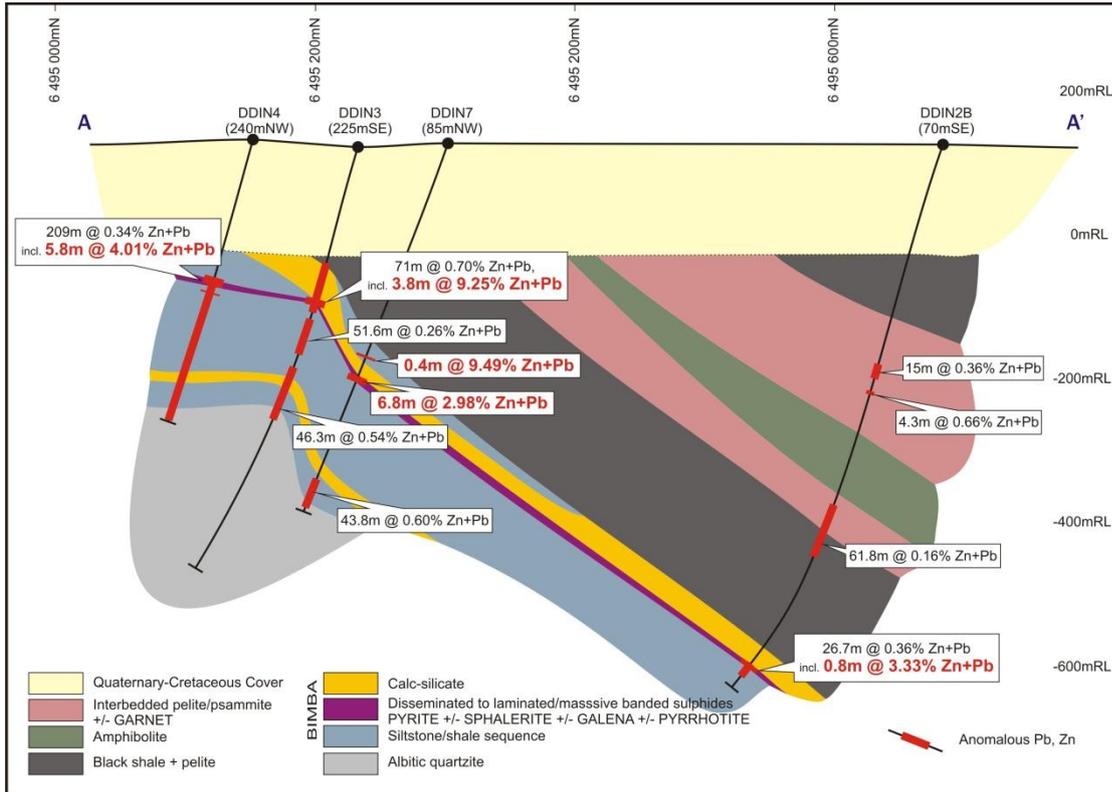


Figure 2 – Polygonum cross section (courtesy of UXA)

