

**ASX Code: PTS**

Issued Shares: 175.3M

Unlisted Options: 26.2M

Cash Balance for PTS: \$9.0M

Cash Balance for Group: \$11.6M

ABN 16 003 254 395

DIRECTORS

Pat Elliott

Greg Jones

Kwan Chee Seng

Dr Foo Fatt Kah

Alan Breen

TOP SHAREHOLDERS

Kwan Chee Seng

Minotaur Resources

Xiangjun Zhang

Top 20 Shareholders hold 73.2%

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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.
- **Eastern Iron Limited** completed a mine scoping study over the advanced Nowa Nowa iron project, Victoria. The results of the study were positive with the project generating 0.8Mt of product per annum over an 8 year mine life. Capital costs for the operation were estimated at \$37 million, low in comparison to other iron mines due to excellent local infrastructure.
- Following the encouraging conclusion of the scoping study, Eastern Iron has approved the commencement of a mine feasibility study at **Nowa Nowa**, with further drilling and metallurgical work to start next quarter.
- An electromagnetic (EM) survey by joint venture partner Thomson Resources over the **Achilles** base metal project, Cobar produced anomalous EM responses. Follow up work to generate new drill targets is planned.
- A deep penetration induced polarisation (IP) geophysical survey over the Razorback West project by **Silver City Minerals Limited** generated a number of significant chargeability anomalies coincident with surface lead-zinc geochemical anomalies, possibly indicating the presence of Broken Hill type mineralisation.
- As at the end of the quarter, the Company held \$9.0 million in cash. **Liquid investments** held in listed resource companies totalled \$6.7 million. Total liquid assets are equivalent to approximately 8 cents per share.



EXPLORATION

CURNAMONA PROVINCE / BROKEN HILL, NSW AND SA

HILLSTON PROJECT, NSW – PlatSearch 39.2%, Eaglehawk 9.8%, Perilya 50%, can earn 80%

A detailed review of VTEM airborne electromagnetic data generated from the 2012 programme continued with the aim of identifying potential targets for ground follow-up and/or drill testing. Results so far from the survey over the Coultra tenement have been disappointing. Work is now focussed on the area around the former Coultra copper mine where a regional conductive trend is being evaluated in an attempt to define more conductive portions, potentially indicative of sulphide mineralization.

LACHLAN FOLD BELT, NSW

ACHILLES PROJECT, NSW – PlatSearch 100%, Thomson Resources can earn 80%

A surface electromagnetic (EM) survey was undertaken at both Mt Boorithumble and Achilles 3 (EL 7746) to attempt to identify lenses of massive base metal sulphides that may be present within the geochemically anomalous zones identified by recent shallow drilling. In both areas significant EM responses were obtained outside the geochemically anomalous targets. Further XRF soil sampling is planned over these EM anomalies in order to generate drilling targets.

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, coal and potash projects in South Australia

Agua Limited - Phosphate and potash projects in Brazil.

As at 29 January 2013, the total value of the PlatSearch shareholdings in ASX listed resource companies stood at approximately \$6.7 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 (Figure 1). In late 2012 following a successful drilling programme Eastern Iron announced that it had increased an Inferred Resource for both the main Five Mile and Seven Mile deposits to 11.6 million tonnes at 49.8% Fe.



During the quarter Eastern Iron announced the completion of a scoping study at Nowa Nowa. The study indicated the potential for development of a mining operation based on the previously announced resource of high grade magnetite and hematite iron.

As reported by Eastern Iron, the study proposed that ore would be mined at an average of around 1.0Mtpa from an open pit at the Five Mile deposit by a contract mining operator. ROM ore would then be beneficiated at site by crushing to <1.6mm and low intensity magnetic separation (LIMS) to produce average annual production of 0.8Mtpa of “fines” product. Iron ore product would be loaded into road haulage trucks at the mine site and trucked to the port of Two Fold Bay south of Eden for loading onto bulk capable vessels for export. The average FOB production cost per tonne of product is estimated at around \$70/tonne over an 8 year mine life.



