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Dear Shareholder

The Directors of PlatSearch are pleased to provide this update to you on the key activities that your Company has undertaken over the last 12 months.

Like most ASX listed companies, the last year for PlatSearch has been full of challenges, adjustments and new opportunities as the effect of the Global Financial Crisis echoes through world economies. The GFC has greatly impacted producers and explorers alike with reduced commodity prices and decreased capital availability. Along with other explorers, PlatSearch has witnessed a steep decline in its share price as the value of its investments has decreased in sympathy with market sentiment. However, we believe that this decline in value is relatively short term and that the drivers of higher commodity prices will become apparent as world economies recover.

During 2008-09 your Company has continued to develop, generating new projects, expand its investment interests and attract new external funding into its exploration projects.

Highlights for the year include:

- Further work by Teck Cominco at the Dome 5 prospect, Mundi Plains project, Broken Hill, defined Mississippi Valley Type lead-zinc mineralisation extending over a one kilometre strike length and continues to find encouraging indications at depth for Broken Hill type mineralisation.
- Red Metal has identified some exciting new structural and stratigraphic targets for uranium in the Callabonna and Quinyambie tenements in the Curnamona Province of South Australia. Interpretation of EM surveys has generated new areas for drilling, which is now in progress.
- Silver City Mining Limited, 24% owned by PlatSearch, secured an important joint venture with CBH Resources Ltd over a number of high quality tenements within the Broken Hill region. Silver City now manages exploration licences totaling 1,580 sq km, including a number of base metal targets which have been generated from the more than 115,000 Niton XRF geochemical samples taken by CBH and are now ready to be drilled.
- Exploration activity, including completion of seven new drill holes by Minotaur Exploration Ltd, within the Thomson JV tenements, Thomson Fold Belt, NSW continued to record encouraging results in the search for Cobar style, base and precious metal deposits. PlatSearch and Minotaur have decided to combine all tenements within the region into a new company, Thomson Resources Ltd, which is now securing its own funding and management to more rapidly progress exploration into this prospective region.
- Major drilling programmes and initial metallurgical studies have been completed over a number of shallow palaeochannel iron deposits near Cobar, NSW by Eastern Iron Limited, 45% owned by PlatSearch. Results have been in-line with expectations, with broad zones of iron-rich gravels intersected, which can be upgraded to approximately 50% Fe through simple magnetic separation.
- PlatSearch increased its fully diluted shareholding to around 5% in Chesser Resources Limited, which is exploring for gold in the productive Tethyan Belt of central Turkey. Chesser's most advanced project, Sisorta, is a possible heap-leach, epithermal gold deposit, with excellent potential for expansion.

Of key importance during the year was the substantial increase of PlatSearch's capital base through a successful placement to Mr Kwan Chee Seng and a subsequent rights issue, offered to all shareholders. Total cash now stands at \$4 million, significantly enhancing our capacity to look at new opportunities and further expand the Company's portfolio.

Platsearch is well placed to continue exploration work within its projects and continue the Company's strategy of grass-roots project generation and farm out. In addition, PlatSearch proposes to support its interests in Silver City Mining and in Thomson Resources prior to the IPO of these companies, which are forecast for mid 2010.

We are also planning to expand our project search to include more advanced to brownfields opportunities as we seek to increase the likelihood of discoveries that will accelerate achievement of positive cash flow.

Following his investment in PlatSearch, Mr Kwan joined the PlatSearch Board. This is considered a very positive step in the evolution of the Company, adding substantial commercial acumen and the capacity to tap into the south-east Asian markets for capital should PlatSearch identify and secure a major new investment in the resources sector.



Also during the year our long standing Managing Director, Bob Richardson elected to move to a Non-Executive Board position and the Chairman, Ray Soper retired from the Board. Both were founding members of PlatSearch from listing the Company on the ASX in 1987, have been instrumental in building the Company. It is with sincere gratitude that we thank them for their efforts and wise management over the last 21 years.

I joined the board as Chairman in December, 2008 and our CEO, Greg Jones was appointed Managing Director in April this year. Together with the expanded board, we hope to continue to build PlatSearch, in maintaining the Company's project generation pipeline, seeking its first significant discovery and/or acquiring a major new 'brownfields' asset.

I look forward to you joining us in this journey and thank you for your continued support in our endeavours.

Pat Elliott

Chairman



CURNAMONA PROVINCE

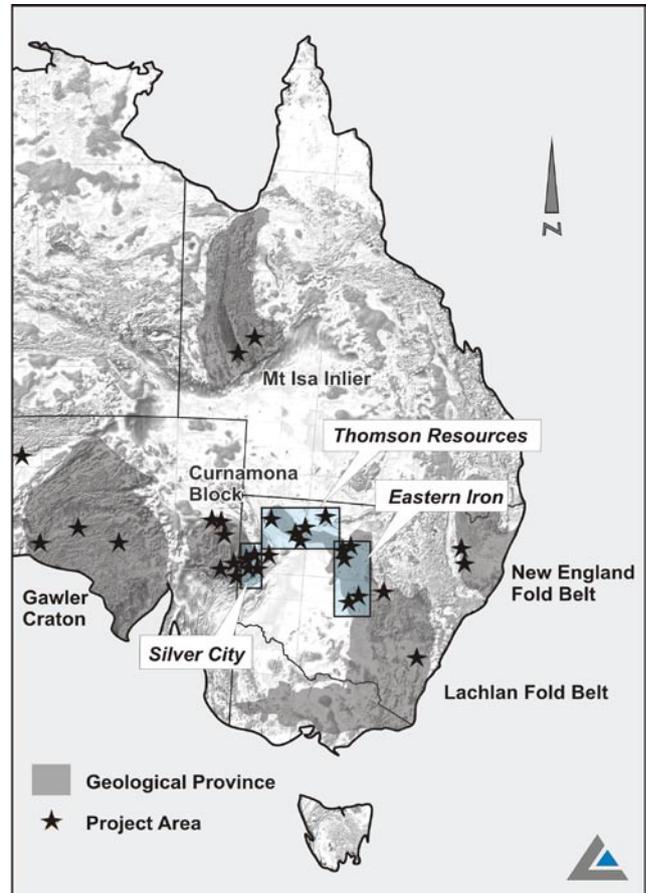


The Curnamona Province, in western NSW is recognised as one of Australia's pre-eminent target regions for copper, gold, zinc, lead, silver and uranium deposits. PlatSearch has a number of quality projects in this region as well as a significant interest in Silver City Mining Limited, which now controls one of the largest ground holdings of any company within the region surrounding the Broken Hill mine.

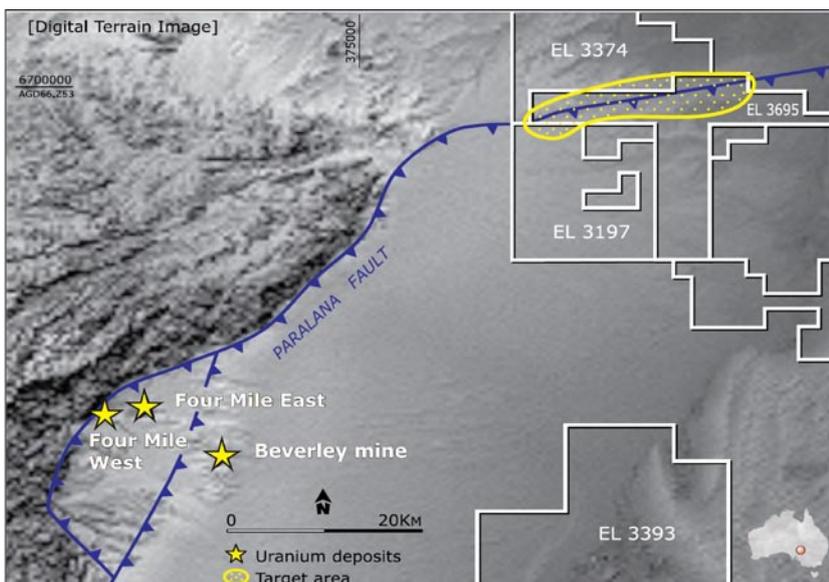
PlatSearch's key Curnamona projects include **Callabonna** and **Quinyambie** at the northern margin of the province. Joint venturer Red Metal Limited is exploring for roll-front type uranium deposits hosted in Tertiary sedimentary sequences within the productive Frome Sub-Basin which contains the Beverley uranium mining operations and the Four Mile deposits.

Processing and interpretation of new, high resolution airborne electro-magnetic data (REPTM) has successfully mapped stratigraphy and a number of distinctive and previously unrecognised faults interpreted to play an important role in the localisation of prospective sand sequences and uranium mineralisation in the district. These represent exciting new targets in a proven uranium terrain and will be the focus of an extensive drill programme which has now commenced.

At the **Kalabity** project, joint venturer Crossland Uranium Mines Limited has identified a substantial area of elevated uranium values up to 235ppm as well as anomalous copper up to 2.67%, cobalt up to 1,460ppm and nickel up to 700ppm at the Tabita prospect. Further work is planned including follow-up drilling.



PlatSearch Project Locations



Callabonna-Quinyambie Project: projected position of Parolana Fault and key uranium targets

Base metal exploration within the Curnamona region has been similarly encouraging, particularly at **Mundi Plains** (EL 6404), located in NSW, 55 kilometres northwest of Broken Hill, where drilling by Teck Cominco Australia Pty Ltd at the Dome Five prospect continued to intersect narrow intervals of high grade lead-zinc-silver mineralisation. A five hole programme was completed targeting Mississippi Valley Type (MVT) lead-zinc-silver mineralisation in the Adelaidean cover sequence (DF4, DF 5, DF6, DF7 and DF8), with two of these holes (DF5 and DF8) also testing for deeper Broken Hill Type (BHT) lead-zinc-silver mineralisation in the basement Willyama Complex.

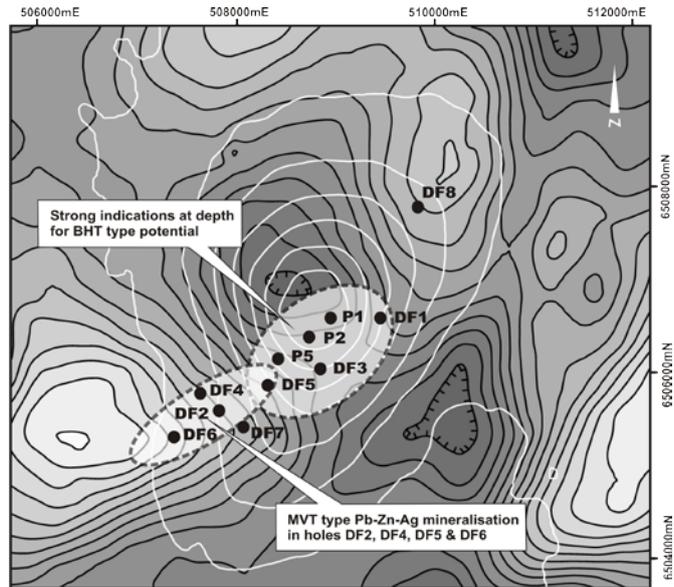


Holes DF5 and DF6 intersected narrow intervals of high-grade MVT lead-zinc-silver mineralisation within a carbonate and fluorite-bearing, stratabound replacement zone similar to that identified in earlier drilling. The best interval recorded in the current work was 0.8 metres at 4.9% Pb, 19.2% Zn and 83 g/t Ag in hole DF6, similar to that intersected in DF2 (0.7 metres at 3.1% Pb, 20.5% Zn and 60 g/t Ag). Mineralisation has now been defined within a northeast trending corridor over a strike length of more than one kilometre.

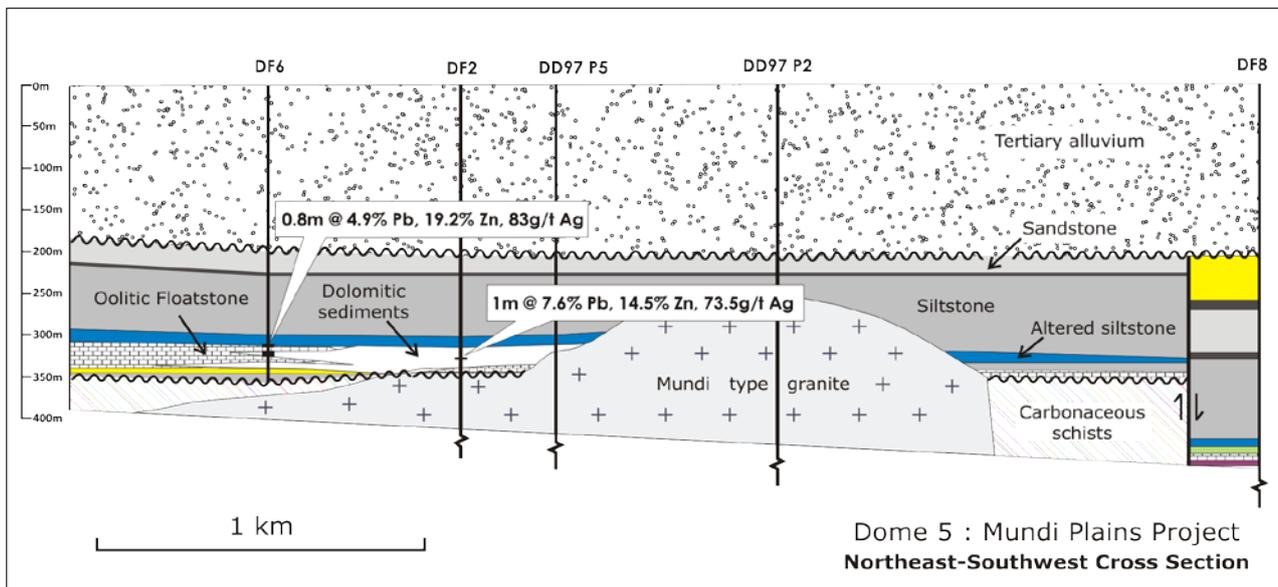
The continued intersection of high grade MVT lead-zinc-silver mineralisation is encouraging, particularly given that the drilling completed to date is relatively wide spaced and the mineralisation is “open” in several directions.

Teck has completed joint venture expenditures of approximately \$2.7 million and has earned a 51% interest in EL 6404, Mundi Plains. Teck can increase its interest to 80% by completing total joint venture expenditures of \$4 million.

At the adjoining **Junction Dam** tenement (EL 3328) in South Australia, a recently released SA Government geological interpretation has outlined the palaeochannel system that hosts the Honeymoon uranium deposit to the west. The Junction Dam tenement covers approximately 12 km of the palaeochannel prospective for “sandstone-hosted” uranium mineralisation. Teck has elected to discontinue sole-funding the Junction Dam tenement, and a Joint Venture was formed with Teck having earned a 51% interest. However, the current JV partners have recently secured a new partner to explore the uranium potential within the palaeochannel, with an agreement signed with Marmota Energy Limited in early-September, whereby Marmota Energy may spend \$600,000 to earn a 51% interest in the uranium rights of the tenement.



