

**PLATSEARCH NL**

ABN 16 003 254 395

**HALF-YEAR FINANCIAL REPORT**

31 DECEMBER 2006

# CORPORATE DIRECTORY

## PLATSEARCH NL

ABN 16 003 254 395

<b>DIRECTORS</b>	Raymond J Soper Bob Richardson Robert J Waring
<b>COMPANY SECRETARY</b>	Robert J Waring
<b>REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS</b>	Level 1, 80 Chandos Street, St Leonards NSW 2065 PO Box 956, Crows Nest NSW 1585 Australia Telephone: +61 2 9906 5220 Facsimile: +61 2 9906 5233 Email: pts@platsearch.com.au Website: www.platsearch.com.au
<b>SHARE REGISTER</b>	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
<b>AUDITORS</b>	Ernst & Young, 680 George Street, Sydney NSW 2000 Australia
<b>BANKERS</b>	Commonwealth Bank of Australia, Willoughby Road, Crows Nest NSW 2065 Australia
<b>STOCK EXCHANGE LISTING</b>	Listed on Australian Stock Exchange Limited ASX Code: PTS
<b>SHARE CAPITAL</b>	At 13 March 2007, 79,101,392 fully paid ordinary shares, 450,000 partly paid shares to 1 cent (24 cents payable) and 8,750,000 partly paid shares to 4 cents (8 cents payable) and 5,720,000 employee share options.

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# DIRECTORS' REPORT

Your Directors submit their report for the half-year ended 31 December 2006.

## DIRECTORS

The names of the Company's Directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

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

Bob Richardson, BSc (Sydney), BE (Hons) (Sydney), MAusIMM, MASEG (Managing Director)

Robert J Waring, BEc (Sydney), CA, FCIS, F FIN, MAusIMM, FAICD (Executive Director)

## REVIEW AND RESULTS OF OPERATIONS

The net result of operations after applicable income tax expense for the half-year was a loss of \$429,290 (2005 – loss \$238,714) which includes the write-off of exploration expenditure in the current half-year of \$40,770 (2005 – \$71,881).

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

- **Eleven new joint venture agreements** were signed bringing the total number of active joint ventures to 19. The new joint ventures are:
  - **Kalabity, SA** with *Crosslands Uranium Mines*. Crossland will undertake further geochemical sampling followed by RAB drilling with particular attention on the KR4 prospect where uranium occurs as davidite in veins over a 1.5 kilometres strike length.
  - **Mundi Plains/Junction Dam, NSW/SA** with *Teck Cominco*. A programme of deep drilling seeking Broken Hill style zinc-lead-silver has been completed on two targets. Further drilling is planned.
  - **Cymbric Vale, NSW** with *Bondi Mining*. Field work to investigate nickel and copper prospects has commenced. Bondi will complete a RAB drilling programme before May 2007.
  - **Dunmore/Tomingley, NSW** with *Bondi Mining*. A contractor has been engaged to fly detailed aeromagnetic surveys over both tenements in April 2007. RAB drilling seeking porphyry copper-gold and sheeted quartz vein associated gold targets will follow.
  - **Lilleyvale, QLD** with *WCP Resources*. WCP is committed to drill two deep rotary/core holes, seeking IOCG style copper-gold mineralisation and commencing as soon as a drill is available and weather permits.
  - **Mirikata, SA** with *Newcrest Operations*. Newcrest will complete before 30 June 2007 a \$100,000 programme including drilling to test magnetic/gravity targets located approximately 25 kilometres west of Oxiana's Prominent Hill project in the Gawler Craton.
  - **Klongobangee, Monolon, Kanga and Mt Pleasant, Thomson Fold Belt, NSW** with *Minotaur Exploration*. Minotaur will complete one RC drillhole on each of six prospects during the next 12 months, a programme estimated to cost \$500,000.
  - **Wynbring, SA** with *Chesser Resources*. Within the first 12 months Chesser must complete a programme of ground geophysical surveys and RAB/Aircore drilling costing \$225,000 searching for sulphide nickel, copper-gold and uranium mineralisation. The agreement is subject to and conditional upon Chesser becoming listed on the ASX on or before 30 June 2007.
- **Western Plains Resources (WPG)**, in which PlatSearch has a 10% shareholding and 4.85 million options, has commenced a bankable feasibility study for the Peculiar Knob DSO iron ore deposit in South Australia. A 7,900 metre drilling programme has commenced to enable an upgrade of the status of the resource to the Measured and Indicated categories and provide essential data for a detailed mine design. At Hawks Nest a 17 hole RC percussion drill programme for an estimated 2,300 metres will test several promising geophysical targets for the presence of new DSO haematite and/or high grade magnetite deposits within the Hawks Nest BIF terrain. At the closing price on ASX of WPG shares on 12 March 2007 of 37.5 cents, PlatSearch's 6,350,000



## *Directors' Report (continued)*

shares in WPG have a market value of \$2,381,250. PlatSearch's shares in WPG are subject to an ASX imposed escrow for two years until 23 August 2007.