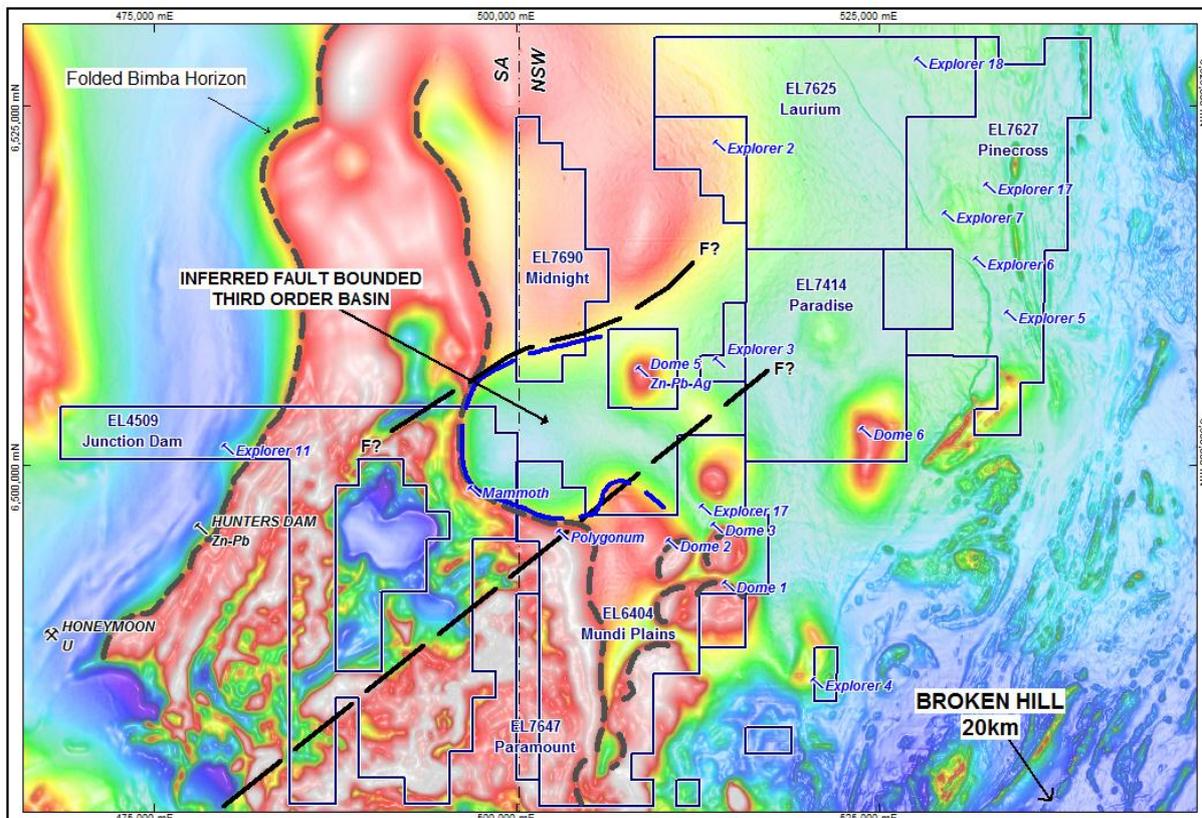


Figure 3 – Polygonum/Mammoth - Bimba horizon and structures over magnetics (courtesy of UXA)



INVESTMENTS

PlatSearch maintains a diversified portfolio of investments within a number of ASX-listed resource companies. The key companies within the portfolio are –

Eastern Iron – Iron projects in Victoria, Queensland and NSW

Silver City Minerals – Significant exploration interests around Broken Hill, NSW

Thomson Resources – Dominant landholding within the Thomson Fold Belt, NSW

WPG Resources – Iron and coal projects in South Australia

Agua Limited - Phosphate and potash projects in Brazil.

During the quarter, Eastern Iron successfully completed a rights issue raising a total of \$2.5 million to help fund a mine scoping study over its advanced Nowa Nowa iron project in eastern Victoria. PlatSearch supported the rights issue, taking up its full entitlement and maintaining its shareholding in the company to 45.8%. This significant investment by PlatSearch (\$1.16 million) reflects the Company’s conviction of the quality of Nowa Nowa and the potential to generate strong cash flows if brought into production.

As a result of its successful investment strategy and strong returns generated over the last few years, as at the end of September 2012 PlatSearch had \$9.7 million in cash, a sound financial position for the Company to progress its work.

In addition, as at 22 October 2012, the total value of the PlatSearch shareholdings in other ASX listed resource companies stood at approximately \$4.9 million.

EASTERN IRON LIMITED

Nowa Nowa

Eastern Iron (ASX: EFE) continued to focus its main activities on the evaluation of a possible mining development of the Nowa Nowa Project in eastern Victoria. In February 2012 Eastern Iron announced an Inferred Resource for both the main Five Mile and Seven Mile deposits (9.47Mt at 49.1% iron). Initial metallurgical tests suggest that the iron material is highly amenable to a low cost beneficiation process producing a potentially high value iron product.



Figure 4 - Nowa Nowa location

During the quarter the company completed core drilling on both the Five and Seven Mile deposits to provide confirmation of the Resource model and additional metallurgical samples as part of a planned mine scoping study.