Figure 1 - Nowa Nowa location

The estimated capital cost of development is \$37 million (not including pre-strip), relatively low, particularly in comparison to other iron projects, due the excellent infrastructure of the region and the simple metallurgical treatment requirements of the deposit.

Following the encouraging conclusion of the scoping study, Eastern Iron has approved the commencement of a mine feasibility study, with further drilling and metallurgical work to start next quarter.

PlatSearch’s shareholding in Eastern Iron is 52.5 million ordinary shares (45.8%). As at 29 January 2013, EFE shares were trading at \$0.065.

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

THOMSON RESOURCES LTD

In mid-2012 Thomson completed drilling over a number of areas including the Achilles project in the southern Cobar region (where it is joint venture with PlatSearch and earning an 80% interest). During the quarter, following the receipt of encouraging base metal assays at Achilles, Thomson completed an electromagnetic (EM) survey over geochemically anomalous areas at the Mt Boorithumble and Achilles 3 prospects. The survey defined a number of new conductors (see previous Exploration section of this report). Follow-up geochemistry is planned.

Thomson also completed planning for commencement of deeper RC drilling at key prospects within the Thomson Fold Belt (such as F1) and the Cobar Basin (Ghostrider prospect). This drilling is expected to commence towards the end of the first quarter dependent on rig availability and the impact of recent rains within catchment regions.



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 29 January 2013, TMZ shares were trading at \$0.042.

For further details please refer to the Thomson Resources website.

SILVER CITY MINERALS LIMITED

During the quarter Silver City completed an analysis of all data received from an extensive drilling campaign conducted during the previous two quarters. Results have confirmed that the Razorback West and Allendale prospects continue to be a short term priority with additional prospects such as Yalcowinna Creek, Parnell, Native Dog and Mt Brown (Figure 2) also now being brought to the drilling stage.

Razorback West

A recently completed deep penetration induced polarisation (IP) geophysical survey by Silver City generated a number of significant chargeability anomalies coincident with surface lead-zinc geochemical anomalies and a distinctive ridge of elevated gravity (Figure 3).

Silver City believes that the geochemical anomalies previously identified at Razorback West might represent the northern extension to the famous Broken Hill “line of lode” corridor, offset westward by a fault structure known as the Stephens Creek Shear Zone. These geochemical anomalies are believed to be associated with base metal sulphides and the IP survey was completed to identify zones of sulphide-bearing rock located in or around potential high grade silver-lead-zinc mineralisation. A systematic drilling campaign has been planned to fully assess these targets, to commence in March-April 2013.

Allendale

Work at Allendale, approximately 40 kilometres north of Broken Hill, has located lead, zinc, silver and minor copper mineralisation that is hosted in up to five east-dipping lode horizons within a corridor 75 metres wide and at least 450 metres long. The rock package consists of tightly folded and faulted metamorphosed sediments and volcanic rocks with outcropping lode horizons. The lodes, with accompanying sulphides, vary in true thickness from 0.5 to 10 metres.

The next phase of exploration at Allendale is designed to search within or close to the corridor for structurally thickened massive sulphide mineralisation. These thickened zones commonly occur on