Mundi Plains – Dome 5: Plan view of magnetics over gravity contours with drill collars



Mundi Plains – Dome 5 prospect: Cross section through MVT prospect showing drill intercepts within Adelaidean carbonate sequences draped over older Proterozoic schists and granite



SILVER CITY MINING LIMITED

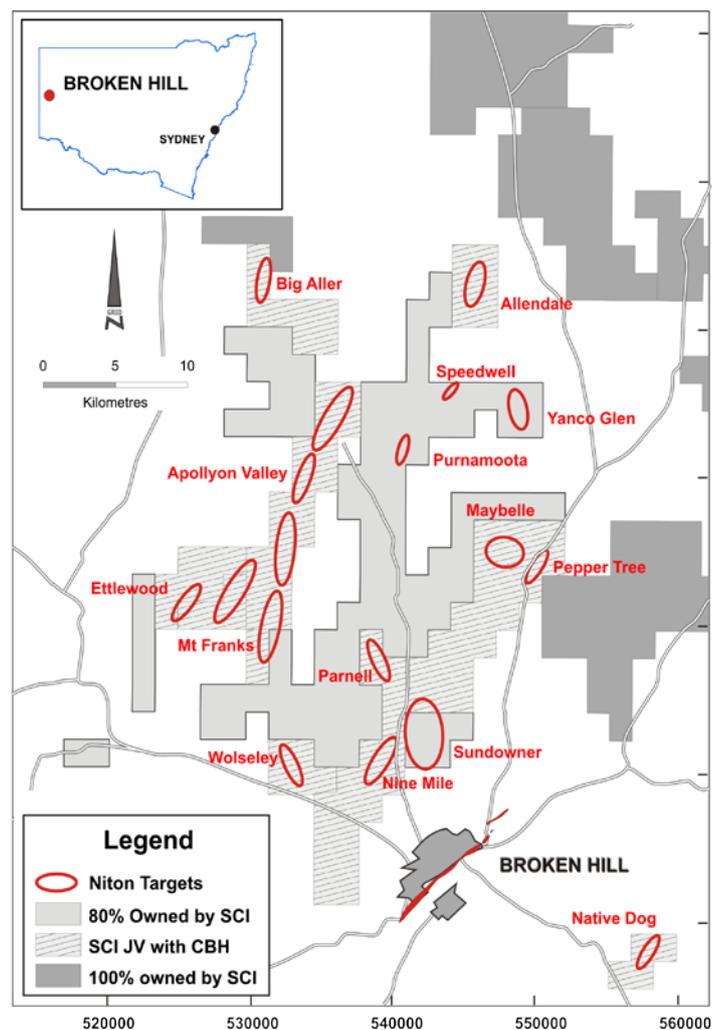


PlatSearch has a significant stake (24.2% as of September 2009) in **Silver City Mining Limited (SCI)**, formed in mid 2008 to explore for Broken Hill (BHT) and sedex type base metal and iron-oxide associated copper-gold (IOCG) deposits in the Broken Hill district of NSW. During 2008 Silver City raised \$1.34 million to fund its exploration and to prepare for a planned future listing on the ASX, assembled a very experienced management group to progress its work and is now finalising a second pre-IPO fund raising of \$2 million.

During the year the Company made significant progress in its evaluation and initial exploration of its Broken Hill tenements including:

- Field checking, mapping and rock chip sampling at a number of prospect areas including Maybelle, Anomaly Hill, Corona, Chloe and others;
- Data compilation and assessment work throughout the entire tenement block – ranking and prioritisation of key targets and design of exploration programmes; and
- Completion of a helicopter-borne gravity survey over the southern half of the Nightrider tenement near PlatSearch's Dome 5 project.

In early 2009 Silver City negotiated a joint venture with CBH Resources Limited to earn up to a 65% interest in a number of its exploration tenements close to the historic mining centre of Broken Hill. The new joint venture tenements cover



approximately 376 square kilometres over some of the most prospective parts of the Broken Hill block where earlier mapping and exploration defined host rocks favourable for BHT lead-zinc-silver deposits.

Over the past three years CBH completed an extensive (>115,000 sample points) geochemical programme over the majority of the joint venture tenements using a hand held XRF device (Niton) to define and map base metal anomalism within weathered outcrop. This exploration technology has provided a valuable first-pass filter and targeting method, defining many strong multi-element geochemical anomalies including the 22 kilometre long Apollyon Valley trend as well as a number of smaller but strong, discrete anomalies such as at Allendale, Nine Mile and Native Dog. A number of these anomalies represent new exploration targets, not previously well defined or drill tested.

Silver City is currently collating and assessing the available data and has commenced field checking the prospects. In the near term, the company plans to commence mapping, infill geochemical sampling and drill testing of the highest ranked targets.

The combined joint venture tenement package will give Silver City a dominant tenement position in the Broken Hill district (1,580 square kilometres), home of the world's largest silver-lead-zinc deposit.

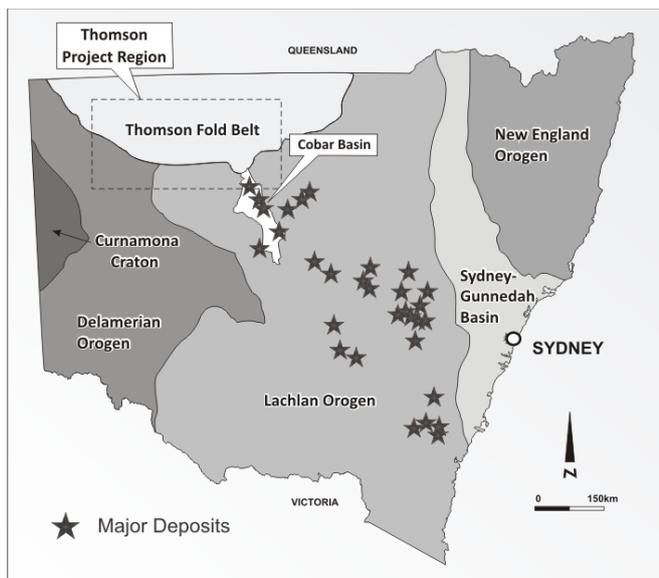
Silver City: Tenements and key Niton geochemical targets within Broken Hill region



THOMSON FOLD BELT



Over the last three years PlatSearch has secured a large area (13 ELs covering 2,861 square kilometres) of high quality exploration tenements within the Thomson Fold Belt in the northwest of NSW. The Thomson contains rock sequences which are interpreted to be the covered northern extension of the Siluro-Devonian Cobar basin, a major metallogenic region within the Lachlan Orogen which hosts a number of large, high-grade base and precious metal deposits.



Thomson Resources: Key geological terrains of NSW and major mineral deposits within the Lachlan Orogen

Some of the bigger deposits, such as the world-class Elura deposit (+50Mt at >12% Zn+Pb, Ag) contain pyrrhotite, an iron sulphide which is often magnetic. This results in a weak magnetic expression which can be identified in magnetic surveys. PlatSearch has used this knowledge when assessing recent government aeromagnetic data to apply for a number of exploration licences over areas which contain subtle 'bulls-eye' magnetic features similar to what might be expected over buried Cobar-style base metal deposits.

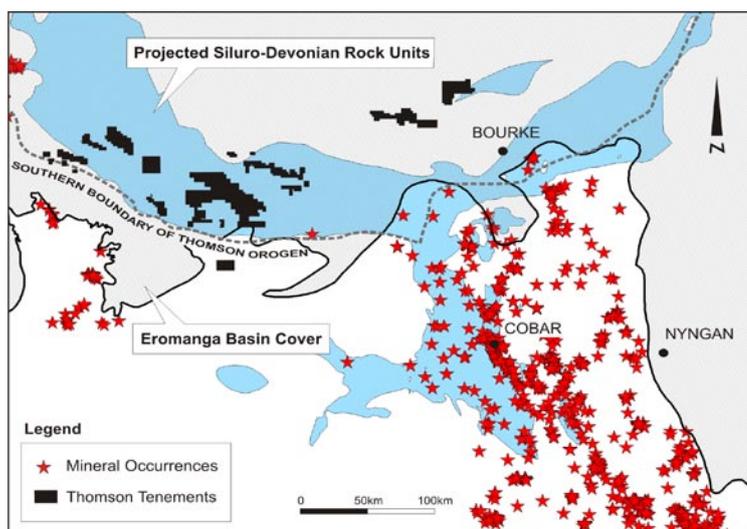
In 2007 PlatSearch signed the first of seven joint ventures with Minotaur Exploration Ltd to explore selected properties where Minotaur can earn an initial 51% participating interest in each by the expenditure of \$1 million and up to 80% for an additional \$1 million. To date, Minotaur has completed additional geophysics and drilled nine rotary/core holes on seven prospects, for expenditure in excess of \$1.3 million.

Results from this work have been highly encouraging with drilling intersecting favourable host rocks at relatively shallow depths and zones of Cobar deposit

style rock alteration. Four holes (at F3, F14, F16 and F17 prospects) intersected iron sulphides, including disseminated and vein pyrrhotite, potentially indicative of the existence of base-metal sulphide mineralisation in proximity to the drilling. The drilling also defined narrow intervals of encouraging elevated geochemistry including high silver (up to 70.5 g/t Ag) and tungsten (up to 890ppm W), arsenic (up to 3,570ppm As) and zinc (up to 2,400ppm Zn) within the basement rocks, signifying that metalliferous, hydrothermal systems required to form ore deposits have been operative in the area.

The joint venture has defined more than 30 targets worthy of drilling and PlatSearch considers that the Thomson can be expected to generate new mineral discoveries provided sufficient, long-term, well-targeted exploration funding is focused into the region.

PlatSearch and Minotaur are in the process of transferring all joint venture tenements and their 100% owned tenements into a new entity, **Thomson Resources Ltd (TMO)** in return for shares in Thomson and to seek new funding to help fast track exploration. Initial funding for Thomson of up to \$3 million is expected to be obtained by October 2009 and to progress towards an IPO, planned for mid 2010. Importantly, PlatSearch will maintain a significant ownership level in TMO.



Thomson tenements and projection of Cobar sediments. Mineral occurrences are numerous to southeast of younger Eromanga basin cover. Exploration below cover is expected to define additional occurrences and possibly significant deposits.



LACHLAN FOLD BELT



In central and eastern NSW PlatSearch maintains active exploration searching for base, precious metal and tin deposits within the Lachlan Fold Belt, one of Australia's most important metallogenic regions.

At **Tinman**, located to the south of one of Australia's larger previous tin producers, the Ardlethan Mine, PlatSearch identified an extensive network of palaeochannels near Bald Hill with a strong magnetic signature, where it interpreted that alluvial tin may have been deposited from the nearby granite-hosted, hard-rock deposits. Previous explorers (Shell, Aberfoyle) conducted extensive RAB drilling and encountered anomalous tin (up to 0.4% Sn) close to the "headwaters" of these palaeochannels, but did not test downstream. PlatSearch completed a short (401 metres) shallow aircore programme to test the channels for their tin and iron contents. Assay results received have indicated low tin, but strong intervals of iron-rich maghemite. Work to assess the significance of the maghemite intersections is in progress.

Elsewhere within the Lachlan Fold Belt, the **Dunmore** and **Tomingley** projects areas near Peak Hill are considered prospective for porphyry style gold-copper mineralisation such as exists at the nearby Northparkes copper-gold mines. Anomalous copper and gold assay results have been returned from a number of relatively wide spaced aircore holes testing aeromagnetic anomalies in both tenements and PlatSearch is now seeking a joint venture partner to progress new exploration.

NEW ENGLAND FOLD BELT



PlatSearch holds two high quality tenements near Kempsey, NSW, within a northwest oriented belt of I-type granite intrusives, known elsewhere for their association with intrusive-related gold deposits and molybdenum and tin mineralisation.

The **Kempsey** tenement covers an area of extensive previous exploration by BHP and CRA, with the CRA work outlining a large body of low grade tin mineralisation. PlatSearch's data compilation reveals an extensive, semi-circular complex of gold, copper, tin and zinc mineralisation within Permian sediments, volcanics and high level intrusives. The prospect shows clear evidence for potential intrusive-related gold or porphyry style copper-gold systems, including a coherent gold-in-soil anomaly (>0.1 g/t Au) with dimensions of 1,000 x 500 metres. All previous drilling has been relatively shallow and a number of holes ended in significant gold mineralisation including 88 metres at 0.4 g/t Au.

Recently, mapping and sampling work over some of the key prospect areas such as Mt Jacob commenced with results being compiled and assessed.

Gundle is located approximately 25 kilometres south-east of the Kempsey Project and has similar geology but is less explored. Minor occurrences of tin, tungsten, copper and silver exist but there has been little previous exploration or drilling. PlatSearch plans to commence field work shortly.

Bedrock

Application has been made for a new tenement located in south-central NSW, between Cowra and West Wyalong. Research by PlatSearch outlined an elongate magnetic anomaly within an area of old small scale gold mining with mineralisation associated with stockworks and quartz veins within sediments. Previous exploration intersected anomalous gold values along strike with the conceptual model for possible gold (or copper – gold) deposits associated with intrusives (possibly the magnetic high). Work proposed once the tenement is granted includes mapping and sampling and follow-up ground magnetics prior to drilling.



PlatSearch has significant investments in four listed resource companies: Western Plains Resources Ltd, Eastern Iron Limited, Chesser Resources Limited and Newport Mining Limited. Some of these investments are held by PlatSearch's wholly owned subsidiary Bluestone 23 Limited.

Western Plains Resources Ltd

Western Plains Resources Ltd (ASX Code: WPG) is a company with significant, advanced iron ore interests in South Australia. WPG's key assets include shallow, high grade, DSO hematite iron deposits at Peculiar Knob and Hawks Nest as well as large, open pittable magnetite deposits at Hawks Nest and Kestrel (refer to the website at www.westernplainsresources.com.au and ASX releases for JORC reserves, resources and for full details). Over the past few years WPG has successfully explored and expanded these resources and generated a positive feasibility study on the mining of the DSO deposits for export. Recently Western Plains has focussed on securing a port facility to enable production to commence and obtaining approvals for the proposed mine site facilities which are located within the Woomera Prohibited Area test corridor.

In June 2009 Western Plains executed agreements with Wugang Australian Resources Investment Pty Ltd, a subsidiary of Wuhan Iron & Steel (Group) Co (WISCO), under which WPG and WISCO will form a 50:50 joint venture to complete a feasibility study and, if positive, develop one or more of the six known magnetite deposits within the Hawks Nest tenements. The agreements, subject to a number of conditions including approval by Australian and Chinese Government agencies, will result in WISCO taking a 15% shareholding in Western Plains and investing up to \$45M to earn 50% of the magnetite project.

In June Western Plains completed a private share placement that raised \$5.6 million and a non-renounceable rights issue that raised \$1.95 million. PlatSearch participated in both the placement and rights issue for a total investment of \$479,000 to maintain a 7.9% interest in Western Plains.

As of September 2009 Platsearch holds 7.95 million ordinary shares or 8% of WPG, plus 1.375 million options exercisable at \$0.237 and 3.475 million options exercisable at \$0.337 (expiry date 28 September 2009).

Eastern Iron Limited

Eastern Iron Limited (ASX Code: EFE) listed on the ASX in May 2008 to investigate the potential for iron ore production from the very large quantities of shallow, low grade, easily extractable iron-rich material that exists in the extensive networks of palaeochannels in western NSW. To date Eastern Iron has completed substantial drilling (553 holes) on 28 prospect areas recording numerous intersections of iron-rich gravels within extensive palaeochannels. Initial metallurgical tests indicate that the gravels grading 15-20% iron in the ground can be upgraded to a concentrate of around 50% iron, but with high alumina levels, by a single pass through a low cost magnetic separator.

The company is now progressing resource estimation work and a scoping study to determine the potential broad operating and capital requirements for the project and is in discussions with a number of a number of groups to determine joint venture interest in the properties.

PlatSearch holds 21,000,000 ordinary EFE shares (approximately 45% of EFE), 10,500,000 options (exercise price 12 cents and expiry date of 19 December 2010) and 5,000,000 options (exercise price 35 cents and expiry date of 19 December 2012). In addition to this shareholding, PlatSearch also holds a 20% joint venture interest in 15 of the tenements that Eastern Iron is exploring for iron ore, free-carried until the completion of a favourable feasibility study, from which PlatSearch will then contribute or convert to a 2% NSR royalty interest.



Other Investments

PlatSearch also holds shares and 2 million options in Chesser Resources (ASX Code: CHZ) and 1,750,000 shares and 1 million options in Newport Mining (ASX Code: NMN). Newport is in an exploration joint venture with PlatSearch over its Pathfinder project, west Gawler Craton, SA whilst Chesser is exploring the fertile Tethyan Belt of central Turkey for gold.

Chesser's most advanced project Sisorta is a possible heap-leach, epithermal gold deposit, with excellent potential for expansion. Chesser has recently raised \$2 million to progress its exploration work and PlatSearch participated in the placement by investing \$100,000 at 8 cents to increase its shareholding from 500,000 to 1,750,000 shares.