Results received to date from the work are encouraging, with the drilling intersecting thick zones of high grade mineralisation and confirming the basic geological interpretation of both deposits. Intersections recorded from Five and Seven Mile were as follows –

	From (m)	To (m)	Total (m)	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	S%	Location
NDD011	0.0	71.4	71.4	46.3	26.9	2.77	0.006	0.03	7 Mile
NND012	53.2	85	31.8	56.3	9.87	1.6	0.014	1.93	5 Mile
NND013	83	117.9	34.9	43.29	11.3	2	0.025	0.7	5 Mile
NND014	67.7	130.6	62.9	57.6	9.78	1.77	0.035	2.1	5 Mile

The new drilling allowed Eastern Iron to upgrade its Resource calculation which resulted in a significant increase (23% from the February 2012 estimate) to the Resource as follows –

Prospect	Indicated		Inferred		Total	
	Mt	Fe %	Mt	Fe %	Mt	Fe %
Five Mile	6.8	50.4	4.2	49.0	11	49.8
Seven Mile			0.55	48.3	0.55	48.3
Total	6.8	50.4	4.75	48.9	11.55	49.8

Drill core from all holes has been split and composited for metallurgical testwork at AMMTEC laboratories in WA. This work is designed to investigate optimum conditions for beneficiating the Nowa Nowa iron ore to a +60% iron product by crushing, screening and low intensity magnetic separation.

Eastern Iron has appointed Engenium to undertake a scoping study of possible mine development at Nowa Nowa. The scoping study is expected to be completed in November 2012.

The company has also recently executed an MOU with South East Fibre Exporters Pty Ltd, operators of the Eden woodchip and wharf facility to investigate the potential to load and export iron ore from this site.

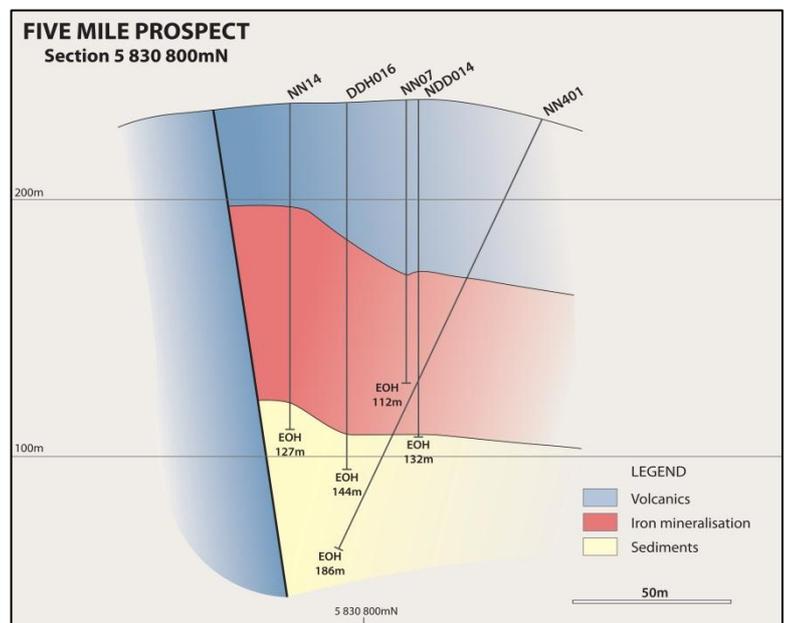


Figure 5 - Nowa Nowa section at 5830800mN



Eulogie

Eastern Iron has completed a concept study into a potential development of the defined resource (total indicated and inferred resource of 465Mt at 14.2% iron) at the Eulogie magnetite project. The study indicated that a 20Mt per annum operation, producing 3.2Mt of magnetite concentrate per annum, and exporting via Gladstone Port is feasible with estimated cash costs of \$76/t FOB and capital costs of \$605 million.

Eastern Iron has approached several parties with a view to securing funding for a mine feasibility study. These discussions are ongoing.