- At the **Euriowie Project**, Broken Hill, NSW, joint venturer WPG is completing a programme of eight RC percussion holes and one core hole on the Son of Man, B40 and Yalcowinna Creek prospects. Encouraging copper mineralisation has been intersected in two holes at Yalcowinna Creek.
- PlatSearch has built a strong tenement position in the **Thomson Fold Belt**, NSW with a further four tenement applications. A recent intersection of encouraging base and precious metals by Compass Resources at their nearby Cuttaburra prospect has highlighted the potential of this region. The Compass discovery hole targeted a discrete magnetic anomaly in a setting interpreted to represent a look-alike to the Siluro-Devonian Cobar Basin, the province of several important base metals and precious metals deposits. In PlatSearch's 1,900 square kilometre tenement package, the Company has identified at least 30 magnetic anomaly targets that justify drill testing for similar style mineralisation. Minotaur Exploration has entered into four joint ventures on six of PlatSearch's tenements in this region.
- Joint venturer Red Metal was awarded a PACE grant for a deep drill hole to test one of several localised gravity anomaly targets for IOCG copper-gold-uranium in the eastern part of the **Callabonna Project** tenement in the Curnamona Craton, SA.
- In the Curnamona Craton, Red Metal is preparing to complete core drilling in basement rocks at the Dolores East prospect in the **Quinyambie Project**. A previous core hole discovered a large, haematite altered, brecciated, volcanic intrusive body with strongly anomalous copper.

### **FINANCIAL**

In September 2006 PlatSearch made a placement of 8,750,000 shares paid to 4 cents (with 8 cents payable) to raise \$350,000. On 7 February 2007 the Company issued 5 million shares following a placement at 12 cents per share to raise \$600,000. On 13 March 2007 the Company issued 3,333,333 shares to shareholders through a Share Purchase Plan which raised \$400,000. The funds raised are being used to provide additional capital to continue exploration project generation and project enhancement, prior to drill testing or farm-out to larger companies.

### **SUBSEQUENT EVENTS**

The Directors are not aware of any significant changes in the state of affairs of the Company occurring since the end of the half-year other than the share issues mentioned above.

### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the Auditor's Independence Declaration to the Directors as required under section 307C of the *Corporations Act 2001* is set out on page 13.

Signed at Sydney this 14<sup>th</sup> day of March 2007 in accordance with a resolution of the Directors.



R L RICHARDSON  
Managing Director



# INCOME STATEMENT

For the half-year ended 31 December 2006

	Note	2006	2005
		\$	\$
<b>REVENUE</b>	4	<b>30,619</b>	19,255
Salaries and employee benefits expense		(79,102)	(82,415)
Salaries and on costs recharged to exploration projects		83,813	45,969
Depreciation expense		(1,425)	(1,213)
ASX and ASIC fees		(13,612)	(9,896)
Directors' fees		(5,000)	(3,150)
Exploration expenditure written-off		(40,770)	(71,881)
Contract administration services		(53,103)	(44,859)
Operating lease rental expense		(16,978)	(16,876)
Auditors' remuneration		(10,360)	(7,451)
Loss on sale of investment		-	(18,000)
Share registry costs		(4,738)	(3,947)
Share-based payments	9	(257,400)	-
Other expenses from ordinary activities		(32,868)	(22,947)
Share of net losses of associate accounted for using the equity method	7	(28,366)	(21,303)
<b>LOSS BEFORE TAX AND FINANCE COSTS</b>		<b>(429,290)</b>	(238,714)
Finance costs		-	-
<b>LOSS BEFORE INCOME TAX</b>		<b>(429,290)</b>	(238,714)
Income tax expense		-	-
<b>LOSS AFTER TAX</b>		<b>(429,290)</b>	(238,714)
<b>NET LOSS ATTRIBUTABLE TO MEMBERS OF PLATSEARCH NL</b>		<b>(429,290)</b>	(238,714)
<b>Earnings per share</b>			
- Basic loss per share (cents per share)	13	0.59	0.36
- Diluted loss per share (cents per share)	13	0.59	0.36