Greg Jones
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Gregory Jones, BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. Mr Jones is Managing Director and a full time employee of PlatSearch NL. Mr Jones 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". Mr Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

SUMMARY OF JOINT VENTURES

as at 25 September 2009



Apollyon Valley EL 6475, Big Aller EL 6147, Mt Robe EL 5646, Yanco Glen EL 5764, Copper King EL 5919 and Stephens-Centennial EL 6132, NSW

Under an agreement with Silver City Mining Limited and CBH Resources, PlatSearch has converted its interest in these tenements to a NSR (Net Smelter Return) royalty. Endeavour Minerals has a 1.5% NSR on any discovery in a small area of EL 6132.

Black Hill EL 3281, Toolgerie EL 3216 and Yalata EL 3280, SA

PlatSearch 80% and Bohuon Resources 20%. Newport Mining can earn 60% by spending \$1.5 million within four years. PlatSearch/Bohuon can then participate with their 40% interest, or reduce to a 20% interest free carried to completion of a favourable bankable feasibility study (BFS) and decision to mine. At the completion of a BFS and decision to mine PlatSearch/Bohuon can elect to either participate in further expenditure in proportion to their interests or convert their participating interest to a NSR royalty.

Callabonna EL 3695, SA

PlatSearch 100%. Red Metal can earn a 70% interest by spending \$3 million within three years. PlatSearch then can contribute with 30% or reduce to a 15% interest, carried to completion of a BFS and repayable from PlatSearch's share of net proceeds of mine production.

Coondambo EL 3593, SA

PlatSearch 50% and Marathon Resources 50%. Marathon can earn 80% by spending \$1 million within four years. PlatSearch can contribute with 20% or reduce to a 10% interest, carried to completion of a BFS and then participate or convert to a NSR royalty.

Dunmore EL 6473 and Tomingley EL 6474, NSW

PlatSearch 90% and RobertsConsulting 10%.

Eastern Iron Projects ELs 6706, 6710, 6711, 6671, 6672, 6952-6954 and 6956-6962, NSW

PlatSearch 20% and Eastern Iron 80%. Eastern Iron can maintain an 80% interest by completing expenditure of \$2 million within four years. PlatSearch has a 20% interest, free-carried to completion of a favourable BFS and decision to mine. At the completion of a BFS and decision to mine PlatSearch can either participate in further expenditure in proportion to its interest or convert its participating interest to a NSR royalty.

Frome EL 3019, SA

PlatSearch 10%, Allender 10% and Newcrest 80%. PlatSearch has elected to maintain a 10% interest

carried via a non-recourse loan up to a decision to mine stage. At decision to mine PlatSearch can elect either to participate or convert its interest to a NSR royalty.

Hillston EL 6363, NSW

PlatSearch 80% and Eaglehawk 20%. Perilya can earn an 80% interest in this tenement by completing expenditure of \$1.5 million within four years. PlatSearch and Eaglehawk can then each participate with their respective interests of 16% and 4% or convert to a 10% and 2.5% free-carried interest to completion of a BFS. On completion of a BFS, PlatSearch and Eaglehawk can participate or convert their interests to a NSR royalty.

Hollis Tank EL 5765, NSW

PlatSearch 80% and Eaglehawk 20%.

Junction Dam EL 3328, SA

PlatSearch 39.2%, Teck 51% and Eaglehawk 9.8%.

Kalabity EL 3297, SA

PlatSearch 80% and Eaglehawk 20%. Crossland Uranium Mines can earn a 60% interest by spending \$500,000 within three years. The parties then will contribute to expenditure on a pro-rata basis or PlatSearch/Eaglehawk may elect to dilute to a 20% interest, free-carried to a BFS. In the event of a BFS, PlatSearch/Eaglehawk may either contribute pro-rata to development or dilute to a NSR royalty.

Klongobangee ELs 6630, 6631 and 6664, NSW

PlatSearch 100%. Minotaur Exploration may earn a 51% interest by spending \$1 million within three years. Minotaur can increase its interest to 80% by spending a further \$1 million within the following two years at which stage PlatSearch will have a 20% interest, free-carried to completion of a BFS. On completion of a BFS PlatSearch can participate with its 20% interest or dilute to a NSR royalty. Interest in tenements sold to Thomson Resources Ltd since 30 June 2009.

Lauraglen ELs 6721 and 6720, NSW

PlatSearch 100%. Minotaur Exploration may earn a 51% interest by spending \$1 million within three years. Minotaur can increase its interest to 80% by spending a further \$1 million within the following two years at which stage PlatSearch will have a 20% interest, free-carried to completion of a BFS. On completion of a BFS PlatSearch can participate with its 20% interest or dilute to a NSR royalty. Interest in tenements sold to Thomson Resources Ltd since 30 June 2009.

**Mt Pleasant EL 6668, Monolon EL 6646 and Kanga EL 6909, NSW**

PlatSearch 100%. Minotaur Exploration may earn a 51% interest by spending \$1 million on each of the above three licences within three years. Minotaur can elect to increase its interest to 80% by spending a further \$1 million within the following two years when PlatSearch will have a 20% interest, free-carried to completion of a BFS. On completion of a BFS PlatSearch can participate in the mining project with its 20% interest or dilute to a NSR royalty. Interest in tenements sold to Thomson Resources Ltd since 30 June 2009.

Mundi Mundi EL 4657, Interceptor EL 6863 and Humungus EL 6864, Euriowie EL 7319, Zetta EL 7181, Ironbar EL 7203 and Nightrider EL 7228, NSW and Mulyungarie EL 3478, SA

Under a sale agreement with Silver City Mining Limited (SCI) SCI must meet expenditure commitments and list on the ASX prior to 30 June 2010 or hand back the tenements to PlatSearch 100% (in the case of EL 7319, EL 3478 and 7203, 80% PlatSearch and 20% Eaglehawk). The consideration paid by SCI was a combination of ordinary shares, options and converting performance shares which may convert to ordinary SCI shares if certain conditions are met.

Mundi Plains EL 6404, NSW

PlatSearch 49% and Teck Cominco Australia 51%. Teck Cominco can increase its interest to 80% by spending a further \$2 million when PlatSearch can participate with a 20% interest or dilute to a NSR royalty.

Officer Basin Project, ELAs 2007/246-247 and 2007/286-287 SA

PlatSearch 50% and Crossland Uranium Mines 50%.

Poverty Lake EL 3831, SA

PlatSearch 10%, Allender 5%, Hosking 5% and Newcrest 80%. PlatSearch has elected to maintain a 10% interest carried via a non-recourse loan up to a decision to mine stage. At decision to mine PlatSearch can elect either to participate or convert its interest to a NSR royalty.

Quinyambie EL 3197, SA

PlatSearch 52.6% and Allender, Kennedy, Aurelius Resources, Hosking and Houldsworth (collectively Dolores Group 47.4%). Red Metal can earn 70% by spending \$3 million. PlatSearch can contribute with 15% or reduce to a 7.5% interest, carried to completion of a BFS and repayable from PlatSearch's share of net proceeds of mine production.

Tringadee EL 6850 and Pirillie EL 6851, NSW

PlatSearch 100%. Minotaur Exploration may earn a 51% interest by spending \$1 million within three years. Minotaur can increase its interest to 80% by spending a further \$1 million within the following two years at which stage PlatSearch will have a 20% interest, free-carried to completion of a BFS. On completion of a BFS PlatSearch can participate with its 20% interest or dilute to a NSR royalty. Interest in tenements sold to Thomson Resources Ltd since 30 June 2009.

Trundle EL 4512, NSW

PlatSearch holds a NSR royalty interest.

Woodlawn South ELs 5652, 6611 and 6551, NSW

PlatSearch holds a NSR royalty interest.

SCHEDULE OF TENEMENTS

as at 25 September 2009



Tenement	Tenement Number	Interest	Joint Venture Details
NEW SOUTH WALES			
Broken Hill			
Mundi Mundi and Euriowie	EL 4657 and 7319	0%	Note 5
Mundi Plains	EL 6404	49%	Teck 51%, can earn 80%
Stephens-Centennial	EL 6132	0%	Note 1 and Note 5
Hollis Tank	EL 5765	80%	Eaglehawk 20%
Hillston	EL 6363	80%	Perilya can earn 80%, Eaglehawk 20%
Yanco Glen, Copper King, Apollyon Valley, Big Aller and Mt Robe	ELs 5764, 5919, 6475, 6147 and 5646	0%	Note 5
Tongo, Yantabangee, Klondyke, Mt Pleasant, Monolon, Kanga, Tringadee, Pirillie, Laurel and Glendara	ELs 6630, 6631, 6664, 6668, 6646 6909, 6850, 6851, 6721 and 6720	0%	Note 6
Callindary, Mulga and Cathedral	ELs 6723, 6766 and 7265	0%	Note 7
Interceptor and Humungus	ELs 6863 and 6864	0%	Note 5
Zetta, Iron Bar and Nightrider	ELs 7181, 7203 and 7228	0%	Note 5
Paradise	ELA 3755	100%	-
Cobar			
Eastern Iron Projects	ELs 6706, 6710-6711, 6671, 6672, 6952-6954 and 6956-6962	20%	Note 4
Lachlan Fold Belt			
Woodlawn South	ELs 5652, 6611 and 6551	0%	Royalty interest only
Trundle	EL 4512	0%	Royalty interest only
Dunmore and Tomingley	ELs 6473 and 6474	90%	RobertsConsulting 10%
Tinman	EL 7076	100%	-
Bedrock	ELA 3696	100%	-
New England Fold Belt			
Kempsey Porphyry and Gundle	EL 6813 and 6932	100%	-
QUEENSLAND			
Horse Creek	EPM 13304	100%	-
Lilleyvale	EPM 12115	100%	-
SOUTH AUSTRALIA			
Mirikata	EL 3537	100%	-
Callabonna	EL 3695	100%	Red Metal can earn 70%
Kalabity	EL 3297	80%	Crossland can earn 60%, Eaglehawk 20%
Mulyungarie	EL 3478	0%	Note 5
Junction Dam	EL 3328	39.2%	Teck can earn 51%, Eaglehawk 9.8%
Quinyambie	EL 4289	52.6%	Red Metal can earn 70%, Note 2
Coondambo	EL 3593	50%	Marathon Resources 50%
Poverty Lake (Benagerie JV)	EL 3831	10%	Newcrest 80%, Allender 5% and Hosking 5%
Frome (Benagerie JV)	EL 3952	10%	Newcrest 80%, Allender 10%
Wynbring	EL 3234	100%	-
Toolgerie, Black Hill and Yalata (Pathfinder)	ELs 3216, 3281 and 3280	80%	Newport can earn 60%, Bohoun Resources 20%
Officer Basin Project	ELAs 2007/246-247 and 2007/286-287	50%	Crossland 50%

EL = Exploration Licence ELA = Exploration Licence Application EPM = Exploration Permit for Minerals

Note 1: Triako 40%, Eaglehawk 12%, Endeavour Minerals 1.5% NSR in 4 units of EL.

Note 2: Dolores Group 47.4% (Allender, Kennedy, Aurelius Resources, Hosking and Houldsworth).

Note 3: Western Plains Resources Ltd is currently owned 8.26% by PlatSearch and PlatSearch holds options in WPG.

Note 4: Eastern Iron Limited is currently owned 45.65% by PlatSearch and PlatSearch holds options in EFE.

Note 5: These tenements are subject to agreements with Silver City Mining Limited whereby Silver City must meet expenditure commitments within various time frames.

Note 6: Minotaur and PlatSearch have agreed to transfer these tenements to Thomson Resources Ltd subsequent to 30 June 2009.

Note 7: PlatSearch has agreed to transfer these tenements to Thomson Resources Ltd subsequent to 30 June 2009.



The Directors present their report on the consolidated entity (the Group) consisting of PlatSearch NL (PlatSearch) and the entities it controlled at the end of, or during, the year ended 30 June 2009.

Directors

The following persons hold office as Directors at the date of this report and throughout the financial year or as indicated. Their qualifications and experience are:

Patrick J D Elliott, BCom, MBA, CPA, Chairman

Patrick was appointed a Director of the Company on 22 December 2008 and is a company director specialising in the resources sector with 35 years experience in investment and corporate management. His early career was at Consolidated Gold Fields Australia Limited and covered investment analysis and management, minerals marketing (copper, tin, rutile and zircon). In 1979 he went into investment banking and became Head of Corporate Finance for Morgan Grenfell Australia Limited in 1982. Patrick subsequently became Managing Director of Natcorp Investments Ltd in 1986 which owned a number of manufacturing businesses. After its takeover he became an active early stage venture capital investor with an emphasis on resources.

Patrick is Chairman of Argonaut Resources NL, Australia Oriental Minerals NL, and MIL Resources Ltd, the latter company in which he is also the managing director. He is also a director of Crossland Uranium Mines Limited, Global Geoscience Limited and a number of privately owned companies.

Gregory F P Jones, BSc (Hons 1) (UTS), MAusIMM, Managing Director

Greg was appointed Chief Executive Officer of the Company on 1 January 2009 and Managing Director from 20 April 2009. He is a geologist with 30 years of exploration and operational experience gained in a broad range of metalliferous commodities both within Australia and overseas. Greg has held senior positions in a number of resource companies including Western Mining Corporation and Sino Gold Mining Limited and his experience spans the spectrum of exploration activity from grass-roots exploration through to resource definition and new project generation, as well as mine geology, ore resource/reserve generation and new mine development.

Greg was awarded the Institute Medal for academic excellence whilst at university and is credited with several economic discoveries including the Blair nickel and the Orion gold deposits in Western Australia. He is a director of Eastern Iron Limited and PlatSearch NL's associated companies Silver City Mining Limited and Thomson Resources Ltd.

Robert J Waring, BEc (Sydney), CA, FCIS, FFin, MAusIMM, FAICD, Executive Director and Company Secretary

Company Secretary since 1990. His experience has been gained over 37 years in financial and corporate roles including 19 years in company secretarial roles for ASX listed companies and 15 years as a Director of PlatSearch. Robert has had 28 years experience in the mining industry and prior to that nine years with an international firm of chartered accountants. He is a director of Spencer Hamilton Limited, a group which provides secretarial and corporate advisory services to a range of listed and unlisted companies.

Kwan Chee Seng, Non-Executive Director

Chee Seng was appointed a Director of the Company on 17 February 2009. Chee Seng has investments in the renewable sustainable energy, base metal resources and the biotechnology businesses. He has extensive experience in senior management and in business. He is a Non-Executive Director and a major shareholder of Singapore listed Van der Horst Energy Limited and Novena Holdings Limited. Kantilal Champaklal became an alternate director for Chee Seng from 9 March 2009.

Bob Richardson, BSc (Sydney), BE (Hons) (Sydney), MAusIMM, MASEG, Non-Executive Director

Bob has 44 years experience in mineral exploration management, geophysics and exploration technology. His career includes 17 years with the Peko-Wallsend Group as Chief Geophysicist and Exploration Manager. He was a founder in 1976 and Managing Director of Austirex Aerial Surveys that became a major international airborne geophysical contractor. He was a co-founder and Managing Director of Lachlan Resources NL in 1983 and PlatSearch in 1987. He is currently a non-executive Director of Western Plains Resources Ltd, Silver City Mining Limited and Crossland Uranium Mines Limited. He retired as a non-executive Director of Eastern Iron Limited on 11 August 2009. Mr Richardson was Managing Director until his resignation on 31 December 2008. He remains a Non-Executive Director and consultant to the Company.



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

Ray Soper was the Company's Chairman until his retirement as a Director on 31 December 2008.

Directors' Interests in Shares and Options

Directors' interests in shares and options as at 30 June 2009 are set out in Note 22 to the financial statements. There have been no changes in the Directors' interests in shares and options since that date, other than the purchase of an additional 26,195,667 ordinary shares by Directors in July 2009 under the Rights Issue as follows:

P J D Elliott 1,069,248 (\$53,462), G F P Jones 295,862 (\$14,793), R J Waring 615,393 (\$30,770), C S Kwan 22,692,091 (\$1,134,605) and R L Richardson 1,523,073 (\$76,154).

Activities

The principal continuing activity of the consolidated entity is the exploration for economic base metals, iron ore, gold and heavy minerals.

Results

The net result of operations of the consolidated entity after applicable income tax benefit was a loss of \$5,698,064 (2008 profit - \$2,236,329) which includes the write-off of exploration expenditure during the year of \$96,730 (2008 - \$121,339).

