



PLATSEARCH NL

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QUARTERLY REPORT FOR PERIOD ENDED 30 SEPTEMBER 2007

HIGHLIGHTS

- Joint venturer *Teck Cominco* has recommenced drilling at the Dome 5 prospect located on the **Mundi Plains**, 54 kilometres northwest of Broken Hill, to follow-up encouraging intersections and new styles of mineralisation in previous holes DF1 and DF2. Hole DF3 is in progress currently at 805 metres.
- The value of PlatSearch's shareholding in **Western Plains Resources** has appreciated further during the quarter. The bankable feasibility study of the Peculiar Knob iron ore project released by WPG on 24 September 2007 shows that development of the project on a stand-alone basis is technically feasible and economically viable. A 5,000 metre drilling programme designed to expand the current DSO mineral resource estimate at Buzzard and to test additional DSO targets at Hawks Nest commenced recently.
- Further shallow aircore drilling has been completed on the Coolabah West tenement, one of the **Eastern Iron** project tenements in western NSW. Trial magnetic separation testwork is being conducted on drill sample material from the Carpenters Prospect and selected other prospects. At this early stage, using only simple magnetic separation with no crushing or grinding, grades of better than 50% total iron have been achieved.
- A detailed review by joint venturer *CBH Resources* of all available data from the **ZincSearch** joint venture is at an advanced stage and seven geochemical anomalies have been selected as priority targets. Of particular interest is a 22 kilometre long zone of strong zinc and lead values following the Apollyon Valley shear zone. This shear zone could represent a buried analogy to the Main Shear that hosts the Broken Hill lead-zinc-silver orebody over a similar strike length.
- PlatSearch now holds 12 tenements in the **Thomson Fold Belt** covering a total area of approximately 2,500 square kilometres. On 24 October 2007 joint venturer *Minotaur* commenced a drilling programme on eight prospects with potential for base and precious metals and diamonds.
- At the **Quinyambie** project in the Curnamona Craton, core drilling of drillhole QBE2 at the Dolores East prospect was completed to 501.7 metres depth (185.1 metres core) by joint venturer *Red Metal*. The hole intersected volcanic breccia throughout, with carbonate and scattered quartz veins with local sulphides and fluorite. Assays are pending.
- Assay results have been received for two core holes completed by joint venturer *Newcrest* in the June 2007 quarter 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.
- At the **Kalabity** project, SA, joint venturer *Crossland Uranium Mines* advised that follow-up of a detailed airborne radiometric survey completed in the previous quarter identified a substantial area of geochemical anomaly for uranium in a new prospect. Bedrock values of up to 140ppm uranium have been obtained from a zone that remains open after being sampled on seven lines up to 500 metres apart. Crossland will follow-up the results with trenching and drilling during late 2007 – early 2008.
- A joint venture agreement has been signed with *Newport Mining* regarding the **Pathfinder** project in the western Gawler craton. Newport will explore the area for Sudbury-style sulphide nickel deposits.

CURNAMONA PROVINCE/BROKEN HILL, NSW AND SA

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

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

PlatSearch's joint venturer Teck Cominco has re-commenced drilling at the Dome 5 prospect located on the Mundi Plains, 54 kilometres northwest of Broken Hill. A programme of three deep rotary/core holes DF3, DF4 and DF5 and extension of a previous hole DF1 is planned. Hole DF3 is in progress currently at 805 metres and on completion the drill will move to hole DF1 to extend this hole by another 200 metres. Both holes will be logged with down-hole electromagnetic surveys to detect possible off-hole sulphide bodies. Holes DF4 and DF5 are scheduled for drilling in early 2008.

This drilling is designed to follow-up encouraging intersections and new styles of mineralisation in previous holes DF1 and DF2. Hole DF2 intersected high grade massive carbonate-hosted Mississippi Valley Type (MVT) lead-zinc sulphides within the Adelaidean cover sequence. Intersections in drillhole DF2 included one metre at 8.03% lead, 13.88% zinc and 74.85 g/t silver and 3.06 metres at 0.17% lead, 6.95% zinc and 4 g/t silver. Hole DF1 intersected minor lead-zinc sulphides at 980 metres within a banded ironstone package that is regarded as prospective for Broken Hill-style (BHT) lead-zinc mineralisation.