Corporate

During the quarter Eastern Iron finalised a pro-rata Entitlement Offer raising a total of \$2.5 million by placing the shortfall of approximately 22.9 million shares (\$1.26 million) to Mr Adrian Critchlow, who was subsequently offered a place on the EFE Board. At the same time, the Chairman, Mr Glenn Goodacre tendered his resignation as of 31 October.

On completion of the issue, PlatSearch's shareholding in Eastern Iron stood at 52.5 million ordinary shares (45.8%) and 5.0 million 35 cent options. As at 22 October 2012, EFE shares were trading at \$0.04.

More details regarding Eastern Iron's activities can be obtained from its website.

THOMSON RESOURCES LTD

Thomson Resources (ASX: TMZ) has completed drilling into a number of projects including the Achilles base metal project, southern Cobar region.

At Achilles, shallow air-core drilling traverses (23 holes for 674 metres) focused on testing outcropping sections of the Mount Boorithumble prospect where previous drilling in 1981 intersected 3 metres at 2% lead, 2% zinc, 1.2% copper, 0.5 g/t gold and 150 g/t silver from 117 metres. Two interpreted mineralised zones, the central and western, were confirmed by the new drilling. The best results were recorded in the central zone with ACHAC032 returning 1 metre at 1,320 ppm lead and 499 ppm zinc from 18 metres. Also, a new zone was intersected between the central and western zones with ACHAC03 returning 4 metres at 671 ppm lead from 16 metres. A surface electro-magnetic (EM) survey has been completed to attempt to identify zones of massive base metal sulphides that may be present within these mineralised zones.

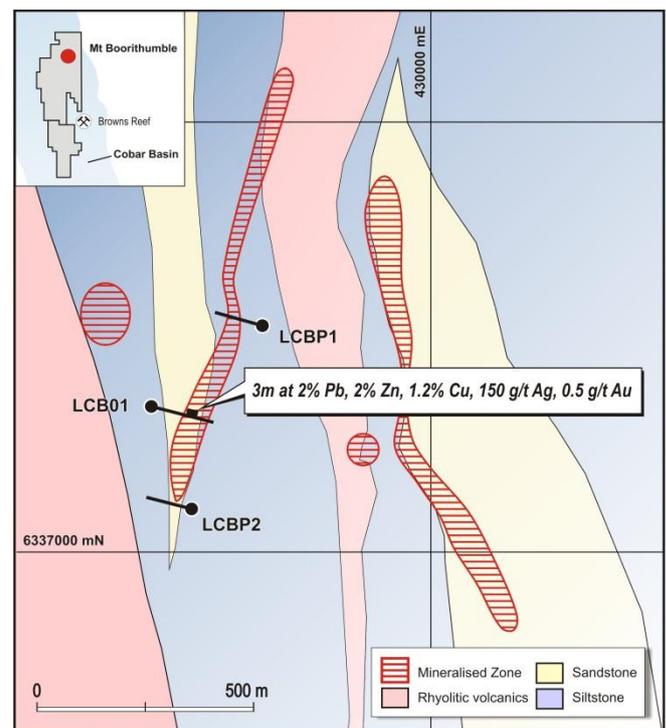


Figure 6 – Mt Boorithumble mineralised zones



Modelling is currently in progress.

Reconnaissance air core drilling was also completed for the first time over the Achilles 3 prospect located about 5 kilometres south of Mt Boorithumble. Previous soil sampling had defined a 300 metre long soil anomaly with surface lead values up to 598 ppm lead on rocky outcrops of rhyolitic sandstone adjacent to the Achilles shear. The new drilling (10 holes, 139 metres) encountered strong lead-zinc- copper anomalism, with best results in ACHAC023 of 4 metres at 3,600 ppm lead, 1090 ppm zinc and 654 ppm copper at a depth of 4 metres. The drilling generally only reached very shallow depths (average 12 metres) and deeper testing is required to test the anomaly in fresh rock.

PlatSearch holds 18,000,000 fully paid Thomson shares, or 25.7% of the company and 5,000,000 options exercisable at 30 cents. As at 27 July 2012, TMZ shares were trading at \$0.051.

For further details please refer to the Thomson Resources website.