Dividends

No dividends were paid or proposed during the year.

Review of Operations

A review of the operations of the Group during the financial year and the results of those operations are contained in pages 3 to 10 in this report.

Corporate Structure

PlatSearch NL is a no liability company that is incorporated and domiciled in Australia. In August 2007 a wholly owned subsidiary, Bluestone 23 Limited, was incorporated. Eastern Iron Limited was a wholly owned subsidiary from the date of incorporation in July 2007 until May 2008 when shares were issued in connection with its Australian Securities Exchange Initial Public Offering (IPO) and PlatSearch's interest was diluted to 45.65%.

Employees

The Company had three employees, G F P Jones, P M Buckley and G P MacRae, as at 30 June 2009 (2008 - two employees). The Company uses contract geologists and other consultants as required.

Risk Management

PlatSearch takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Company's objectives and activities are aligned with the risks and opportunities identified by the Board. The Company believes that it is crucial for all Board members to be a part of this process and as such the Board considers risk management at each Board meeting.

Significant Changes

The Directors are not aware of any significant changes in the state of affairs of the Group occurring during the financial year, other than as disclosed in this report.

Matters Subsequent to the End of the Financial Year

There were at the date of this report no matters or circumstances which have arisen since 30 June 2009 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years, other than:

- the completion in July 2009 of the Company's underwritten renounceable Rights Issue of five new shares for every six shares held by shareholders at an issue price of \$0.05 per share, where 79,676,200 new shares were issued and \$3,983,810 was raised (before expenses) under a Prospectus dated 10 June 2009;
- the incorporation of Thomson Resources Ltd on 17 July 2009, in which PlatSearch is expected to have a 36% interest when its current fundraising is finalised in early October 2009; and



- on 28 September 2009 the Company exercised 1,375,000 options in Western Plains Resources Ltd for an amount of \$325,875 (refer to Note 11). These options had an expiry date of 28 September 2009. The remaining 3,475,000 options in WPG expired unexercised on that date.

Likely Developments and Expected Results

As the Company's areas of interest are at an early stage of exploration, it is not possible to postulate likely developments and any expected results. The Company is hoping to identify other precious, base metal and iron ore exploration and evaluation targets.

REMUNERATION REPORT (Audited)

The Directors present the remuneration report prepared in accordance with Section 300A of the *Corporations Act 2001* for the Company and the Group for the year ended 30 June 2009. This Remuneration Report outlines the director and executive remuneration arrangements of the Company and the Group. For the purposes of this report Key Management Personnel (KMP) of the Group are those persons responsible for the strategic direction and operational management of the Company.

Remuneration Philosophy

Company officers and directors are remunerated to a level consistent with the size of the Company. KMP, including Directors, may participate in the Employee Share Option Plan, which assists in the motivation and retention of KMP.

Non-Executive Directors' Fees

The current base fees, last reviewed on 1 July 2008, are \$11,550 per annum for each of the Non-Executive Directors. These are within the aggregate Directors Fee Pool Limit of \$100,000 approved by shareholders at the 2007 Annual General Meeting (AGM).

Remuneration of the Non-Executive Directors

The Board, on advice from the Remuneration Committee (Messrs Kwan, Jones and Richardson), determine the fees for Non-Executive Directors and remuneration packages for employees and consultants. The fees for Directors are disclosed below. The Committee seeks independent external advice and market comparisons as necessary but the Directors believe that the size of the Company makes individual salary and consultant rate negotiation more appropriate than formal remuneration policies. Remuneration levels, including participation in the Company's Employee Share Option Plan (ESOP), are set to provide reasonable compensation in line with the Company's financial resources.

Details of Key Management Personnel during the year

Patrick J D Elliott	Chairman (Non-Executive) – effective 22 December 2008 to 30 June 2009
Gregory F P Jones	CEO – effective 1 January 2009; Managing Director (Executive) – effective 20 April 2009
Robert J Waring	Finance Director (Executive) – full year
Kwan Chee Seng	Director (Non-Executive) – effective 17 February 2009 to 30 June 2009 *
Robert L Richardson	Managing Director – resigned 31 December 2008 and then Director (Non-Executive)
Raymond J Soper	Chairman (Non-Executive) – resigned 31 December 2008
Kantilal Champaklal	* Alternate director for Kwan Chee Seng – effective 9 March 2009

Employment Contracts

Mr Jones is the only Director who is an employee and his 12-month employment contract took effect on 1 January 2009. The contract sets out base rates and three month's notice is required for termination and there are normal termination benefits. There are no contracts in place which provide for any variable remuneration, including bonuses or commissions from the Company. Mr Waring provides consulting management, accounting and company secretarial services through Warinco Services Pty Limited under a 12-month contract with one month's notice required for termination. There is no service agreement in place for the Non-Executive Chairman.

(a) Directors' remuneration

The following table outlines the nature and amount of the elements of the remuneration of specified Directors of the Company for the year ended 30 June 2009:

	Short Term	Post	Share-based			
	Directors'	Employment	Payment			
	Salary	Superannuation	Options	Total		
	Fees	Contributions				
	Fees					
2009	\$	\$	\$	\$		
P J D Elliott	-	5,298	-	477	-	5,775
G F P Jones	100,920	-	-	9,083	39,900	149,903
R J Waring	-	-	170,208	-	-	170,208
C S Kwan	-	4,330	-	-	-	4,330
R L Richardson	48,498	5,298	31,696	35,477	-	120,969
R J Soper	-	5,775	-	-	-	5,775
	149,418	20,701	201,904	45,037	39,900	456,960
2008	\$	\$	\$	\$	\$	\$
R J Soper	-	11,000	-	-	-	11,000
R L Richardson	88,608	-	-	70,000	-	158,608
R J Waring	-	-	94,003	-	-	94,003
	88,608	11,000	94,003	70,000	-	263,611

There are no variable remuneration short term or long term incentive payments in this remuneration (no performance related element of remuneration).

Compensation Options: Granted and vested during the year (Consolidated)

There were no options exercised and none lapsed during the current year.

During the 2009 financial year 900,000 ESOP options were granted. 750,000 vested prior to 30 June 2009 and 150,000 vested on 14 July 2009. The options issued were for a period of 4.84 years, expire on 9 February 2014 and are exercisable at \$0.14 and were issued to G F P Jones (750,000) and G P MacRae (150,000). The fair value per option at grant date was \$0.0532 (a total of \$47,880).

(b) Key Management Personnel remuneration, shares and options

Other than Directors, there are no other officers who satisfy the definition of "Key Management Personnel" who are or were involved in, concerned with, or who take part in, the management of the affairs of PlatSearch.

The Company has established an Employee Share Option Plan for the benefit of Directors, officers, senior executives and consultants, details of which are set out below.

There is no retirement scheme for Non-Executive Directors.

Directors' Benefits, Emoluments and Share Options

During its annual budget review the Board reviews the Directors' Emoluments. Remuneration levels, including participation in the Company's ESOP, are set to provide reasonable compensation in line with the Company's limited financial resources. During the year no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in Note 22 of the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

There were no options granted to Directors in the current year. The options issued to Mr Jones, as mentioned above, were granted before he became a Director.

Due to the difficulty in the measurement of performance using quantitative indicators in the mineral exploration industry, there is no formal link between assessment of performance and remuneration levels.

**Share options**

Particulars of options granted over unissued shares:

- i) There were no shares issued during the year ended 30 June 2009 by virtue of the exercise of options (2008 – 60,000).
- ii) As at the date of this report, the Company had on issue a total of 6,860,000 options issued under its Employee Share Option Plan as follows:
 - 3,380,000 options over unissued shares exercisable by 24 November 2009 at \$0.25 per share issued in November 2004;
 - 2,280,000 options over unissued shares exercisable by 27 November 2011 at \$0.14 issued in December 2006;
 - 300,000 options over unissued shares exercisable by 28 May 2012 at \$0.18 issued in June 2007; and
 - 900,000 options over unissued shares exercisable by 9 February 2014 at \$0.14 issued in March 2009.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company until the options are exercised. These options vest six months after the issue date and do not have performance conditions attached.

Meetings of Directors (Unaudited)

During the year the Company's Directors held eight Board meetings. Messrs R J Waring and R L Richardson were in attendance at all of the meetings. Mr R J Soper attended the four meetings held while he was a Director. Mr P J D Elliott attended the four meetings held while he was a Director. Mr G F P Jones attended the four meetings held while he was a Director. Mr C S Kwan attended the four meetings held while he was a Director.

Directors Messrs P J D Elliott (from 1 January 2009) and R L Richardson are members of the Company's Audit Committee. Mr Soper was on the Committee from 1 July 2008 to 31 December 2008. The Committee reviews the Company's financial systems, accounting policies, half-year and annual financial statements. There were two Audit Committee meetings during the year. Mr Richardson attended both meetings and met with the Company's auditors twice during the year as part of the Audit Committee review function and Messrs Elliott and Soper attended one meeting. Messrs Soper and Richardson were also members of the Company's Remuneration and Nomination Committee, which met once during the year. Messrs Elliott and Kwan have joined that Committee following the retirement of Mr Soper.

Indemnification and Insurance of Directors and Officers

The Company has not, during or since the end of the financial period, in respect of any person who is or has been an officer of the Company or a related body corporate indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

Insurance Premiums

During the financial period the Company has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

The premiums paid are not disclosed as such disclosure is prohibited under the terms of the contract.

Environmental Performance

PlatSearch holds exploration licences issued by the Mines Departments of various state governments which specify guidelines for environmental impacts in relation to exploration activities. The licence conditions provide for the full rehabilitation of the areas of exploration in accordance with the various Mines Departments' guidelines and standards. There have been no significant known breaches of the licence conditions.

Auditor's Independence and Non-Audit Services

No non-audit services were provided by the Company's auditor, Ernst & Young. The Directors received a declaration of independence from the auditors of PlatSearch NL. It is located on page 54 and forms part of this report.

Signed at Sydney this 30th day of September 2009 in accordance with a resolution of the Directors.

G F P Jones
Managing Director

INCOME STATEMENT

for the year ended 30 June 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
REVENUE AND OTHER INCOME	3	631,557	4,109,522	450,717	2,155,388
Loss on options		(5,850,810)	-	(5,853,010)	-
Salaries and employee benefits expense net of salaries and on costs recharged to exploration projects		(246,719)	(65,591)	(246,719)	(64,460)
Superannuation		(72,421)	(80,692)	(72,421)	(80,692)
Depreciation expense	14	(11,349)	(6,104)	(11,349)	(6,104)
Directors' fees	22	(20,701)	(11,000)	(20,701)	(11,000)
Exploration expenditure written-off	15	(96,730)	(121,339)	(96,730)	(121,339)
Insurance		(15,701)	(12,808)	(15,701)	(12,808)
Loss on sale of tenements		(187)	-	(187)	-
Operating lease rental expense		(44,433)	(39,859)	(44,433)	(39,859)
Auditors' remuneration	5	(89,044)	(61,479)	(89,044)	(61,479)
ASX and ASIC fees		(28,402)	(50,391)	(27,402)	(20,518)
Share registry costs		(9,307)	(17,323)	(9,307)	(11,480)
Contract geological services		(29,552)	(11,594)	(29,552)	(11,594)
Contract administration services		(249,162)	(256,540)	(247,627)	(173,524)
Share-based compensation		(47,880)	(37,944)	(47,880)	(37,944)
Other expenses from ordinary activities		(281,740)	(58,044)	(281,529)	(42,417)
Share of net losses of associate accounted for by the equity method	9	(233,066)	(11,148)	-	-
(LOSS)/PROFIT BEFORE INCOME TAX		(6,695,647)	3,267,666	(6,642,875)	1,460,170
INCOME TAX BENEFIT/(EXPENSE)	4	997,583	(1,031,337)	278,913	(327,247)
(LOSS)/PROFIT AFTER TAX		(5,698,064)	2,236,329	(6,363,962)	1,132,923
NET (LOSS)/PROFIT ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL		(5,698,064)	2,236,329	(6,363,962)	1,132,923
Earnings per share					
Basic profit per share (cents per share)	21	(6.2)	2.8		
Diluted profit per share (cents per share)	21	(6.2)	2.7		



BALANCE SHEET

as at 30 June 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	851,768	743,767	846,044	687,980
Receivables	7	66,754	44,723	66,721	44,668
TOTAL CURRENT ASSETS		918,522	788,490	912,765	732,648
NON-CURRENT ASSETS					
Investments – available for sale	8	2,338,350	7,952,750	2,143,750	7,863,750
Investment in associates	9	2,387,973	2,259,444	570,090	430,090
Investment in subsidiaries	10	-	-	5,000	5,000
Derivative financial instruments	11	822,398	6,668,208	734,898	6,587,908
Receivables	12	-	-	310,909	185,000
Tenement security deposits	13	157,500	115,500	157,500	115,500
Plant and equipment	14	15,916	8,702	15,916	8,702
Deferred exploration and evaluation expenditure	15	668,202	582,516	668,202	582,516
TOTAL NON-CURRENT ASSETS		6,390,339	17,587,120	4,606,265	15,778,466
TOTAL ASSETS		7,308,861	18,375,610	5,519,030	16,511,114
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	16	155,200	73,091	155,200	73,091
Provisions	17	33,735	6,146	33,735	6,146
TOTAL CURRENT LIABILITIES		188,935	79,237	188,935	79,237
NON-CURRENT LIABILITIES					
Provisions	17	5,753	-	5,753	-
Deferred tax liabilities	4	-	2,646,398	-	1,925,058
TOTAL NON-CURRENT LIABILITIES		5,753	2,646,398	5,753	1,925,058
TOTAL LIABILITIES		194,688	2,725,635	194,688	2,004,295
NET ASSETS		7,114,173	15,649,975	5,324,342	14,506,819
EQUITY					
Contributed equity	18	10,675,488	9,710,609	10,675,488	9,710,609
Reserves	20	2,165,800	5,968,417	2,145,273	5,928,667
Accumulated losses		(5,727,115)	(29,051)	(7,496,419)	(1,132,457)
TOTAL EQUITY		7,114,173	15,649,975	5,324,342	14,506,819

CASH FLOW STATEMENT

for the year ended 30 June 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Payment to suppliers and employees		(784,041)	(721,133)	(774,797)	(734,025)
Consultancy fees		342,612	152,476	342,612	175,139
Interest received		40,982	57,899	40,710	46,341
Rental income received		52,639	10,500	52,639	14,500
NET CASH FLOWS USED IN OPERATING ACTIVITIES	29	(347,808)	(500,258)	(338,836)	(498,045)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of plant and equipment		(18,563)	(2,860)	(18,563)	(2,860)
Expenditure on mining interests (exploration)		(330,723)	(88,807)	(330,723)	(88,807)
Purchase of shares – investments		(167,000)	(237,090)	-	(110,090)
Proceeds of sale of shares		19,296	-	19,296	-
Tenement security deposits (paid)/recovered		(42,000)	20,000	(42,000)	20,000
Loans to subsidiary		-	-	(125,909)	(185,000)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(538,990)	(308,757)	(497,899)	(366,757)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		1,001,000	358,400	1,001,000	358,400
Payment of share issue costs		(6,201)	-	(6,201)	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		994,799	358,400	994,799	358,400
NET INCREASE IN CASH AND CASH EQUIVALENTS					
		108,001	(450,615)	158,064	(506,402)
Cash and cash equivalents at beginning of period		743,767	1,194,382	687,980	1,194,382
CASH AND CASH EQUIVALENTS AT END OF PERIOD	29	851,768	743,767	846,044	687,980



STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2009

		Attributable to the shareholders of PlatSearch NL			
	Note	Contributed Equity \$	Retained Earnings/ (Losses) \$	Reserves \$	Total Equity \$
CONSOLIDATED					
AT 1 JULY 2007					
Change in fair value of investments available for sale (net of tax)	20	-	-	(422,250)	(422,250)
Profit for the period		-	2,236,329	-	2,236,329
Total recognised income and expense for the year					
		-	2,236,329	(422,250)	1,814,079
Issue of share capital	18	358,400	-	-	358,400
Share-based payments	19	-	-	37,944	37,944
Transfer from share-based payment reserve	18	6,600	-	(6,600)	-
AT 30 JUNE 2008					
9,710,609 (29,051) 5,968,417 15,649,975					
AT 1 JULY 2008					
Change in fair value of investments available for sale (net of tax)	20	-	-	(3,837,004)	(3,837,004)
Loss for the period		-	(5,698,064)	-	(5,698,064)
Total recognised income and expense for the year					
		-	(5,698,064)	(3,837,004)	(9,535,068)
Issue of share capital	18	1,001,000	-	-	1,001,000
Transaction costs on share issue		(36,121)	-	-	(36,121)
Share of movement in associate's net assets		-	-	(13,493)	(13,493)
Share-based payments	19	-	-	47,880	47,880
AT 30 JUNE 2009					
10,675,488 (5,727,115) 2,165,800 7,114,173					
PARENT					
AT 1 JULY 2007					
Change in fair value of investments available for sale (net of tax)	20	-	-	(462,000)	(462,000)
Profit for the period		-	1,132,923	-	1,132,923
Total recognised income and expense for the year					
		-	1,132,923	(462,000)	670,923
Issue of share capital	18	358,400	-	-	358,400
Share-based payments	19	-	-	37,944	37,944
Transfer from share-based payment reserve	18	6,600	-	(6,600)	-
AT 30 JUNE 2008					
9,710,609 (1,132,457) 5,928,667 14,506,819					
AT 1 JULY 2008					
Change in fair value of investments available for sale (net of tax)	20	-	-	(3,831,274)	(3,831,274)
Loss for the period		-	(6,363,962)	-	(6,363,962)
Total recognised income and expense for the year					
		-	(6,363,962)	(3,831,274)	(10,195,236)
Issue of share capital	18	1,001,000	-	-	1,001,000
Transaction costs on share issue		(36,121)	-	-	(36,121)
Share-based payments	19	-	-	47,880	47,880
AT 30 JUNE 2009					
10,675,488 (7,496,419) 2,145,273 5,324,342					

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



1. CORPORATE INFORMATION

The financial report of PlatSearch NL (the Company or PlatSearch) for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the Directors on 30 September 2009.