# BALANCE SHEET

As at 31 December 2006

	Note	31 Dec 06	30 Jun 06
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	186,948	211,577
Receivables	6	17,480	9,863
<b>Total Current Assets</b>		<b>204,428</b>	<b>221,440</b>
<b>Non-Current Assets</b>			
Plant and equipment		2,469	1,738
Investments	7	1,682,750	592,205
Tenement security deposits		140,500	110,500
Deferred exploration and evaluation expenditure	8	537,537	352,249
<b>Total Non-Current Assets</b>		<b>2,363,256</b>	<b>1,056,692</b>
<b>TOTAL ASSETS</b>		<b>2,567,684</b>	<b>1,278,132</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		45,872	48,341
<b>Total Current Liabilities</b>		<b>45,872</b>	<b>48,341</b>
<b>TOTAL LIABILITIES</b>		<b>45,872</b>	<b>48,341</b>
<b>NET ASSETS</b>		<b>2,521,812</b>	<b>1,229,791</b>
<b>EQUITY</b>			
Contributed equity	11	8,026,546	7,676,546
Accumulated losses		(7,434,474)	(7,005,184)
Reserves	12	1,929,740	558,429
<b>TOTAL EQUITY</b>		<b>2,521,812</b>	<b>1,229,791</b>



# STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2006

Attributable to the shareholders of PlatSearch NL				
Note	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total Equity \$
<b>AT 1 JULY 2005</b>	7,354,463	(6,476,094)	82,168	960,537
Change in interest in associate arising from share issue by associate	-	-	476,261	476,261
Total income and expenses for the period recognised directly in equity	-	-	476,261	476,261
Loss for the period	-	(238,714)	-	(238,714)
Total income and expenses for the period	-	(238,714)	476,261	237,547
Issue of share capital	167,310	-	-	167,310
<b>AT 31 DECEMBER 2005</b>	7,521,773	(6,714,808)	558,429	1,365,394
Loss for the period	-	(290,376)	-	(290,376)
Total income and expenses for the period	-	(290,376)	-	(290,376)
Issue of share capital	154,773	-	-	154,773
<b>AT 30 JUNE 2006</b>	7,676,546	(7,005,184)	558,429	1,229,791
<b>AT 1 JULY 2006</b>	7,676,546	(7,005,184)	558,429	1,229,791
Change in fair value of investments available for sale	-	-	1,113,911	1,113,911
Total income and expenses for the period recognised directly in equity	-	-	1,113,911	1,113,911
Loss for the period	-	(429,290)	-	(429,290)
Total income and expenses for the period	-	(429,290)	1,113,911	684,621
Issue of share capital	350,000	-	-	350,000
Share options	-	-	257,400	257,400
<b>AT 31 DECEMBER 2006</b>	<b>8,026,546</b>	<b>(7,434,474)</b>	<b>1,929,740</b>	<b>2,521,812</b>



# STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2006

	2006	2005
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payment to suppliers and employees	(128,305)	(153,098)
Consultancy fees	13,527	7,772
Interest received	7,092	4,824
Rental income	10,000	6,660
NET CASH FLOWS USED IN OPERATING ACTIVITIES	<u>(97,686)</u>	<u>(133,842)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(2,156)	(971)
Expenditure on mining interests (exploration)	(239,787)	(48,619)
Tenement security deposits	(30,000)	20,000
Purchase of shares - investments	(5,000)	-
Advance to associated company	-	100,304
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	<u>(276,943)</u>	<u>70,714</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	350,000	167,310
NET CASH FLOWS FROM FINANCING ACTIVITIES	<u>350,000</u>	<u>167,310</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(24,629)	104,182
Cash and cash equivalents at beginning of period	211,577	135,548
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>186,948</u></u>	<u><u>239,730</u></u>



# NOTES TO THE FINANCIAL STATEMENTS

*For the half-year ended 31 December 2006*

## 1. CORPORATE INFORMATION

The financial report of PlatSearch NL (the Company) for the half-year ended 31 December 2006 was authorised for issue in accordance with a resolution of the Directors on 12 March 2007. PlatSearch is a company incorporated in Australia as a No Liability company.

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

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of PlatSearch as at 30 June 2006.

It is also recommended that the half-year financial report be considered together with any public announcements made by PlatSearch during the half-year ended 31 December 2006 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

### (a) Basis of Preparation

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Australian Accounting Standards, including AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements. The half-year financial report has been prepared on a historical cost basis.

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

### (b) Significant Accounting Policies

The half-year financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2006.