The high grades and/or favourable geological indications encountered by this drilling are very encouraging. Persistent exploration by PlatSearch and its joint venturers has demonstrated the existence of a "stacked" mineralised system at this prospect that is prospective for two distinct styles of lead-zinc mineralisation – BHT and MVT. The recognition of MVT-style mineralisation at Broken Hill brings new opportunities for explorers in this prospective terrain.

During the quarter Teck completed detailed gravity surveys over the Dome 5 prospect and the Yambarra, K16 and K17 prospects in the adjoining Junction Dam tenement in SA. In addition to the Dome 5 programme, drilling is also planned for other targets elsewhere in the Mundi Plains tenement and in the Junction Dam tenement.

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

Following the signing of the joint venture agreement in the previous quarter, Minotaur Exploration has completed a review of all available information and has undertaken some preliminary geochemical sampling at Great Goulburn prospect. A drilling programme incorporating at least one hole at Great Goulburn prospect to test beneath encouraging gold-cobalt mineralisation intersected in previous drilling is being planned.

ZINCSEARCH JOINT VENTURE – Razorback, Yanco Glen, Ziggys and Copper King, NSW – ELs 6600, 5764, 6036 and 5919, PlatSearch 16%, CBH Resources 80%, Eaglehawk 4%. **Apollyon Valley, Big Aller and Mt Robe, NSW** – ELs 6475, 6147 and 5646, PlatSearch 20%, CBH Resources 80%

Joint venturer CBH continued regional geochemical sampling utilising a Niton XRF portable infield analyser on the Mt Robe EL 5646. More than 70,000 sample sites have been analysed to date across the ZincSearch tenement package. A detailed review by CBH of all available data is at an advanced stage and seven geochemical anomalies have been selected as priority targets. Of particular interest is a 22 kilometre long zone of strong zinc and lead values following the Apollyon Valley shear zone that could represent a buried analogy to the Main Shear that hosts the Broken Hill lead-zinc-silver orebody over a similar strike length.

Over the coming months CBH plans to complete further Niton sampling, evaluation of historic data and planning for drilling in the anomalous areas.

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

Joint venturer Perilya has continued a comprehensive soil geochemical programme using the XRF portable infield analyser. This programme will continue during the December quarter. Perilya is giving consideration to further RAB drilling along strike from the Coultra copper-cobalt prospect.

Cymbric Vale, NSW – EL 6403 and ELA 3044, PlatSearch 50%, Paradigm Mexico 50%, Bondi can earn 60%

Assay results on four metre intervals from a 20-hole, 751 metre aircore drilling programme conducted by joint venturer Bondi Mining Limited were received during the quarter. The drilling tested a series of nickel, copper and gold targets and revealed:

- Wide, anomalous copper from drilling at the Cymbric Vale Copper prospect, with a best result of 20 metres at 0.73% copper. The two holes are more than 0.5 kilometres apart;
- The copper mineralisation at Cymbric Vale prospect remains open along strike, to the west and at depth; and
- Elevated nickel values were intersected in serpentinised ultramafic intrusives at the Horseshoe Hill prospect.

A follow-up re-sampling programme of individual metres within the broad intersections is now under way.

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

Core drilling of drillhole QBE2 at the Dolores East prospect was completed to 501.7 metres depth (185.1 metres core) by joint venturer Red Metal. The rock type encountered was volcanic breccia throughout, with carbonate and scattered quartz veins with local sulphides and fluorite. Assays are pending.

Density measurements on the core will be modelled for interpretation. A deep IP survey is planned over the area of the drillhole to try and identify zones that are more sulphide rich. An orientation airborne electromagnetic survey over western portions of the tenement to map Tertiary-age faults and channels is scheduled for October 2007, to be followed by drill testing of possible uranium targets at a later date.

Callabonna, SA – EL 3695, PlatSearch 100%, Red Metal can earn 70%

Joint venturer Red Metal plans to fly a wide-spaced orientation airborne electromagnetic survey in October 2007 to map Tertiary-age faults that potentially control the distribution of channel sands within the Namba Formation and are prospective for uranium, followed by drilling of uranium targets. Native title clearances for gravity target drill sites will be conducted followed by test drilling when a rig becomes available.