PlatSearch NL (the parent) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange under ASX Code PTS.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. It has been prepared on a historical cost basis except for investments in listed shares and derivative financial instruments, which are measured at fair value.

As at 30 June 2009, a number of accounting standards have been issued with applicable commencement dates subsequent to the year end. PlatSearch has not yet assessed the impact of these changes.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB).

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of PlatSearch NL (PlatSearch or the Company) and its subsidiaries (collectively, the Group) as at 30 June each year.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully 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.

(d) Business combinations

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the combination. Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Except for non-current assets or disposal groups classified as held for sale (which are measured at fair value less costs to sell) all identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of the business combination over the fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

Where settlement of any part of the consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. This discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(e) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts, if any.

(f) Trade and other receivables

Trade receivables, which generally have a 30 day term, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

(g) Exploration, evaluation, development and restoration costs

Exploration and evaluation

Exploration and evaluation expenditure incurred by or on behalf of the Company is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific connection with a particular area of interest.

Exploration and evaluation costs in relation to separate areas of interest for which rights of tenure are current are brought to account in the year in which they are incurred and carried forward provided that:

- such costs are expected to be recouped through successful development and exploitation of the area, or alternatively through its sale; or
- exploration and/or evaluation activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Once a development decision has been taken, all past and future exploration and evaluation expenditure in respect of the area of interest is aggregated within costs of development.

Exploration and evaluation - impairment

The Group assesses at each reporting date whether there is an indication that an asset has been impaired and for exploration and evaluation costs whether the above carry forward criteria are met.

Accumulated costs in respect of areas of interest are written off or a provision made in the Income Statement when the above criteria do not apply or when the Directors assess that the carrying value may exceed the recoverable amount. The costs of productive areas are amortised over the life of the area of interest to which such costs relate on the production output basis.

Provisions are made where farm-in partners are sought and there is a possibility that carried-forward expenditures may have to be written off in the future if a farm-in partner is not found. In the event that farm-in agreements are reached or the Company undertakes further exploration in its own right on those properties, the provisions would be reviewed and if appropriate, written back.

Development

Development expenditure incurred by or on behalf of the Company is accumulated separately for each area of interest in which economically recoverable reserves have been identified to the satisfaction of the Directors. Such expenditure comprises net direct costs and, in the same manner as for exploration and evaluation expenditure, an appropriate portion of related overhead expenditure having a specific connection with the development property.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

All expenditure incurred prior to the commencement of commercial levels of production from each development property is carried forward to the extent to which recoupment out of revenue to be derived from the sale of production from the relevant development property, or from the sale of that property, is reasonably assured.

No amortisation is provided in respect of development properties until a decision has been made to commence mining. After this decision, the costs are amortised over the life of the area of interest to which such costs relate on a production output basis.

Restoration

Provisions for restoration costs are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(h) Investments and other financial assets

Investments and financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are categorised as either financial assets at fair value through profit or loss, loans and receivables, or available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

Recognition and derecognition

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or been transferred.

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category "financial assets at fair value through profit or loss". Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the balance sheet.

(ii) Loans and receivables

Loans and receivables including loan notes and loans to KMP are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

(iii) Available for sale securities

Available for sale investments are those non-derivative financial assets, principally equity securities, that are designated as available for sale or are not classified as any of the three preceding categories. After initial recognition available for sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments with no active market, fair values are determined using valuation techniques. Such techniques include: using recent arm's length market transaction; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible and keeping judgemental inputs to a minimum.

Investments in associates

The Group's investment in its associates is accounted for using the equity method of accounting in the consolidated financial statements and at cost in the parent. The associates are entities over which the Group has significant influence and that are neither subsidiaries nor joint ventures.

The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, investments in the associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss with respect to the Group's net investment in associates.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables and loans, the Group does not recognise further losses, unless it has incurred obligations or made payment on behalf of the associate.

The reporting dates of the associates and the Group are identical and the associates' accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

(i) Interest in jointly controlled operations – joint ventures

The Group has an interest in exploration joint ventures that are jointly controlled. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The Group recognises its interest in the jointly controlled operations by recognising the assets that it controls and the liabilities that it incurs. The Group also recognises the expenses that it incurs and its share of any income that it earns from the sale of goods or services by the jointly controlled operations.

(j) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, namely plant and equipment – depreciated over three years (2008 – 3 years).

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



(k) Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

(l) Goodwill and intangibles

Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the fair value of the acquirer's identifiable assets, liabilities and contingent liabilities.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Intangibles

Intangible assets acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

The useful lives of these intangible assets are assessed to be either finite or indefinite.

Where amortisation is charged on assets with finite lives, this expense will be taken to the income statement.

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the period in which the expenditure is incurred.

Intangible assets are tested for impairment where an indicator of impairment exists, and in the case of indefinite life intangibles annually, either individually or at the cash generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

(m) Trade and other payables and provisions

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Borrowing costs

Borrowing costs are recognised as an expense when incurred.



(o) Employee entitlements

(i) Wages, salaries, annual leave, sick leave and long service leave

Liabilities for wages and salaries are recognised and are measured as an amount unpaid at the reporting date at current pay rates in respect of employee's services up to that date. One of the two current employees is not entitled to annual leave, sick leave or long service leave.

(ii) Superannuation

The Company contributes to defined contribution superannuation funds for its employees. The cost of these contributions is expensed as incurred. A liability in respect of superannuation at the current superannuation guarantee rate has been accrued at the reporting date.

(p) Share-based payment transactions

In addition to salaries, the Group provides benefits to certain employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions").

There is currently an Employee Share Option Plan in place to provide these benefits.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value of the options is determined by using the binomial option pricing model.

In valuing transactions settled by way of issue of options, no account is taken of any vesting limits or hurdles, or the fact that the options are not transferable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, at a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised is recognised immediately. However, if a new award is substituted for the cancelled award and designated a replacement award on the date it is granted, the cancelled and the new award are treated as if there was a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share except where such dilution would serve to reduce a loss per share.

(q) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

Rendering of services

Revenue from consulting services are recognised when provided.

Interest

Revenue is recognised as interest accrues using the effective interest method.

Royalties

Royalties are recognised in accordance with substance of the relevant agreement.

Contract exploration

Contract exploration revenue (consulting fees) earned from third parties is recognised when rights to receive the revenue are assured.

(r) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

(s) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financial activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(t) Currency

The functional and presentation currency for the Group is Australian dollars (\$).

(u) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(v) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Recoverable amount of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the higher of fair value less costs to sell and value in use.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



(x) Significant accounting judgements, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period is:

Share-based payment transactions

The Company measures the cost of equity-settled share-based payments at fair value at the grant date using the Black-Scholes formula taking into account the terms and conditions upon which the instruments were granted, as detailed in Notes 18 and 19.

Derivative financial instruments

The Company values its equity in the form of options in listed public companies using the Binomial method of valuation methodology taking into account the terms and conditions on which the instruments are granted as detailed in Note 11. The net gain or loss for the period is brought to account in the Income Statement.

Capitalisation and write-off of capitalised exploration costs

The determination of when to capitalise and write-off exploration expenditure requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions.

(y) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the Group, adjusted to exclude any costs of servicing equity divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit attributable to members of the Group, adjusted for:

- costs of servicing equity;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
3. REVENUE AND OTHER INCOME				
Revenue				
Interest received – other persons/corporations	40,982	57,899	51,620	46,341
Consulting fees	342,612	152,476	342,612	175,139
Rental income	52,639	10,500	52,639	14,500
Other Income				
Gain on accounting for investment as an associate	190,088	-	-	-
Gain on options	-	1,869,708	-	1,789,408
Gain on deconsolidation of Eastern Iron Limited	-	2,018,939	-	-
Gain on sale of tenements	-	-	-	130,000
Profit on sale of shares	5,236	-	3,846	-
	631,557	4,109,522	450,717	2,155,388



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
4. INCOME TAX				
Income tax expense				
The major components of income tax expense are:				
<i>Current income tax</i>				
Current income tax benefit	-	(202,732)	-	(202,732)
<i>Deferred income tax</i>				
Relating to origination and reversal of temporary differences	(2,655,346)	1,234,069	(1,976,006)	529,979
Reversal of net deferred tax asset	1,657,763	-	1,697,093	-
Income tax (benefit)/expense reported in the Income Statement	(997,583)	1,031,337	(278,913)	327,247
Amounts charged or credited directly to equity				
Deferred income tax related to items charged directly to equity (see Note 20).				
Unrealised gain on available for sale investments	(1,648,815)	(180,753)	(1,646,145)	(198,003)
Income tax benefit reported in equity	(1,648,815)	(180,753)	(1,646,145)	(198,003)
Reconciliation				
Prima facie income tax (benefit)/expense on operating (loss)/profit at 30%	(2,008,694)	980,300	(1,992,862)	438,051
(Non-assessable income) / non-deductible expenses	1,227,883	51,037	1,930,721	(110,804)
Tax losses not recognised	(216,772)	-	(216,772)	-
Income tax (benefit)/expense	(997,583)	1,031,337	(278,913)	327,247
Recognised deferred tax assets and liabilities				
Opening deferred tax liability balance	2,646,398	1,795,814	1,925,058	1,795,814
Charged to income (benefit)	(997,583)	1,031,337	(278,913)	327,247
Charged to equity (credit)	(1,648,815)	(180,753)	(1,646,145)	(198,003)
Closing balance	-	2,646,398	-	1,925,058
Tax(benefit)/expense in the Income Statement	(997,583)	1,031,337	(278,913)	327,247
Amounts recognised in the Balance Sheet				
Deferred tax asset	1,786,087	2,432,930	954,255	2,432,930
Deferred tax liability	(1,786,087)	(5,079,328)	(954,255)	(4,357,988)
Net deferred tax balance	-	(2,646,398)	-	(1,925,058)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



Deferred income tax at 30 June relates to the following:

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
<i>(i) Deferred tax liabilities</i>				
Derivatives	243,719	2,000,462	218,969	1,976,372
Available for sale investments	549,405	2,195,223	534,825	2,177,973
Capitalised exploration	200,461	174,755	200,461	174,755
Equity accounted investment	792,502	680,000	-	-
Other	-	28,888	-	28,888
Gross deferred tax liabilities	1,786,087	5,079,328	954,255	4,357,988
<i>(ii) Deferred tax assets</i>				
Carry-forward tax losses	2,640,098	2,423,330	2,640,098	2,423,330
Provisions	11,250	9,600	11,250	9,600
Tax losses not booked	(865,261)	-	(1,697,093)	-
Gross deferred tax assets	1,786,087	2,432,930	954,255	2,432,930
Net deferred tax assets/(liabilities)	-	(2,646,398)	-	(1,925,058)

Recognition has been given to a deferred income tax asset of \$1,774,837 (2008 - \$2,423,330) which arose from the available tax losses. An additional deferred income tax asset of \$865,261 (2008 - \$nil) has not been brought to account.

No franking credits are available for subsequent years.

Tax consolidation

PlatSearch NL and its 100% owned subsidiaries formed a tax consolidated group with effect from 1 November 2007. PlatSearch NL is the head entity of the tax consolidated group. Members of the Group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote. At the time that loss of control was lost over Eastern Iron (see Note 9), this was no longer included in the tax consolidated group.

5. AUDITORS' REMUNERATION

Amounts received or due and receivable by Ernst & Young Australia, for:

Audit and review of the financial report of the entity	89,044	61,479	89,044	61,479
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6. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	51,768	243,767	46,044	187,980
Short-term deposits	800,000	500,000	800,000	500,000
Refer Note 29	851,768	743,767	846,044	687,980

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents represents fair value.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
7. RECEIVABLES – CURRENT				
Amount receivable from Eastern Iron Limited	37,306	27,957	37,306	27,957
Other receivables	29,448	16,766	29,415	16,711
	66,754	44,723	66,721	44,668

Receivables are non-interest bearing and generally 30 day terms and trading terms are being followed by debtors and there are no overdue amounts. An allowance for impairment loss is recognised when there is objective evidence that it is impaired. No allowance for impairment loss is required. The amounts not past due have been assessed to be of good quality.

8. INVESTMENTS

Investment – available for sale – WPG (a)	2,103,750	7,713,750	2,103,750	7,713,750
Investment – available for sale – CHZ (b)	180,000	145,000	40,000	145,000
Investment – available for sale – NMN (c)	54,600	91,000	-	2,000
Investment – available for sale – SCI (d)	-	3,000	-	3,000
	2,338,350	7,952,750	2,143,750	7,863,750

- (a) The PlatSearch interest in Western Plains Resources Ltd (WPG) is 7.8% at 30 June 2009. The investment has been accounted for as follows:

	2009	2008
	\$	\$
Carrying amount of investment		
Balance at the beginning of the financial period	7,713,750	8,351,250
Fair value uplift/(devaluation)	(5,610,000)	(637,500)
	2,103,750	7,713,750

The market value on ASX of PlatSearch's 6,375,000 shares in Western Plains Resources Ltd at 30 June 2009 was \$2,103,750 (\$0.33 per share) and on 28 September 2009 it was \$1,721,250 (\$0.27 per share).

- (b) In March 2007 the Company purchased 500,000 shares in Chesser Resources Limited (CHZ) for \$30,000 and in the period between April to June 2009 purchased an additional net 1,300,000 shares in a placement and share purchase plan for consideration of \$104,000. The market value on ASX of PlatSearch's 1,800,000 shares in CHZ at 30 June 2009 was \$180,000 (\$0.10 per share) and on 28 September 2009 was \$234,000 (\$0.13 per share).
- (c) In December 2007 the Group purchased 500,000 shares and options in Newport Mining Limited (NMN) for \$30,000. The market value on ASX of the Group's shares in NMN at 30 June 2009 was \$54,600 (\$0.105 per share) and on 28 September 2009 was \$80,000 (\$0.16 per share).
- (d) In May 2008 the Group purchased 30,000 shares in Silver City Mining (SCI) for \$3,000. The shares and options were recorded at cost at 30 June 2008 as these shares were not listed on ASX and therefore the fair value could not be reliably estimated. In September 2008 the Group purchased 470,000 shares in SCI for \$47,000. At 30 June 2009 the Group's interest in SCI was 24.2% and the investment has now been accounted for using the equity method (Note 9).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
9. INVESTMENT IN ASSOCIATES				
Investment in EFE	2,108,051	2,259,444	430,090	430,090
Investment in SCI	279,922	-	140,000	-
Investment accounted for using the equity method	2,387,973	2,259,444	570,090	430,090

In July 2007 Eastern Iron Limited (EFE) was incorporated with PlatSearch as its sole shareholder. In the period July 2007 to January 2008 the Group acquired 21,000,000 shares and 5,000,000 options in EFE for \$535,090 (made up of a cash investment of \$200,090 and consideration for the sale of 15 tenements of \$335,000). This equity purchase was part of a capital raising programme by EFE which culminated in EFE issuing a prospectus, issuing 25,000,000 new shares and trading on ASX in May 2008. At completion of the EFE share offer in May 2008 and at 30 June 2008 and 30 June 2009, the PlatSearch Group had a 45.65% interest in EFE, diluted from the previous 100% ownership at 31 December 2007.