SILVER CITY MINERALS LIMITED

Silver City Minerals (ASX: SCI) continued its drilling programme over a number of project areas including Allendale, Uمبرumberka, Stephens Trig and Ziggys. The most significant results were generated from the Allendale work.

At Allendale, drilling in 2012 has tested strike and depth extensions of the previously mined Allendale lead-zinc-silver sulphide system. Results suggest that mineralisation is hosted in up to five sub-parallel, east-dipping lode horizons which have estimated true thicknesses between 1 and 10 metres. There are two main lode horizons, the Western and Eastern, with the Western Lode the most persistent and open to the north and down-plunge.

Drill hole 12AN035 was the outstanding result of this program, returning 10 metres at 3.4% lead, 6.2% zinc and 26 g/t silver from 73 metres, from a zone which was not been encountered in earlier drilling.

Allendale remains a high priority project for Silver City. To date most significant drill intersections at Allendale are within 100 metres of the surface. The sulphide mineralisation lies within a corridor approximately 75 metres wide and 450 metres long. The size of the mineralised corridor and the proximity of massive sulphide to the surface suggest the investigation for potential open-pit resources is warranted.

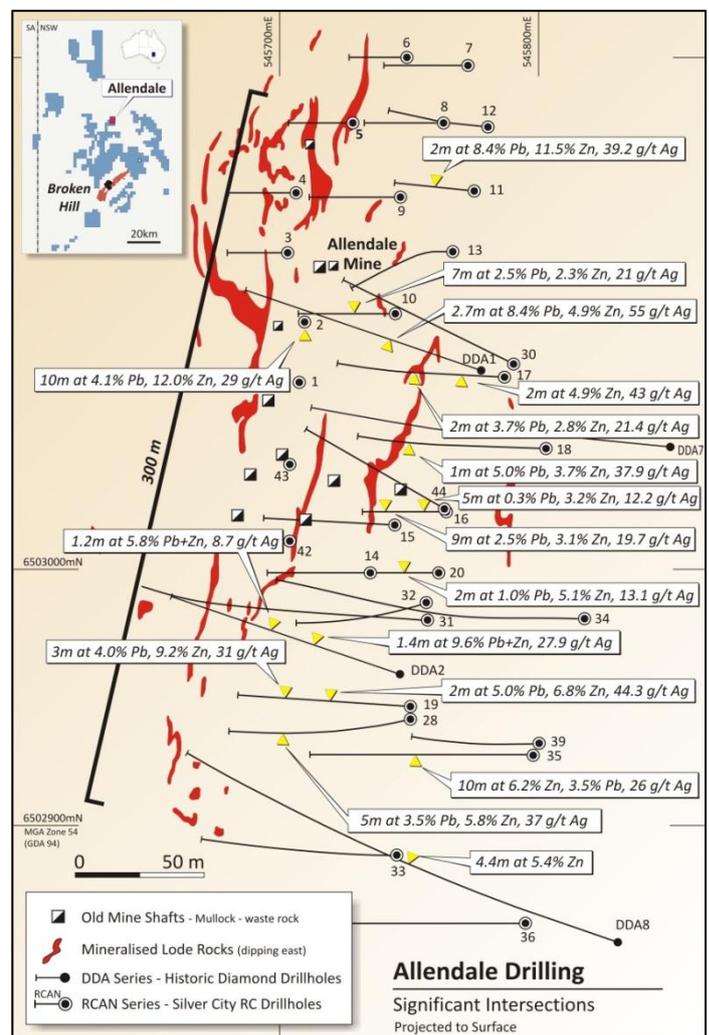


Figure 7 – Allendale drilling and projected intersections



The Company is planning a third round of step-out drilling to assess the potential for structural thickening of sulphide mineralisation in fold hinge zones.

Silver City also plans to commence an exploration program across a number of targets, scheduled to start in October 2012. This work will include RAB drilling at the Yalcowinna Creek copper, the Yalcowinna West silver-lead-zinc project and the Parnell silver-lead-zinc projects.

PlatSearch's shareholding in Silver City is 14.3 million fully paid shares, or 14.6% of the company and 4.78 million options exercisable at \$0.25 each. As at 22 October 2012, SCI shares were trading at \$0.07.