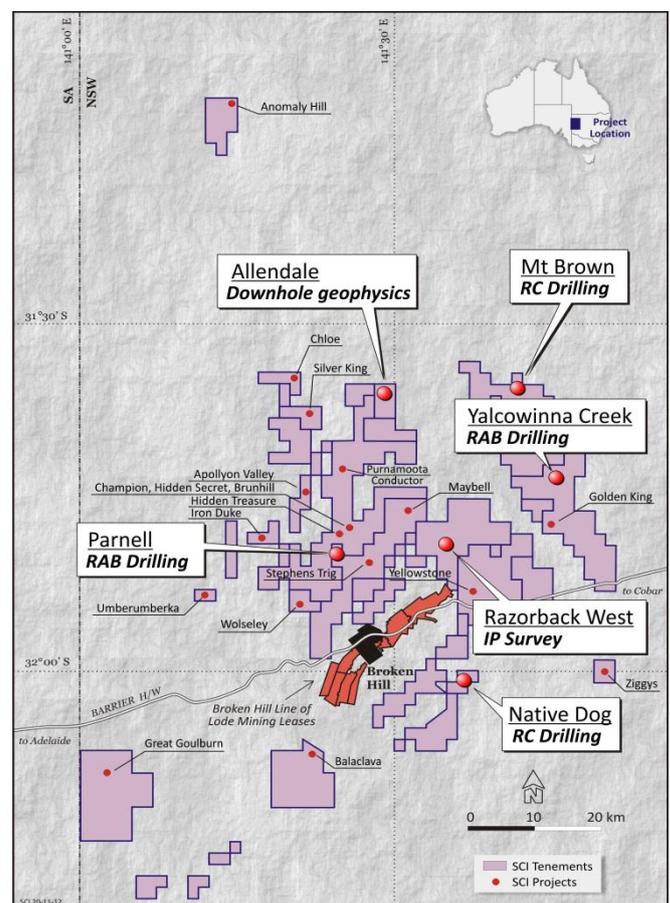


Figure 2 – Silver City tenements and prospects



the nose or hinges of folds and characterise Broken Hill type (BHT) ores at Broken Hill. Silver City has commenced down-hole electromagnetic and magnetometric resistivity geophysical surveys to identify targets for drill testing.

Yalcowinna

Recent rotary airblast (RAB) drilling at the Yalcowinna West prospect has defined an untested zinc anomaly approximately one kilometre long and 150 to 500 metres wide. It is broadly coincident with a series of down-hole mise a la masse geophysical anomalies outlined in the 1980's and will be tested by deeper drilling in the second quarter.

Parnell

The historic Parnell Mine is located 15 kilometres north of Broken Hill. Workings dating back as far as the late 1800's have mined an aggregate of almost 1,600 tonnes of galena-rich material with recorded grades ranging from 18 to 33% lead, 120 to 760 g/t silver and 2 to 3% zinc. Geological assessments suggests that extensions to mineralisation extend southward beneath a large area of alluvial cover. Silver City completed 451 metres of drilling in 60 RAB holes with results confirming a trend of subdued but consistent anomalism in zinc and lead for at least 650 metres beneath alluvial flats at Parnell South. Evaluation of all data is ongoing with the view to drill testing in 2013.

Native Dog

This project is located on the Little Broken Hill Antiform, a zone of complex folding, containing rocks identical in age and character to those hosting the Broken Hill deposit. Silver City has conducted geological mapping over the tenement at 1:5000 scale, re-logged existing drill core and more recently compiled an extensive historic exploration database over the area. The company has identified lead-rich outcropping gossans, significant IP anomalies and areas of strong base metal