The Group's interest in EFE has been brought to account as an investment in an equity accounted associate in accordance with Australian Accounting Standard AASB 128 *Investments in Associates* as the Directors consider that significant influence exists. Prior to the loss of control of EFE it was consolidated into the Group.

Interest in Associate Name	Balance Date	Ownership interest held	
		2009	2008
		%	%
Eastern Iron Limited – ordinary shares	30 June	45.65	45.65
(i) Principal activity EFE is an Australian minerals explorer			
		2009	2008
		\$	\$
(ii) Share of associate's losses			
Share of associate's:			
- net loss before income tax		(137,900)	(11,148)
- income tax expense attributable		-	-
Share of net loss after income tax		(137,900)	(11,148)
(iii) Carrying amount of investment in associate			
Balance at the beginning of the financial period		2,259,444	-
- cost of investment		-	530,090
- share of associate's net losses for the financial period		(137,900)	(11,148)
- share of associate's net assets taken to equity		(13,493)	-
- uplift in value of the associate arising from share issue by the associate		-	1,740,502
Carrying amount of investment in associate at the end of the financial period		2,108,051	2,259,444

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



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

(iv)	Share of associate's assets and liabilities		
	Current assets	1,530,096	2,002,345
	Non-current assets	659,927	281,640
	Current liabilities	(81,972)	(24,541)
	Net assets	<u>2,108,051</u>	<u>2,259,444</u>
(v)	Accumulated losses of the Company attributable to associate:		
	Balance at the beginning of the financial period	(11,148)	-
	Share of associate's net losses	(137,900)	(11,148)
	Balance at the end of the financial period	<u>(149,048)</u>	<u>(11,148)</u>
(vi)	The market value on ASX of the Group's 21,000,000 shares in EFE at 30 June 2009 was \$1,386,000 (\$0.066 per share) and on 28 September 2009 it was \$2,520,000 (\$0.12 per share).		

Silver City Mining Limited

In May 2008 Silver City Mining Limited (SCI) was incorporated. In the period to February 2009 the Group acquired 5,000,000 shares in SCI for \$185,000 (made up of a cash investment of \$50,000 and consideration for the sale of 7.72 tenements of \$135,000). This equity purchase was part of a capital raising and tenement purchase programme by SCI. At completion of the SCI share offer in February 2009 and at 30 June 2009, the PlatSearch Group had a 24.2% interest in SCI.

The Group's interest in SCI has been brought to account as an investment in an equity accounted associate in accordance with Australian Accounting Standard AASB 128 *Investments in Associates* as the Directors consider that significant influence exists.

Interest in Associate Name	Balance Date	Ownership interest held	
		2009	2008
		%	%
Silver City Mining Limited – ordinary shares	30 June	24.2	-
(i) Principal activity			
SCI is an Australian minerals explorer			
		2009	2008
		\$	\$
(ii) Share of associate's profits/(losses)			
Share of associate's:			
- net loss before income tax		(95,166)	-
- income tax expense attributable		-	-
Share of net loss after income tax		<u>(95,166)</u>	-

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

(iii)	Carrying amount of investment in associate		
	Balance at the beginning of the financial period	-	-
	- cost of investment	185,000	-
	- share of associate's net losses for the financial period	(95,166)	-
	- uplift in value of the associate arising from the share issue by the associate	190,088	-
	Carrying amount of investment in associate at the end of the financial period	<u>279,922</u>	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



	2009 \$	2008 \$
(iv) Share of associate's assets and liabilities		
Current assets	165,370	-
Non-current assets	134,586	-
Current liabilities	(20,034)	-
Net assets	<u>279,922</u>	-
(v) Accumulated losses of the Company attributable to associate:		
Balance at the beginning of the financial period	-	-
Share of associate's net losses	(95,166)	-
Balance at the end of the financial period	<u>(95,166)</u>	-
(vi) The SCI shares are not listed on ASX and therefore the fair market value cannot be reliably estimated. In August 2009 SCI issued an Information Memorandum for a Pre-IPO capital raising to sophisticated investors to raise an additional \$2 million at an issue price of \$0.11 per share.		

10. INVESTMENT IN SUBSIDIARIES

At 30 June 2009 the Company had one subsidiary, Bluestone 23 Limited (incorporated on 31 August 2007).

In August 2007 the Company acquired 50,000 shares in Bluestone 23 Limited (Bluestone) for \$5,000. At 30 June 2009 PlatSearch's investment represented a 100% interest in Bluestone.

At 30 June 2009 the Company's interest in Bluestone was consolidated in accordance with Note 2(c).

	Consolidated		Parent	
	2009 \$	2008 \$	2009 \$	2008 \$
11. DERIVATIVE FINANCIAL INSTRUMENTS				
Share options – WPG (a)	408,998	4,555,708	408,998	4,555,708
Share options – CHZ (b)	78,400	343,200	78,400	343,200
Share options – EFE (c)	285,000	1,689,000	247,500	1,689,000
Share options – NMN (d)	45,000	80,300	-	-
Share options – SCI (e)	5,000	-	5,000	-
	<u>822,398</u>	<u>6,668,208</u>	<u>739,898</u>	<u>6,587,908</u>

- (a) PlatSearch holds 3,475,000 options in WPG with an exercise price of \$0.35 (expiry date 28 September 2009) and 1,375,000 options in WPG with an exercise price of \$0.25 (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 120.24%, risk-free interest rate of 3.045%, dividend yield nil and an option life of 0.25 years. This results in a fair value of \$408,998 at 30 June 2009.
- (b) PlatSearch holds 2,000,000 options in CHZ with an exercise price of \$0.35 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 128.28%, risk-free interest rate of 4.03%, dividend yield nil and an option life of 1.91 years. This results in a fair value of \$78,400 at 30 June 2009.
- (c) PlatSearch holds 5,000,000 options in EFE with an exercise price of \$0.35 (expiry date 19 December 2012). A valuation of these options has been obtained using the Binomial valuation methodology model and the following assumptions: expected volatility of 102.44%, risk-free interest rate of 5.225%, dividend yield nil and an option life of 3.47 years. This results in a fair value of \$127,500 at 30 June 2009. The PlatSearch Group also holds



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

10,500,000 options in EFE with an exercise price of \$0.12 (expiry date 19 December 2010). These options have a market value of \$157,500 at 30 June 2009 (\$0.015 per option).

- (d) The PlatSearch Group holds 1,000,000 options in NMN with an exercise price of \$0.35 and an expiry date of 31 December 2011. A valuation of these options has been obtained using the Binomial valuation methodology model and the following assumptions: expected volatility of 114.76%, risk-free interest rate of 5.225%, dividend yield nil and an option life of 2.5 years. This results in a fair value of \$45,000 at 30 June 2009.
- (e) PlatSearch holds 3,000,000 options in SCI with an exercise price of \$0.35 and an expiry date of 1 July 2013. As SCI shares are not quoted on the stock exchange these options have been valued at the cost price of \$3,000. PlatSearch holds 9,715,500 converting performance shares (contingent consideration) in SCI which can be converted into ordinary shares if the share price of SCI shares exceeds 50 cents for a month within two years of SCI listing on the stock exchange. As SCI shares are not quoted on the stock exchange these converting performance shares have been valued at the cost price of \$2,000.

The fair value of share prices are as identified in Notes 8 and 9.

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
12. RECEIVABLES – NON-CURRENT				
Amount receivable from Bluestone 23 Limited	-	-	310,909	185,000
	-	-	310,909	185,000

13. TENEMENT SECURITY DEPOSITS

Cash at bank – bank deposits	10,000	10,000	10,000	10,000
Cash with government mines departments	147,500	105,500	147,500	105,500
	157,500	115,500	157,500	115,500

These deposits are restricted so that they are available for any rehabilitation that may be required on exploration tenements (refer to Note 25). The bank deposits are interest earning.

14. PLANT AND EQUIPMENT

Plant and equipment – at cost	43,881	74,320	43,881	74,320
Accumulated depreciation	(27,965)	(65,618)	(27,965)	(65,618)
	15,916	8,702	15,916	8,702
Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current and previous financial year				
Carrying amount at beginning	8,702	11,946	8,702	11,946
Additions	18,563	2,860	18,563	2,860
Disposals	-	-	-	-
Depreciation expense	(11,349)	(6,104)	(11,349)	(6,104)
	15,916	8,702	15,916	8,702

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
15. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE				
Costs brought forward	582,516	664,637	582,516	664,637
Costs incurred during the year	322,603	244,218	322,603	244,218
Tenements sold during the year	(140,187)	(205,000)	(140,187)	(205,000)
Expenditure written off during the year	(96,730)	(121,339)	(96,730)	(121,339)
Costs carried forward	668,202	582,516	668,202	582,516
Exploration expenditure costs carried forward are made up of:				
Expenditure on joint venture areas	360,174	420,293	360,174	420,293
Expenditure on non joint venture areas	308,028	162,223	308,028	162,223
Costs carried forward	668,202	582,516	668,202	582,516

The above amounts represent costs of areas of interest carried forward as an asset in accordance with the accounting policy set out in Note 2(g). The ultimate recoupment of deferred exploration and evaluation expenditure in respect of an area of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest for at least their carrying value. Amortisation, in respect of the relevant area of interest, is not charged until a mining operation has commenced.

In accordance with Note 2(g), the Directors write off exploration expenditure where they assess that the asset is impaired.

16. CURRENT LIABILITIES – PAYABLES

Trade creditors *	126,684	53,932	126,684	53,932
Employee entitlements – accrued salaries and superannuation	28,516	19,159	28,516	19,159
	155,200	73,091	155,200	73,091

* Trade payables are non-interest bearing and are generally settled on 30 day terms.

17. LIABILITIES – PROVISIONS

Annual Leave – current	33,735	6,146	33,735	6,146
Long Service Leave – non-current	5,753	-	5,753	-

Annual leave is accrued for all permanent eligible employees and provided for based on current salaries. Long service leave is accrued for all permanent eligible employees with greater than two years service and provided for based on current salaries.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
18. CONTRIBUTED EQUITY				
Share capital				
95,611,392 ordinary shares fully paid (2008 – 87,911,392)	10,670,988	9,706,109	10,670,988	9,706,109
450,000 ordinary shares paid to \$0.01 with \$0.24 unpaid (2007 – 450,000)	4,500	4,500	4,500	4,500
	10,675,488	9,710,609	10,675,488	9,710,609

Movements in ordinary share capital	Date	Number of fully paid shares	Issue price	\$
Opening balance at end of previous financial year	30/06/07	79,101,392		9,345,609
Exercise of employee options	06/07/07	60,000	\$0.14	8,400
Transfer from share-based payment reserve	06/07/07			6,600
Payment of partly paid shares	30/06/08	<u>8,750,000</u>	\$0.04	<u>350,000</u>
Balance at end of previous financial year	30/06/08	87,911,392		9,710,609
Placement	22/12/08	7,700,000	\$0.13	1,001,000
Less: Transaction costs on share issue		-		<u>(36,121)</u>
Balance at end of current financial year	30/06/09	<u>95,611,392</u>		<u>10,675,488</u>

Shares issued during the year

In July 2007 the Company issued 60,000 ordinary shares following the exercise of 60,000 options at \$0.14 per share to raise \$8,400. In June 2008 the balance of \$0.04 was paid on 8,750,000 partly paid shares. On 22 December 2008 the Company made a placement of 7,700,000 shares at a price of \$0.13 per share which raised \$1,001,000.

Terms and conditions of contributed equity

Ordinary Shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

In respect of members who hold shares which are paid to \$0.01, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof. The shares were issued under the Platinum Search Share Incentive Plan, which was replaced by the PlatSearch Employee Share Option Plan on 25 November 1993. The unpaid portion can be called by the Directors at any time, subject to the rules of the Plan. Option holders have no voting rights until the options are exercised.

Options

There are 6,860,000 options outstanding under the Company's Employee Share Option Plan, all of which vested on issue except for the 300,000 issued in June 2007 which vested in January 2008. There were 3,380,000 options issued in December 2004 which expire on 24 November 2009, exercisable at \$0.25. There were 2,280,000 options issued in December 2006 which expire on 27 November 2011, exercisable at \$0.14. There were 300,000 options issued in June 2007 which expire on 28 May 2012, exercisable at \$0.18. There were 900,000 options issued in March 2009 which expire on 9 February 2014, exercisable at \$0.14. Options expire if not exercised 90 days after a participant resigns from the Company. The Plan is open to employees, consultants, contractors and Directors of PlatSearch.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



19. SHARE-BASED PAYMENTS

In March 2009 a total of 900,000 options with an exercise price of \$0.14 and expiry date of 9 February 2014 were issued to the Chief Executive Officer (750,000 options) and a geologist (150,000 options). The options vested on 1 April 2009 (750,000) and 14 July 2009 (150,000). The issue took into account the five day average market share price at the time of issue and the latest share price of \$0.065. 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 Binomial option valuation methodology model and the following assumptions: expected volatility of 123.55%, risk-free interest rate of 4.12%, dividend yield nil and an expected life of 4.8 years. The estimated fair value of each option at the date of grant was \$0.0532 per option (total value of 900,000 options \$47,880).

There were no options which lapsed during the year.

Outstanding options at 30 June 2007	6,020,000
Exercised during the year	<u>(60,000)</u>
Balance at 30 June 2008	5,960,000
Granted during the year	<u>900,000</u>
Balance at 30 June 2009	<u>6,860,000</u>

The outstanding balance at 30 June 2009 is represented by:

- 3,380,000 which expire on 24 November 2009 exercisable at \$0.25 per share;
- 2,280,000 which expire on 27 November 2011 exercisable at \$0.14 per share;
- 300,000 which expire on 28 May 2012 exercisable at \$0.18 per share; and
- 900,000 which expire on 9 February 2014 exercisable at \$0.14 per share.

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Share-based compensation reserve	421,348	373,468	421,348	373,468
Investment revaluation reserve	1,757,945	5,594,949	1,723,925	5,555,199
Other	<u>(13,493)</u>	-	-	-
	<u>2,165,800</u>	5,968,417	<u>2,145,273</u>	5,928,667

Share-based compensation reserve (i)

Balance at the beginning of financial year	373,468	342,124	373,468	342,124
Share-based payment expense	47,880	37,944	47,880	37,944
Transfer to share capital (options exercised)	-	(6,600)	-	(6,600)
Balance at end of financial year	<u>421,348</u>	373,468	<u>421,348</u>	373,468

Investment revaluation reserve (ii)

Balance at the beginning of financial year	5,594,949	6,017,199	5,555,199	6,017,199
Change in fair value of investments available for sale (net of tax)	<u>(3,837,004)</u>	(422,250)	<u>(3,831,274)</u>	(462,000)
Balance at end of financial year	<u>1,757,945</u>	5,594,949	<u>1,723,925</u>	5,555,199



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Other (iii)				
Balance at the beginning of financial year	-	-	-	-
Share of associate's net assets	(13,493)	-	-	-
Balance at end of financial year	(13,493)	-	-	-

(i) Share-based compensation reserve

The share-based compensation reserve is used to recognise the fair value of options issued but not exercised as described in Note 2(p) and referred to in Note 19.