## 3. SEGMENT INFORMATION

The Company operates predominantly in the one business segment and in one geographical area, namely Australian mineral exploration and evaluation.

## 4. REVENUE

	31 Dec 06	31 Dec 05
	\$	\$
Interest received – other persons/corporations	7,092	4,823
Rental income	10,000	6,660
Consulting fees	13,527	7,772
	<u>30,619</u>	<u>19,255</u>



## Notes to the Half-Year Financial Statements (continued)

	31 Dec 06 \$	30 Jun 06 \$
<b>5. CASH AND CASH EQUIVALENTS</b>		
Cash at bank and in hand	116,948	49,820
Short-term deposits	<u>70,000</u>	<u>161,757</u>
	<u><b>186,948</b></u>	<u><b>211,577</b></u>
<b>6. RECEIVABLES - CURRENT</b>		
Amount receivable from Western Plains Resources Ltd	1,189	1,189
Other receivables	<u>16,291</u>	<u>8,674</u>
	<u><b>17,480</b></u>	<u><b>9,863</b></u>
<b>7. INVESTMENTS</b>		
Investments – available for sale	1,682,750	-
Investment accounted for using the equity method	<u>-</u>	<u>592,205</u>
	<u><b>1,682,750</b></u>	<u><b>592,205</b></u>

At 30 June 2006 PlatSearch's investment represented a 24.8% interest in Western Plains Resources Ltd (WPG). At 30 June 2006 the Company's interest in WPG was brought to account as an investment in an equity accounted associate in accordance with Australian Accounting Standard AASB 128 "Accounting for Investments in Associates" as the Directors considered that significant influence existed.

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

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

### Interest in (Former) Associate

Name	Balance date	Ownership interest held	
		31 Dec 06 %	30 Jun 06 %
Western Plains Resources Ltd – ordinary shares	30 June	10	24.8
(i) Principal activity WPG is an Australian minerals explorer		<b>31 Dec 06</b> \$	31 Dec 05 \$
(ii) Share of associate's loss for period (2006: to 15 September 2006)			
Share of associate's			
- net loss before income tax		(28,366)	(21,303)
- income tax expense attributable		<u>-</u>	<u>-</u>
Share of associate's net loss		<u><b>(28,366)</b></u>	<u><b>(21,303)</b></u>



## Notes to the Half-Year Financial Statements (continued)

### 7. INVESTMENTS (continued)

	31 Dec 06 (Available for sale) \$	30 Jun 06 (Equity accounted) \$
(iii) Carrying amount of investment		
Balance at the beginning of the financial period	592,205	237,360
- disposal of investment	-	(18,000)
- share of associate's net loss	(28,366)	(103,416)
- change in interest in associate arising from share issue by associate	-	476,261
- purchase of shares in WPG	5,000	-
	<u>568,839</u>	<u>592,205</u>
Fair value uplift	<u>1,113,911</u>	<u>-</u>
	<u>1,682,750</u>	<u>592,205</u>
(iv) The market value on ASX of PlatSearch's shares in Western Plains Resources Ltd at 31 December 2006 was \$1,682,750 and on 12 March 2007 it was \$2,381,250. PlatSearch's shares in WPG are subject to an ASX imposed escrow for two years until 23 August 2007.		

### 8. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	31 Dec 06 \$	30 Jun 06 \$
Costs brought forward	352,249	406,046
Costs incurred during the period	226,058	152,496
Expenditure written off during the period	(40,770)	(206,293)
Costs carried forward	<u>537,537</u>	<u>352,249</u>

### 9. SHARE-BASED PAYMENTS

Options to subscribe for ordinary shares were issued during the current period. In December 2006 eligible directors, officers, employees and contractors were issued with 2,340,000 options with an exercise price of 14 cents and expiry date of 27 November 2011; the options vest on issue. The issue was based on a five day average market share price at the time of issue. Further, there were also 570,000 options which lapsed during the period.

The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted determined by using the Black and Scholes option valuation methodology model and the following assumptions: expected volatility of 103.17%, risk-free interest rate of 6.04% and an expected life of 5 years. The estimated fair value of each option at the date of grant was 11 cents per option (total value of 2,340,000 options \$257,400).