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

Joint venturer Newcrest has finalised a drilling contract for 6-8 pre-collar drillholes through cover sediments to basement in the project area. Unfortunately, this programme has now been delayed until January – February 2008. The drilling will target a series of discrete magnetic anomalies considered to be prospective for possible Olympic Dam-style copper-gold-uranium mineralisation. Drill sites, sumps and access tracks have been prepared.

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

Joint venturer Crossland Uranium received the results of a detailed airborne radiometric and magnetic survey during the June quarter. Follow-up prospecting and sampling commenced during the quarter. The KR4 anomaly has been sampled in some detail and four other areas of radiometric anomalies have been systematically bedrock sampled. Assay results have been received for 926 geochemical samples and 26 rock chip samples collected during the programme.

The work has defined the Tabita prospect, 3.5 kilometres to the northwest of KR4, which has returned the most consistent response to sampling. Of 25 bedrock geochemical samples above the anomaly threshold of 35ppm U, 23 were found at the Tabita prospect, where chemical assay values of up to 140ppm U were obtained on seven sample lines across a total distance of 500 metres. The anomalous results are present in adjacent samples over widths of some tens of metres on these lines. The anomaly is open in practically all directions and its orientation is not yet clear. Limonitic quartz float in the vicinity returned elevated values of cobalt (750ppm), copper (2,100ppm), nickel (750ppm) and uranium

(62ppm), but low thorium and rare earths. This may represent a new style of mineralisation as its signature differs from other patterns in the area. The nature and orientation of the mineralisation will be further evaluated with trenching and drilling during the summer months. There are still more targets in the area that will require follow-up at that time.

Mirikata, SA – *EL 3537, PlatSearch 100%, Newcrest can earn 70%*

Assay results have been received for two holes (MRK 5 and 6) completed by joint venturer Newcrest in the June 2007 quarter.

Hole MRK 5 was drilled on a gravity ridge, approximately one kilometre to the east from the 2001 hole MRK 2A and returned strongly anomalous zinc, lead and silver values from quartz-carbonate-sulphide veinlets hosted in a broad clay-chlorite-sericite altered fault zone. Between 436 and 548 metres, hole MRK 5 intersected 112 metres averaging 0.19% zinc, 0.07% lead and 1.5 g/t silver. The maximum gold intercept encountered in MRK 5 is two metres averaging 0.33 g/t gold from a depth of 424 metres.

Hole MRK 6, completed to 603.4 metres through banded iron formation, calc-silicate and pegmatite did not return any significant assay results for gold or base metals. The magnetite-rich banded iron formation explains the magnetic and gravity anomalies targeted.

Final assay results for the two remaining drillholes, MRK 3 and MRK 5, are expected over the next several weeks after which time all results will be compiled and the results evaluated.

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

Ground electromagnetic surveys commenced during the quarter. Seven targets for this work have been defined on the basis of previous aeromagnetic data, drilling results and regional geological interpretation. Exploration is targeting sulphide nickel deposits, iron-oxide associated copper-gold (IOCG) deposits and palaeochannel uranium deposits.

Pathfinder, SA – *ELs 3286, 3281 and 3282, PlatSearch 80%, Bohoun 20%, Newport can earn 60%*

The Pathfinder project embraces the Toolgerie, Yalata and Black Hills tenements on the western Gawler Craton. A joint venture agreement has been signed with Newport Mining Limited whereby Newport can earn a 60% interest by completing expenditure of \$1.5 million within four years. When Newport has earned a 60% interest, PlatSearch and Bohoun can elect to participate with their 32% and 8% interest respectively, or reduce to a 16% and 4% interest, free-carried to completion of a favourable bankable feasibility study (BFS) and Decision to Mine. During the first 12 months of the agreement, Newport must complete a Stage One work programme costing \$250,000. The agreement provides that Newport will issue 500,000 shares to PlatSearch at \$0.06 per share (\$30,000) and will issue PlatSearch 1,000,000 options and Bohoun 200,000 options with an exercise price of 35 cents, which are exercisable at any time prior to the expiry date of 31 December 2011.