(ii) Investment revaluation reserve

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

(iii) Other

The other reserve represents the Group's share of movements in the associates' net assets not included in the income statement.

21. LOSS/EARNINGS PER SHARE

Loss per share (cents per share) 6.2 cents (2008 – earnings 2.8 cents).

Diluted loss per share (cents per share) 6.2 cents (2008 – earnings 2.7 cents).

Weighted average number of ordinary shares on issue used in the calculation of basic and diluted profit per share is 91,919,611 (2008 – 79,160,406).

	Consolidated 2009	Consolidated 2008
	\$	\$
(Loss)/profit used in calculating basic and diluted earnings per share	(5,698,064)	2,236,329

The number of potential ordinary shares that are dilutive and included in determining diluted EPS are 2,580,000 (2008 – 2,580,000) relating to share options issued.

Conversion, call, subscription or issue after 30 June 2009: Since the end of the financial 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.

22. RELATED PARTY DISCLOSURES

(a) Key Management Personnel remuneration, shares and options

Key management personnel

The Company's key management personnel are listed in the Remuneration Report; under the definition contained in AASB 124 *Related Party Disclosures*, the Company has no executives other than those included in the list of Directors who are responsible for the strategic direction and operational management of the Company. In addition to the specified Directors, the Company has no employees who are considered to be key management personnel. Field and administrative work is carried out by contractors, and they have no responsibility for the strategic decision-making of the Company.

The Directors in office during the year were P J D Elliott (effective 1 January 2009), G F P Jones (effective 1 April 2009), R J Waring, C S Kwan (effective 17 February 2009), R L Richardson and R J Soper (resigned 31 December 2008).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

The following table outlines the nature and amount of the elements of the remuneration of Directors of the Company for the year ended 30 June 2009.

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Compensation for Key Management Personnel (KMP)				
Short-term employee benefits	149,418	88,608	149,418	88,608
Short-term consulting fees	201,904	94,003	201,904	94,003
Post-employment benefits - superannuation	45,037	70,000	45,037	70,000
Directors' fees	20,701	11,000	20,701	11,000
Share-based payments	39,900	-	39,900	-
Total compensation	456,960	263,611	456,960	263,611

Interests and movements in the shares and options of the Company held by Directors and their Director-related entities as at 30 June 2009:

Key management personnel equity holdings

Fully paid ordinary shares (number)

	Balance at 1 July	Granted as remuneration	Received on exercise of options	Net other change	Balance at 30 June
2009					
P J D Elliott	-	-	-	1,283,097*	1,283,097
G F P Jones	-	-	-	70,000*	70,000
R J Waring	518,471	-	-	220,000*	738,471
C S Kwan	-	-	-	17,254,312	17,254,312
R L Richardson	1,727,687	-	-	100,000*	1,827,687
R J Soper	2,223,931	-	-	-	2,223,931
Total	4,470,089	-	-	18,927,409	23,397,498
2008					
R J Soper	1,823,931	-	-	400,000	2,223,931
R L Richardson	1,727,687	-	-	-	1,727,687
R J Waring	465,471	-	-	53,000	518,471
Total	4,017,089	-	-	453,000	4,470,089

* Shares were purchased by personnel on market terms.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

Share options (number)

	Balance at 1 July	Granted as remuneration	Options exercised	Balance at 30 June	Balance vested at 30 June	Vested and exercisable
2009						
P J D Elliott	-	-	-	-	-	-
G F P Jones	-	750,000	-	750,000	750,000	750,000
R J Waring	1,950,000	-	-	1,950,000	1,950,000	1,950,000
C S Kwan	-	-	-	-	-	-
R L Richardson	2,660,000	-	-	2,660,000	2,660,000	2,660,000
R J Soper	670,000	-	-	670,000	670,000	670,000
Total	5,280,000	750,000	-	6,030,000	6,030,000	6,030,000
2008						
R J Soper	670,000	-	-	670,000	670,000	670,000
R L Richardson	2,660,000	-	-	2,660,000	2,660,000	2,660,000
R J Waring	1,950,000	-	-	1,950,000	1,950,000	1,950,000
Total	5,280,000	-	-	5,280,000	5,280,000	5,280,000

No shares were issued as a result of the exercise of compensation options to KMP.

Options held by Directors under the Employee Share Option Plan may be exercised at any time. Shares and options held by Directors include those held by the Directors and their Director-related entities, including the spouses of such Directors and relatives of such Directors. All shares and options, excluding those held under the Employee Share Option Plan, were issued or granted on terms no more favourable than to other shareholders or option holders.

(b) Related party transactions

Mr R J Waring is a Director and has a significant financial interest in Warinco Services Pty Limited, a company that provides company secretarial, general commercial and accounting services to the Company. Services provided during the year ended 30 June 2009 amounted to \$223,590 (2008 - \$149,575) and included services provided by Mr R J Waring of \$170,208 (2008 - \$94,003). The \$170,208 (2008 - \$94,003) is included in the remuneration of Directors in the Remuneration Report.

During the year the Company provided technical and administrative support services to its 45.65% owned associated company, Eastern Iron Limited (EFE) and its 24.2% owned associated company Silver City Mining Limited (SCI). Services provided amounted to \$268,837 (2008 - \$140,161) for EFE and amounted to \$102,345 (2008 - \$Nil) for SCI and includes consulting, use of office space and office services.

Services provided by Director-related entities were under normal commercial terms and conditions. There are no long term service agreements and hence no liabilities will arise from termination of such agreements. No other benefits have been received or are receivable by Directors, other than those already disclosed in the notes to the accounts.

23. JOINT VENTURES

The Company is a party to a number of exploration joint venture agreements to explore for copper, gold, zinc, lead and heavy minerals. Under the terms of the agreements the Company will be required to contribute towards the exploration and other costs if it wishes to maintain or increase its percentage holdings. The joint ventures are not separate legal entities. There are contractual arrangements between the participants for sharing costs and future revenues in the event of exploration success. There are no assets and liabilities attributable to PlatSearch at balance date resulting from these joint ventures, other than exploration expenditure costs carried forward as detailed in Note 15. Costs are accounted for in accordance with the terms of joint venture agreements and in accordance with Note 2(i).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009



Percentage equity interests in joint ventures at 30 June 2009 were as follows:

	Percentage Interest 2009	Percentage Interest 2008
New South Wales		
<i>Broken Hill - Base Metals and Gold</i>		
Euriowie	32%	32%
Hillston – diluting to 16%	80%	80%
Hollis Tank	80%	80%
Copper King, Yanco Glen and Ziggys – sold to SCI	0%	16%
Apollyon Valley, Big Aller and Mt Robe – sold to SCI	0%	20%
Stephens-Centennial – sold to SCI	0%	48%
Cymbric Vale – tenement relinquished after JV ended	0%	50%
Dunmore and Tomingley	90%	90%
Mundi Plains – diluting to 20%	49%	100%
Zetta and Iron Bar	80%	80%
Eastern Iron Projects	20%	20%
South Australia – Base Metals and Gold		
Black Hill, Yalata and Toolgerie – diluting to 32%	80%	80%
Quinyambie – diluting to 15%	52.6%	52.6%
Frome and Poverty Lake	10%	10%
Coondambo – diluting to 20%	50%	50%
Mulyungarie – sold to SCI	0%	80%
Kalabity – diluting to 32%	80%	80%
Junction Dam – diluting to 16%	80%	80%
Officer Basin	50%	50%

24. FINANCIAL REPORT BY SEGMENT

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

25. CONTINGENT LIABILITIES

The Company's bankers have provided guarantees totalling \$10,000 (2008 - \$10,000) in respect of mining tenements and the guarantees are secured against short term deposits of these amounts. Additional guarantees of \$147,500 (2008 - \$115,500) in respect of mining tenements is secured against deposits with the NSW Department of Primary Industries and Mineral Resources, the Queensland Department of Mines and the Victorian Department of Energy and Minerals. The Company does not expect to incur any material liability in respect of the guarantees.

26. EMPLOYEE ENTITLEMENTS

The aggregate employee entitlement liability is set out in Notes 16 and 17 and is calculated in accordance with the accounting policy set out in Note 2. An employee share option plan has been established where selected officers and employees of the Company are issued with options over ordinary shares in PlatSearch NL. The options, issued for nil consideration, are issued in accordance with a performance review by the Directors. The options cannot be transferred and will not be quoted on the ASX. There are currently eight option holders under the plan holding 6,860,000 options. There were 60,000 options exercised during the 30 June 2008 year. The option exercise prices are \$0.14, \$0.18 and \$0.25 and the market value of ordinary PlatSearch NL shares closed at \$0.055 on 30 June 2009.



NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
27. COMMITMENTS				
Lease commitments				
The Company has obligations under the terms of an operating lease agreement for its office premises as follows:				
Payable not later than one year	55,896	41,000	55,896	41,000
Payable later than one year and not later than five years	32,606	61,500	32,606	61,500
	88,502	102,500	88,502	102,500

The Company's lease of its office premises is for a three year period expiring on 26 January 2011.

Exploration licence expenditure requirements

In order to maintain the Company's tenements in good standing with the various mines departments, the Company will be required to incur exploration expenditure under the terms of each licence. These expenditure requirements will diminish as the Company joint ventures projects to third parties. It is the Company's exploration strategy to farm-out to larger companies to fund drilling programmes. In addition, the Company has commitments to expend funds towards earning or retaining an interest under joint venture agreements.

Payable not later than one year	649,887	1,597,353	649,887	1,597,353
Payable later than one year but not later than two years	322,950	271,083	322,950	271,083
	972,837	1,868,436	972,837	1,868,436

It is likely that variations to the terms of current and future joint ventures, the granting of new licences and changes in licence areas at renewal or expiry, will change the expenditure commitment to the Company from time to time.

28. SUBSEQUENT EVENTS

There have been no material events subsequent to 30 June 2009 other than:

- the completion in July 2009 of the Company's underwritten renounceable Rights Issue of five new shares for every six shares held by shareholders at an issue price of \$0.05 per share, where 79,676,200 new shares were issued and \$3,983,810 was raised (before expenses) under a Prospectus dated 10 June 2009;
- the incorporation of Thomson Resources Ltd on 17 July 2009, in which PlatSearch is expected to have a 36% interest when its current fundraising is finalised in early October 2009; and
- on 28 September 2009 the Company exercised 1,375,000 options in Western Plains Resources Ltd for an amount of \$325,875 (refer to Note 11). These options had an expiry date of 28 September 2009. The remaining 3,475,000 options in WPG expired unexercised on that date.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
29. CASH FLOW STATEMENT				
Reconciliation of net cash outflow from operating activities to operating profit after income tax				
(a) Operating (loss)/profit after income tax	(5,698,064)	2,236,329	(6,363,962)	1,132,923
Depreciation	11,349	6,104	11,349	6,104
Exploration expenditure written-off	96,730	121,339	96,730	121,339
Share of associate's net losses	233,066	17,323	-	-
Share-based payment – options expensed	47,880	37,944	47,880	37,944
Loss/(gain) on options – fair based value uplift of options	5,850,810	(1,869,708)	5,853,010	(1,789,408)
Gain on accounting for investment in associate	(190,088)	-	-	-
Profit on sale of shares	(5,236)	-	(3,846)	-
Gain on deconsolidation of EFE	-	(2,018,939)	-	-
Sale of tenements – equity consideration	-	-	187	(130,000)
Tax benefit – deferred tax	(997,583)	850,584	(278,913)	129,244
Other	231,708	118,012	227,131	(7,000)
Change in assets and liabilities:				
(Increase)/decrease in receivables	(22,031)	(19,649)	(22,053)	(19,594)
(Decrease)/increase in trade and other creditors	60,309	20,403	60,309	20,403
(Decrease)/increase provisions	33,342	-	33,342	-
Net cash outflow from operating activities	(347,808)	(500,258)	(338,836)	(498,045)
(b) For the purpose of the Cash Flow Statement, cash includes cash on hand, at bank, deposits and bank bills used as part of the cash management function. The Group does not have any unused credit facilities.				
The balance at 30 June 2009 comprised:				
Cash and cash equivalents	51,768	243,767	46,044	187,980
Money market securities – bank deposits (Note 6)	800,000	500,000	800,000	500,000
Cash on hand	851,768	743,767	846,044	687,980

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's Board considers the Company's overall risk management framework and policies, including quarterly review by the Board of the Company's financial position and financial forecasts and maintaining adequate insurances.

AASB 7 introduced new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. The amendment to AASB 101 introduces disclosures about the level of an entity's capital and how it manages capital.



(a) Capital management

The Group considers its capital to comprise its ordinary share capital and its retained earnings, net of accumulated losses.

In managing its capital, the Group's primary objective as an explorer is to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. The Group has no debt hence has a nil gearing ratio.

In making decisions to adjust its capital structure to achieve these aims, either through altering its new share issues, or consideration of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

(b) Financial instrument risk exposure and management

As is common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. These main risks, arising from the group's financial instruments are interest rate risk, liquidity risk, share market risk and credit risk. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(c) General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and has the responsibility for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives quarterly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

The Board receives cash flow projections on a monthly basis as well as information regarding cash balances. At the balance sheet date, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

(ii) Interest rate risk

At balance date, the Group is exposed to floating weighted average interest rates for financial assets of 0.045% on \$30,921 in cash (2008: 2.05%), 2.80% on \$20,487 in deposits at call (2008: 7.20%) and 3.8% (2008: between 7.86% and 7.89%) on short term deposits of \$800,000. All other financial assets and liabilities are non-interest bearing

The Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and financial liability is set out in the following tables:

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

Risk exposure and responses Judgements of reasonably possible movements:	Post Tax Loss		Equity	
	2009	2008	2009	2008
Consolidated	\$	\$	\$	\$
+1% (100 basis points)	8,518	7,437	-	-
-1% (100 basis points)	(8,518)	(7,437)	-	-
Parent				
+1% (100 basis points)	8,460	6,880	-	-
-1% (100 basis points)	(8,460)	(6,880)	-	-

(iii) *Share market risk*

The Company relies greatly on equity markets to raise capital for its exploration activities and is thus exposed to equity market volatility. When market conditions require, for prudent capital management, in consultation with its professional advisers the Group looks to alternative sources of funding, including the sale of assets and royalties.

(iv) *Credit risk*

Credit risk arises principally from the Group's cash, cash equivalents, receivables and tenement security deposits.

The Group's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of these instruments.

The Group trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Other receivables

Other receivables comprise GST. Credit worthiness of debtors is undertaken when appropriate.

(v) *Equity price risk*

Price risk arises from investments in equity securities and from PlatSearch's issued capital. All significant equity investments held by PlatSearch are publicly traded on the ASX. The price risk for listed securities is material in terms of the possible impact on profit and loss or total equity and as such a sensitivity analysis is completed below. The capacity of the Company to raise capital from time to time may be influenced by either or both market conditions and the price of PlatSearch's quoted shares at that time.

At balance date, the Group is exposed to a stock exchange risk on its investments (Note 8). The Group's exposure to share price movement is set out in the following tables:

Risk exposure and responses

Judgements of reasonably possible movements in share prices:

	Post Tax Loss		Equity	
	2009	2008	2009	2008
Consolidated	\$	\$	\$	\$
+20%	-	-	467,670	1,590,550
-20%	-	-	(467,670)	(1,590,550)
Parent				
+20%	-	-	428,750	1,572,750
-20%	-	-	(428,750)	(1,572,750)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

At balance date, the Group is exposed to a stock exchange risk on its derivative financial instruments (Note 11). The Group's exposure to movements in the value of share options is set out in the following tables:

Risk exposure and responses Judgements of reasonably possible movements in underlying share prices:	Post Tax Loss		Equity	
	Lower/(Higher)		Lower/(Higher)	
	2009	2008	2009	2008
Consolidated	\$	\$	\$	\$
+20%	330,600	1,651,000	-	-
-20%	(330,600)	(1,651,000)	-	-
Parent				
+20%	309,600	1,626,000	-	-
-20%	(309,600)	(1,626,000)	-	-

(d) Accounting policies

Accounting policies in relation to financial assets and liabilities and share capital are contained in Note 2.

(e) Fair value of financial assets and liabilities

The fair value of all monetary financial assets and financial liabilities of the PlatSearch Group approximate their carrying value.