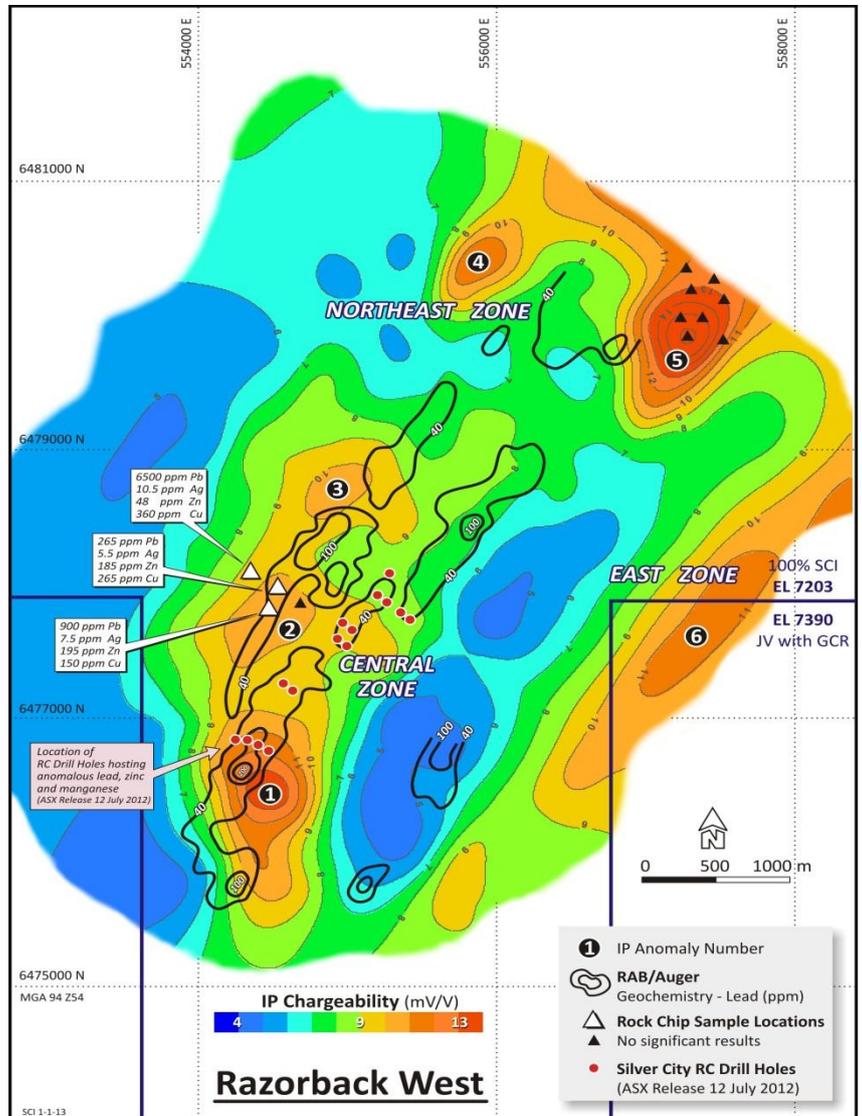


Figure 3 - Razorback West project showing IP chargeability anomalies (coloured image) in relation to SCI drill holes and RAB geochemistry contours.



and silver geochemistry which have never been drill tested. First-pass RC drilling is planned to test gossanous outcrops in areas of highly elevated geochemistry.

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 29 January 2013, SCL shares were trading at \$0.10.

For further details refer to the Silver City website.

WPG RESOURCES LTD

WPG Resources (ASX: WPG) is on track to shortly complete a \$3 million prefeasibility study (PFS) for its Giffen Well iron project, Gawler Craton, South Australia. Giffen Well contains substantial Proterozoic BIF hosted magnetite mineralisation.

The PFS will examine the potential for an open cut mine and magnetite concentrator at Giffen Well, an open cut coal mine and power station at the wholly owned Penrhyn coal deposit and infrastructure to allow concentrate export through WPG's land at Port Pirie. Initial plans are for a 30 year mine life to produce 5 million tonnes of concentrate grading 68.5% Fe.

PlatSearch holds 10.4 million fully paid WPG shares, or 4.2% of the company. As at 29 January 2013, WPG shares were trading at \$0.094.

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 recently announced good drilling results from the Tres Estradas carbonatite phosphate deposit which the company hopes to bring into production. Agua is investigating the possibility for an early mining start-up of the project from the high grade oxide zone that extends from surface.

The company has also announced a new phosphate discovery (Porteira) within exploration tenements located in close proximity to Tres Estradas, highlighting the good potential of the area to host additional deposits.

PlatSearch currently holds 1,185,000 fully paid shares, as well as 200,000 options exercisable at \$0.50. As at 29 January 2013, Agua shares were trading at \$0.16.

For further details refer to the Agua website.

BUSINESS DEVELOPMENT

As previously outlined, 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. Good progress continues to be achieved and PlatSearch 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 is 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 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 \$491,000. Expenditure by joint venturers on PlatSearch projects was \$ 215,099 for the quarter. Cash funds available for PlatSearch and for the Group at 31 December 2012 were \$9.0 million and \$11.6 million respectively. Eastern Iron is consolidated with PlatSearch NL and its wholly owned subsidiary Bluestone 23 Pty Ltd (The Group).

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 and Hawkwood is based on information compiled by Greg De Ross, BSc, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr De Ross is a full-time employee of Eastern Iron Limited 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"

Both Messrs De Ross and Jones consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.