For further details refer to the Silver City website.

WPG RESOURCES LTD

WPG Resources (ASX: WPG) has completed initial drilling and resource estimate at its Giffen Well iron project, the Gawler Craton, South Australia. Giffen Well contains Proterozoic BIF hosted magnetite mineralisation similar to that found at the Hawks Nest deposit. Mineralisation at Giffen Well occurs in three separate zones with a main zone 3.9 kilometres long and up to 350 metres thick.

The results of the drilling program were encouraging and in line with WPG expectations. A maiden JORC compliant resource figure for Giffen Well of 688.8 million tonnes at an average grade of 30.9% iron has been estimated as part of the preliminary feasibility study. Importantly, over 62% of the resource tonnage is classified as Indicated.

Davis Tube Recovery test work of the mineralised WPG RC percussion sample material collected from the primary BIF zones is in progress. Results are expected to be available by the end of October.

WPG's other key projects include the Penrhyn coal project and the land WPG owns at Port Pirie, with approvals and capacity to develop an iron ore receiver, storage and load-out facility.

PlatSearch holds 10.4 million fully paid WPG shares, or 4.0% of the company. As at 22 October 2012, the WPG trading price was \$0.07.

For further details refer to the WPG Resources website.

AGUIA RESOURCES LIMITED

Agua Resources (ASX: AGR) is an exploration company that has acquired interests in substantial phosphate and potash projects in Brazil. Agua holds interests in three highly prospective and potentially large scale phosphate projects, the Lucena and Mata da Corda Phosphate Projects and the Tres Estradas carbonatite-style phosphate project in Rio Grande do Sul, southern Brazil.

Agua announced that it was accelerating its efforts at Tres Estradas, a significant new phosphate discovery. On 3 October 2012 Agua announced the results from a second stage of beneficiation test work on the deposit which returned encouraging concentrate grades up to 36% P₂O₅. The company is now investigating the possibility for an early mining start-up of the project of the high grade oxide zone that extends from the surface. In addition, a second round of drilling is now in progress to enable an upgrade of the JORC resource, due in Q1 2013.



PlatSearch currently holds 1,185,000 fully paid Aguia shares, as well as 200,000 options exercisable at \$0.50. As at 22 October 2012 Aguia shares were trading at \$0.14.

For further details refer to the Aguia website.

BUSINESS DEVELOPMENT

As previously outlined to shareholders, PlatSearch has identified a range of advanced and brownfield opportunities within Europe following detailed regional geological and metallogenic studies. Through its wholly owned European subsidiary, Variscan Mines SAS, the Company is currently progressing project acquisition work. To date, good progress has been achieved and the Company remains confident that it will secure high quality, advanced projects within this very under-explored, but well endowed region.

The Company has assessed its current portfolio of exploration projects in Australia and has commenced relinquishing lower priority properties. The Company expects to significantly reduce its total landholding of projects in both NSW and SA over the short term and to markedly scale back direct exploration expenditures to assist in preserving its cash position.

CORPORATE AND FINANCIAL

FINANCIAL

Cash expenditure by the PlatSearch group on exploration and project appraisal for the quarter was \$640,000. Expenditure by joint venturers on PlatSearch projects was \$178,500 for the quarter. Cash funds available for PlatSearch and for the Group at 30 June 2012 were \$9.7 million and \$12.8 million respectively. Eastern Iron is consolidated with PlatSearch NL and its wholly owned subsidiary Bluestone 23 Pty Ltd (The Group). The Company has no borrowings.

PlatSearch NL

Greg Jones
Managing Director

The information in this report that relates to Exploration Results is based on information compiled by Greg Jones, BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. Mr Jones is a Director of PlatSearch NL and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in this report that relates to Mineral Resources for Eastern Iron Ltd for Nowa Nowa is based on information compiled by Arnold van der Heyden, BSc, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr van der Heyden is a full-time employee of Hellman & Schofield Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in this report that relates to Mineral Resources for WPG Resources Ltd's Giffen Well is based on information compiled by Gary Jones who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Jones is Technical Director WPG Resources and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Messrs Greg Jones, Gary Jones and Arnold van der Heyden consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.