The Pathfinder tenement package covers a large (25 km x 75 km), layered ultramafic complex defined by aeromagnetic and gravity data and confirmed by scattered reconnaissance drilling. There is no outcrop in the area which is covered by 30 – 150 metres of soil and recent sediments and the layered complex is virtually unexplored. Newport will explore the area for Sudbury-style nickel sulphide deposits and iron-oxide associated copper-gold deposits. A prospective basal contact has been clearly defined by the aeromagnetic data and several anomalous magnetic targets warranting immediate ground investigation have been identified.

THOMSON FOLD BELT, NSW

PlatSearch now holds 12 tenements in the Thomson Fold Belt covering a total area of approximately 2,500 square kilometres. New detailed aeromagnetic data made available by the NSW Department of Primary Industry is providing the impetus and guidance for area selection. The Company's tenements embrace at least 30 discrete magnetic anomalies that are potential targets for sediment hosted, massive/disseminated silver-lead-zinc deposits (Endeavor-style). Minotaur Exploration has farmed into eight of these tenements and recently commenced a major drilling programme.

Tongo, Yantabangee, Kango, Mt Pleasant, Klondyke, Monolon, Tringadee and Pirillie, NSW – ELs 6630, 6631, 6909, 6668, 6664, 6646, 6850 and 6851, PlatSearch 100%, Minotaur can earn 51%

On 24 October 2007 joint venturer Minotaur commenced a drilling programme on eight prospects with potential for base and precious metals and diamonds. The drill targets have been defined on the basis of ground magnetic work on prospects selected using detailed aeromagnetic data.

Callindary, Laurel, Glendara, Mulga, NSW – ELs 6723, 6721, 6720 and 6766, PlatSearch 100%

Ground magnetic surveys over six selected anomalies (one in each tenement) have been completed. Interpretation of the results indicates that the depth to basement at all sites is within drillable range (less than 300 metres, mostly 150 – 200 metres). An information package has been submitted to Minotaur for their consideration regarding a possible joint venture farm-in.

MT ISA BLOCK, QLD

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

Joint venturer WCP Resources completed infill gravity at Lilleyvale during the June quarter. Results clearly resolve gravity anomalies that are offset from the magnetic anomalies tested by two previous drillholes completed by BHP and PlatSearch, which identified significant mineralised iron-oxide breccia systems.

WCP has secured a suitable rig to drill at least two deep (greater than 700 metres) reverse circulation/diamond holes to test the newly defined gravity anomalies. Drilling is scheduled to commence in early November 2007.

LACHLAN FOLD BELT, NSW

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

During the September quarter joint venturer Bondi Mining completed 5,014 metres of drilling in 88 aircore holes on the Dunmore and Tomingley project areas near Peak Hill in NSW. Drilling at Dunmore was designed to obtain C-horizon geochemical tests on several airborne magnetic anomalies as well as historic geochemical anomalies. At Tomingley two aeromagnetic anomalies and an area of low magnetic response corresponding with a northwest trending lineament were tested.

Assay results have been received for some samples and the remainder are pending. The results to date show some holes with anomalous gold up to 0.548 g/t and moderately anomalous copper up to 611 ppm. Following the receipt of all assay data, Bondi will conduct a full review of the results during the December quarter.

EASTERN IRON PROJECT

During the quarter PlatSearch incorporated a wholly-owned subsidiary **Eastern Iron Limited** to investigate the potential for iron ore in western NSW. This initiative is based on a bold new concept that recognises the existence of very large quantities of shallow, low-grade, easily mineable iron-rich material in the extensive networks of palaeochannels that exist in parts of western NSW. At this stage, field work including drilling is at a very preliminary stage, aimed at obtaining sufficient samples from selected palaeochannels to conduct scoping bench scale metallurgical testwork.

Coolabah West, NSW – EL 6711, PlatSearch 100%

During the quarter, results from a second phase of aircore drilling were received. 33 shallow (9 – 27 metres depth) holes were drilled at the Belah Tank, Gadsbys, Carpenters and Powerline Prospects on EL 6711.

For this project, testwork proceeds in a number of stages. Initially, the bulk iron content of each metre of sample is assayed. Then a process of bench scale magnetic separation is undertaken and these separations are then sent to a laboratory to determine the iron and other element oxides. All bulk iron assays from the second phase of drilling have been received and the results show significant intervals of up to 36.7% iron.