There are no off-balance sheet financial asset and liabilities at year-end.

All financial assets and liabilities are denominated in Australian dollars.

DIRECTORS' DECLARATION

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

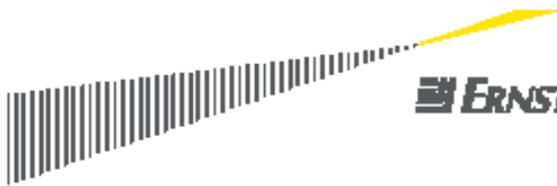
- (1) In the opinion of the Directors:
 - (a) the financial statements, notes, and the additional disclosures included in the Directors' Report designated as audited, of the Company and of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards 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.
- (2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2009.

On behalf of the Board



G F P Jones
Managing Director

Sydney, 30 September 2009



ERNST & YOUNG

Ernst & Young Centre
600 George Street
Sydney NSW 2000 Australia
GPO Box 2546 Sydney NSW 2001
Tel: +61 2 9240 8000
Fax: +61 2 9240 3050
www.ey.com/au

Independent auditor's report to the members of PlatSearch NL

Report on the Financial Report

We have audited the accompanying financial report of PlatSearch NL, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the 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 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. In Note 2, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's Responsibility

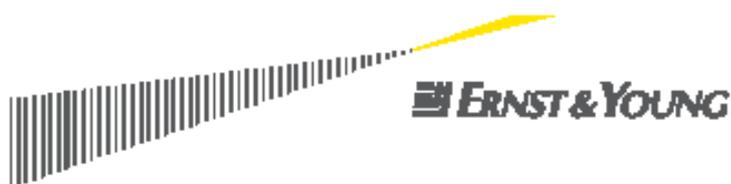
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have met 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 is included in the annual report.



Auditor's Opinion

In our opinion:

1. the financial report of PlatSearch NL is in accordance with the *Corporations Act 2001*, including:
 - i giving a true and fair view of the financial position of PlatSearch NL and the consolidated entity at 30 June 2009 and of their performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
2. the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of PlatSearch NL for the year ended 30 June 2009, complies with section 300A of the *Corporations Act 2001*.

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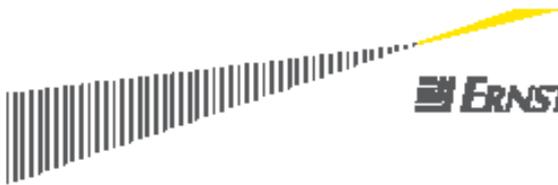
Ernst & Young

A handwritten signature in black ink, appearing to be "Gary Daniels".

Gary Daniels
Partner
Sydney
30 September 2009



AUDITOR'S INDEPENDENCE DECLARATION



ERNST & YOUNG

Ernst & Young Centre
600 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001
Tel: +61 2 5248 8888
Fax: +61 2 9240 3839
www.ey.com/au

Auditor's Independence Declaration to the Directors of PlatSearch NL

In relation to our audit of the financial report of PlatSearch NL for the financial year ended 30 June 2009, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

Gary Daniels
Partner
Sydney
30 September 2009

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under Professional Standards Legislation



The Board of Directors of PlatSearch NL is responsible for corporate governance and strives for high standards in this regard. The Board monitors the business and affairs of PlatSearch on behalf of the shareholders by whom they are elected and to whom they are accountable. The Board draws on relevant best practice principles, particularly those issued by the ASX Corporate Governance Council in August 2007. At a number of its meetings the Board examines the PlatSearch corporate governance practices and the progress towards a review of its practice compared to the best practice principles proposed by the ASX Corporate Governance Council. While PlatSearch is attempting to adhere to the principles proposed by the ASX, it is mindful that there may be some instances where compliance is not practicable for a company of PlatSearch's stage of development.

The August 2007 Australian Securities Exchange Corporate Governance Council publication, "Corporate Governance Principles and Recommendations" second edition, is referred to for guidance purposes, however all listed companies are required: to disclose the extent to which they have followed the recommendations; to identify any recommendations that have not been followed; and reasons for not doing so. The Company's Board of Directors has reviewed the recommendations. In many cases the Company was already achieving the standard required. In other cases the Company will have to consider new arrangements to enable compliance. In a limited number of instances, the Company may determine not to meet the standard set out in the recommendations, largely due to the recommendation being considered by the Board to be unduly onerous for the company with its staff numbers and Board size and structure.

A summary of the Company's written policies on corporate governance matters is being prepared, and following Committee review and approval, will be included in the Corporate Governance section of the PlatSearch website. The following paragraphs set out the Company's position relative to each of the eight principles contained in the ASX Corporate Governance Council's report.

Principle 1: Lay solid foundations for management and oversight

The Company has not yet formalised and disclosed the functions reserved to the Board and those delegated to management or written processes for evaluating the performance of senior executives. The Company has a Board of five Directors (three Non-Executive Directors plus the Managing Director and Finance Director) and a small team of staff, so roles and functions have to be flexible to meet specific requirements.

Principle 2: Structure the Board to add value

The Company complies with most of the recommendations within this area as the Chairman is independent; separate from the Managing Director. The Company does not comply with the recommendation that a majority of Directors are independent, because four are considered as not independent - two are Executive Directors, Mr Kwan is a substantial shareholder and Mr Richardson is a recent former Managing Director. The Company does not have a separate Board Nomination Committee, but has a Remuneration and Nomination Committee that carries out this function, which includes an assessment of the specific governance skills and industry experience required of potential directors. A performance evaluation of the Board was carried out during the year.

One of the Company's five Directors is the Non-Executive Chairman and he has not undertaken any consultancy work for the Company within the past three years. Each Director of the Company has the right to seek independent professional advice at the expense of the Company. Prior approval of the Chairman is required, but this will not be unreasonably withheld.

Principle 3: Promote ethical and responsible decision-making

The Company has a policy concerning trading in its securities by Directors, management, staff and significant consultants which is set out below. The Company has a formal code of conduct, which reflects the Company's size and the close interaction of individuals throughout the organisation, and guides compliance with legal and other obligations. The Board of Directors continues to review the guide to determine the most appropriate and effective operational procedures.

Principle 4: Safeguard integrity in financial reporting

The Company periodically reviews its procedures to ensure compliance with the recommendations set out under this principle. Senior management confirms that the financial reports represent a true and fair view, and are in accordance with relevant accounting standards. The Managing Director and the Finance Director state in writing to the Board that the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition, and operational results of the Company are in accordance with relevant accounting standards, and that the system of internal control is adequate.



The Company has an Audit Committee and the written charter has been approved by the Board. The Audit Committee consists of the Non-Executive Chairman of Directors, Mr Elliott (formerly Mr Soper), and the Non-Executive Director, Mr Richardson (Chairman of the Committee). These Directors have applicable expertise and skills for the Audit Committee. This structure does not meet the ASX's guidance regarding independence, in that it should have a majority of independent directors and have at least three members, and the Committee Chairman should not be the Chairman of the Board. The Audit Committee reports to the Board after each Committee meeting. In conjunction with the full Board, the Committee reviews the performance of the external auditors (including scope and quality of the audit).

Principle 5: Make timely and balanced disclosure

The Company, its Directors and staff are very aware of the ASX's continuous disclosure requirement, and operate in an environment where strong emphasis is placed on full and appropriate disclosure to the market. Whilst the Company does not have formal written policies regarding disclosure, it uses strong informal systems underpinned by experienced individuals.

Principle 6: Respect the rights of shareholders

All significant information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the Company's operations, the material used in the presentation is released to the ASX and posted on the Company's website. Procedures have also been established for reviewing whether any price-sensitive information has been inadvertently disclosed or inadvertently not disclosed, and if so, this information is also immediately released to the market.

Whilst the Company does not have a communications strategy to promote effective communication with shareholders, as it believes this is excessive for a company of PlatSearch's stage of development, the Company does communicate regularly with shareholders. The Company has requested the external auditor to attend general meetings and this has been supported by the Company's audit partner at Ernst & Young.

Principle 7: Recognise and manage risk

In view of the stage of development it does not believe that there is significant need for formal policies on risk oversight and management of material business risks. Risk management arrangements are the responsibility of the Board of Directors and senior management collectively, and Risk Factors is a standing agenda item at Board meetings. The Company's Managing Director and Finance Director provide the Board with the recommended statements on the system for the management of risk and internal control, and periodically reports to the Board in writing on these areas.

Principle 8: Remunerate fairly and responsibly

The Company has a Remuneration Committee consisting of Messrs Kwan (Chairman of the Committee), Jones and Richardson which meets, as and when required, to review performance matters and remuneration. There has been no formal performance evaluation of the Board during the past financial year, although its composition is reviewed at a Board meeting at least annually. The Directors work closely with management and have full access to all the Company's files and records.

The Directors believe that individual salary and contractor negotiation are more appropriate than formal remuneration policies. The Remuneration Committee will seek independent external advice and market comparisons as necessary. In accordance with Corporations Act requirements, the Company discloses the fees or salaries paid to all Directors, plus the five highest paid officers. The Company has an Employee Share Option Plan that was introduced in November 1993 and replaced in 2006, after being approved by shareholders. There are no schemes for retirement benefits for any Director, other than statutory superannuation. The Company believes that its measures of equity-based remuneration are appropriate to incentivise Non-Executive Directors in a Company of PlatSearch's size and limited resources, which is at variance with the recommendation that Non-Executive Directors should not receive options. In prior years former Chairman Mr R J Soper received options. Shareholders approval was obtained in advance of such issues.



Ethical Standards

The Board's policy is for the Directors and management to conduct themselves with the highest ethical standards. All Directors and employees will be expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Securities Trading and Trading Windows

Directors, employees and key consultants must consult with the Chairman of the Board or the Managing Director before dealing in securities of the Company. Purchases or sales in the Company's shares or options by Directors, employees and key consultants may not be carried out other than in the "window", being the period commencing two days following the date of an announcement leading, in the opinion of the Board, to an informed market. However, Directors, employees and key consultants are prohibited from buying or selling PlatSearch shares at any time if they are aware of price-sensitive information that has not been made public.



SHAREHOLDER INFORMATION

Information relating to shareholders at 22 September 2009 (per ASX Listing Rule 4.10)

Substantial Shareholders

Shareholding

Kwan Chee Seng	39,946,403
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Distribution of Shareholders

Number of ordinary shares held	Number of Holders	Ordinary Shares
1 – 1,000	315	131,590
1,001 – 5,000	211	590,957
5,001 – 10,000	180	1,510,959
10,001 – 100,000	432	18,005,359
100,001 – and over	170	155,048,727
	1,308	175,287,592

At the prevailing market price of \$0.10 per share, there were 494 shareholders with less than a marketable parcel of \$500.

Top 20 Shareholders of Ordinary Shares as at 22 September 2009

	Shares	% Shares issued
Kwan Chee Seng	22,430,164	12.80
DMG & Partners Securities Pte Ltd	17,516,239	9.99
UOB Kay Hian Private Limited	11,343,372	6.47
Minotaur Resources Investments Pty Ltd	8,750,000	4.99
Mr Xiangjun Zhang	8,000,000	4.56
Viking Investments Limited	7,756,676	4.43
Mr Chris Carr and Mrs Betsy Carr	5,500,000	3.14
Warman Investments Pty Ltd	4,864,019	2.77
Mr Robert Lewis Richardson and Ms Susanne Brint	3,350,760	1.91
State One Nominees Pty Ltd	2,933,334	1.67
Nefco Nominees Pty Ltd	2,902,023	1.66
Iipseity Pty Limited	2,839,707	1.62
Panstyn Investments Pty Ltd	2,352,345	1.34
HSBC Custody Nominees (Australia) Limited	1,905,333	1.09
Phillip Securities Pte Ltd	1,901,450	1.08
CIMB-GK Securities Pte Ltd	1,859,609	1.06
Crescent Nominees Limited	1,470,316	0.84
Mrs Li Ming Yu	1,360,010	0.78
Warinco Services Pty Limited	1,353,864	0.77
Howard-Smith Investments Pty Ltd	1,116,021	0.64
Total of top 20 holdings	111,505,242	63.61
Other holdings	63,782,350	36.39
Total fully paid shares issued	175,287,592	100.00



Partly paid, unlisted ordinary shares

There are 450,000 ordinary \$0.25 shares paid to \$0.01 which are not listed on any stock exchange. Holders of these shares are Glenn Elliott Goodacre (200,000), Geonz Associates Limited (200,000) and Maxel Franz Rangott (50,000). The shares were issued under the Platinum Search Share Incentive Plan, which was replaced by the Employee Share Option Plan on 25 November 1993.

Employee Share Option Plan

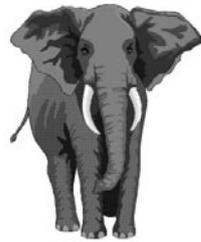
There are 6,860,000 options outstanding under the Company's Employee Share Option Plan. At the Company's Annual General Meeting held on 25 November 1993, shareholders approved the adoption of the Company's Employee Share Option Plan. The Plan has been "refreshed" at a number of Annual General Meetings since then and replaced in November 2006 by a new plan. On 24 November 2004 the Directors resolved to grant 3,680,000 options to eligible persons under the Plan, 300,000 of these options have since expired and 3,380,000 remain on issue. The options are for a period of five years, expire on 24 November 2009 and are exercisable at \$0.25. Holders of the 24 November 2009 options are Robert L Richardson (1,600,000), Robert J Waring (1,150,000), Raymond J Soper (400,000), Wendy L Corbett (200,000) and Robin A Catalano (30,000). On 21 November 2006 the Directors resolved to grant 2,340,000 options to eligible persons under the Plan. The options are for a period of five years, expire on 27 November 2011 and are exercisable at \$0.14. Holders of the 27 November 2011 options are Robert L Richardson (1,060,000), Robert J Waring (800,000), Raymond J Soper (270,000) and Wendy L Corbett (150,000). 60,000 options were exercised in July 2007. On 18 June 2007 the Directors resolved to grant 300,000 options to Peter M Buckley under the Plan. The options which vested on 9 January 2008, are for a period of five years, expire on 28 May 2012 and are exercisable at \$0.18. In March 2009 the Directors resolved to grant 750,000 options to Gregory F P Jones and 150,000 options to Greg P MacRae under the Plan. The options vested on 1 April 2009 (750,000) and 14 July 2009 (150,000), are for a period of 4.8 years, expire on 9 February 2014 and are exercisable at \$0.14.

Voting rights

There are no restrictions on voting rights. On a show of hands every member present or by proxy shall have one vote and upon a poll each share shall have one vote. Where a member holds shares which are not fully paid, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof. Option holders have no voting rights until the options are exercised.

Audit Committee

At the date of the Directors' Report, the Company has a Committee of one Non-Executive Director and the Managing Director which meets with the Company's external auditors at least once during each half-year. These meetings take place prior to the finalisation of the half-year financial statements and Annual Report and prior to the signing of the Audit Report.



PlatSearch's primary targets are large, world-class deposits known in the industry as "elephants"

PLATSEARCH NL

ABN 16 003 254 395

DIRECTORS

Patrick J D Elliott
Greg F P Jones
Robert J Waring
Kwan Chee Seng
Bob Richardson
Kantilal Champaklal (alternate to Kwan C S)

SECRETARY

Robert J Waring

REGISTERED AND ADMINISTRATION OFFICE

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

SHARE REGISTRY

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
Telephone: 1300 557 010 (within Australia)
+61 8 9323 2000 (outside Australia)
Facsimile: +61 8 9323 2033

AUDITORS

Ernst & Young

BANKERS

Commonwealth Bank of Australia

STOCK EXCHANGE LISTING

Listed on Australian Stock Exchange Limited
ASX Code: PTS

SHARE CAPITAL

At 30 June 2009, 95,611,392 fully paid ordinary shares,
450,000 partly paid ordinary shares to 1 cent and 6,860,000
employee share plan options.



PLATSEARCH NL

ABN 16 003 254 395

Level 1, 80 Chandos Street
St Leonards NSW 2065

t +61 2 9906 5220

f +61 2 9906 5233

e pts@platsearch.com.au

w www.platsearch.com.au