### 10. CONTINGENT ASSETS AND LIABILITIES

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

### 11. CONTRIBUTED EQUITY

	31 Dec 06 \$	30 Jun 06 \$
<b>Share capital</b>		
70,768,059 ordinary shares fully paid (June 2006 – 70,768,059)	7,672,046	7,672,046
450,000 ordinary shares paid to one cent with 24 cents unpaid (June 2006)	4,500	4,500
Balance at the beginning of the financial period	<u>7,676,546</u>	<u>7,676,546</u>
Issued in September 2006 for cash 8,750,000 ordinary shares paid to 4 cents, with 8 cents unpaid	350,000	-
	<u>8,026,546</u>	<u>7,676,546</u>



## Notes to the Half-Year Financial Statements (continued)

### 11. CONTRIBUTED EQUITY (continued)

On 7 February 2007 the Company issued 5 million shares following a placement at 12 cents per share to raise \$600,000.

In February 2007 PlatSearch announced an issue to shareholders at 12 cents per share under its Shareholder Share Purchase Plan (SPP). Following the closure of the issue on 6 March 2007 a total of 3,333,333 shares were allotted on 13 March 2007. The SPP issue raised \$400,000.

	31 Dec 06	30 Jun 06
	\$	\$
<b>12. RESERVES</b>		
Share-based compensation reserve	339,568	82,168
Investment revaluation reserve	<u>1,590,172</u>	<u>476,261</u>
	<u><u>1,929,740</u></u>	<u><u>558,429</u></u>

The share-based compensation reserve represents a valuation of the options issued in November 2004 (\$82,168) and December 2006 (\$257,400); as detailed in Note 9.

The investment revaluation reserve arises in connection with the accounting for the investment as per Note 7.

### 13. EARNINGS PER SHARE

Basic loss per share (cents per share) 0.59 cents (2005 – 0.36 cents).

Diluted loss per share (cents per share) 0.59 cents (2005 – 0.36 cents).

Weighted average number of ordinary shares on issue used in the calculation of basic and diluted loss per share is 72,496,105 (2005 – 66,184,879).

	31 Dec 06	31 Dec 05
	\$	\$
Loss used in calculating basic and diluted loss per share	<u>429,290</u>	<u>238,714</u>

The number of potential ordinary shares that are not dilutive, by reason of the loss result, and not included in determining diluted EPS are 5,720,000.

Conversion, call, subscription or issue after 31 December 2006: Since the end of the financial half-year there have been no other conversions to, call of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of these financial statements, other than as detailed in Note 11.

### 14. SUBSEQUENT EVENTS

Other than the allotment of shares in February and March 2007 mentioned in Note 11, no event has occurred subsequent to 31 December 2006 requiring disclosure in, or amendment to, these financial statements.



## DIRECTORS' DECLARATION

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

In the opinion of the Directors:

- a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
  - i) give a true and fair view of the Company's financial position as at 31 December 2006 and the performance for the half-year ended on that date; and
  - ii) comply with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



R L RICHARDSON  
Director

Sydney, 14 March 2007



## **Independent auditor's review report to members of PlatSearch NL**

We have reviewed the accompanying 31 December 2006 financial report of PlatSearch NL which comprises the balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and cash flow statement for the half-year period ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

### **Directors Responsibility for the 31 December 2006 Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the 31 December 2006 financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the 31 December 2006 financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the 31 December 2006 financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2006 and its performance for the half-year period ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory financial reporting requirements in Australia. As the auditor of PlatSearch NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

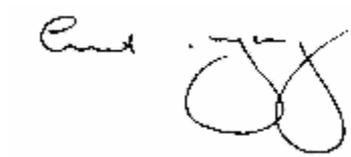
### **Independence**

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

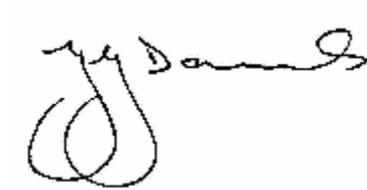
**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of PlatSearch NL is not in accordance with:

- (a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 31 December 2006 and of its performance for the half-year period ended on that date; and
  - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.



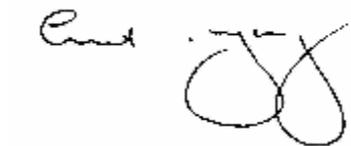
Ernst & Young



Gary Daniels  
Partner  
Sydney  
14 March 2007

**Auditors' Independence Declaration to the Directors of PlatSearch NL**

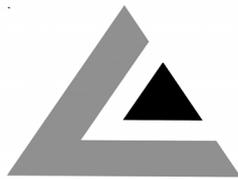
In relation to our review of the financial report of PlatSearch NL for the six months ended 31 December 2006, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



Ernst & Young



Gary Daniels  
Partner  
Sydney  
14 March 2007



## **PLATSEARCH NL**

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PLATSEARCH NL