Trial magnetic separation testwork is being conducted on sample material from drillholes on the four channels. Testwork has concentrated on Carpenters channel and is incomplete on the other channels at this stage. All of the material that is currently being sampled and tested is unconsolidated iron-rich gravels that occur from surface to depths of 10 – 25 metres in channels 300 – 500 metres wide and lengths of 5 – 10 kilometres long.

Using only simple bench-scale magnetic separation with no crushing or grinding, the average iron grade from all 50 samples from Carpenters channel was 44.1% Fe (45.9% CaFe)*. Beneficiated samples from other channels are showing grades up to 50.8% Fe (52.5% CaFe). More rigorous and detailed metallurgical testwork is in progress, including ore characterisation studies and crush and grind tests aimed at lowering silica and aluminium contents and increasing the iron content.

Ten additional large exploration licences applied for by PlatSearch in July 2007 to cover further extensive iron-rich palaeochannels have now been offered for grant by the NSW Department of Industry. This will secure PlatSearch's ground position over the majority of the prospective palaeochannels in the Cobar and Lake Cargelligo regions. Specialised processing of aeromagnetic data by PlatSearch combined with field investigations and regolith mapping studies indicate that these licences cover many hundreds of kilometres of prospective, iron-rich palaeochannels.

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

NEW ENGLAND FOLD BELT, NSW

Kempsey and Gundle, NSW – *EL 6813 and ELA 3106, PlatSearch 100%*

Discussions with potential joint venturers are in progress.

WESTERN PLAINS RESOURCES PROJECTS (ASX CODE: WPG)

PlatSearch holds 6.375 million WPG ordinary shares, 1.375 million options exercisable at \$0.25 and 3.475 million options exercisable at \$0.35. At 30 October 2007, WPG shares were trading at \$1.77.

SA Iron Ore Projects

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

The bankable feasibility study for the Peculiar Knob direct shipping iron ore project was completed during the quarter. A summary of the results of the study was released on 24 September 2007. The study shows development of the project on a stand-alone basis is technically feasible and economically viable. The Peculiar Knob mining lease application is progressing through the regulatory process and is expected to be granted in February 2008. Applications for mineral claims at the Buzzard and Kestrel deposits at Hawks Nest have been approved. Mineral claims are an intermediate step towards the grant of a mining lease.

A 5,000 metre drilling programme designed to expand the current DSO mineral resource estimate at Buzzard and to test additional DSO targets at Buzzard East, Buzzard South and Kite South at Hawks Nest commenced recently.

OTHER PROJECTS

There has been no significant work or developments on other projects during the quarter.

BLUESTONE 23 LIMITED

A wholly-owned subsidiary, Bluestone 23 Limited, was incorporated in August 2007 to hold certain of the Company's resource industry investments and to seek other investment opportunities. It is hoped that the current strength of metal prices will continue and will enable the PlatSearch Group to negotiate favourable joint venture deals on its mineral exploration properties with an equity component. Such arrangements were achieved with WPG and Chesser Resources (CHZ). It is intended that a proportion of such equity on a case-by-case basis will reside in Bluestone. Bluestone will actively monitor the Group's investment portfolio. A third of the WPG and CHZ securities will be transferred into Bluestone, subject to ASX escrow restrictions. A third of PlatSearch's equity in Eastern Iron Limited will be owned by Bluestone. The joint venture with Newport mentioned above (Pathfinder) includes an equity component that will be owned by Bluestone.

FINANCIAL

Cash expenditure by PlatSearch on exploration for the quarter was \$174,000. Expenditure by joint venturers on the Company's projects was \$832,000 for the quarter. The Company has no borrowings. Cash funds available at the end of the quarter were \$957,000.

PLATSEARCH NL**Bob Richardson**

Managing Director

The information on mineralisation contained in this report accurately reflects information compiled by R L Richardson, BSc, BE (Hons), MAusIMM, MASEG, Managing Director and a part-time employee of PlatSearch NL, a Competent Person (as defined by the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves), who has relevant experience in relation to such mineralisation and has consented to the inclusion of such information in this announcement.