**ASX Code: PTS**

Issued Shares: 175.3M

Unlisted Options: 12.9M

Cash Balance for PTS: \$3.2M

Cash Balance for Group: \$6.9M

ABN 16 003 254 395

**DIRECTORS**

Pat Elliott

Greg Jones

Kwan Chee Seng

Dr Kah Foo

**TOP SHAREHOLDERS**

Kwan Chee Seng

Minotaur Resources

Xiangjun Zhang

Viking Investments

Top 20 Shareholders hold 62.9%

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[www.platsearch.com.au](http://www.platsearch.com.au)**HIGHLIGHTS**

- Marmota Energy Limited (ASX code: MEU) completed further drilling at the Bridget prospect located to the north of the Saffron uranium discovery within the **Junction Dam** joint venture. Additional high grade uranium results including 1.45 metres @ 5,538 ppm eU<sub>3</sub>O<sub>8</sub> have been recorded extending the zone of known mineralisation.
- UXA Resources Ltd (ASX code: UXA) completed a seven hole drilling programme at the Dome 5, zinc-lead-silver project within the **Mundi Plains** joint venture near Broken Hill. UXA reported MVT style zinc-lead-silver intersections including 3.0 metres of high grade sphalerite and galena mineralisation grading 15.8% lead + zinc and 63ppm silver within a 500 metre wide corridor that is open to the west and southeast.
- **Silver City Minerals Limited** (ASX code: SCI) completed a successful IPO onto the ASX raising \$9.8 million to explore its high quality portfolio of projects within the Broken Hill region of NSW. Drilling of the first of its six priority targets has commenced. PlatSearch owns 14.6% of Silver City.
- **Thomson Resources Ltd** (ASX code: TMZ) completed its first hole into the Cuttaburra project region, part of its initial 8,000 metre programme to test a number of magnetic anomalies interpreted to possibly represent Cobar type deposits. Veining containing zinc sulphides has been intersected.
- **Eastern Iron Limited** (ASX code: EFE) commenced a significant RC drilling programme at its Eulogie magnetite iron project in eastern Queensland. The Company is planning to complete drilling at both the Eulogie and the Hawkwood projects to allow the generation of resource estimates and further metallurgical work for use in mine scoping studies.
- As part of its drive to acquire **new advanced to brownfield projects**, PlatSearch has established an office in France and employed experienced European geologists. The company has identified projects both within Europe and Africa and intends pursuing these for acquisition.
- As at the end of the quarter, total **cash and liquid investments** in other listed resource companies was \$24.4 million.



**EXPLORATION**

**CURNAMONA PROVINCE / BROKEN HILL, NSW AND SA**

**MUNDI PLAINS, NSW - UXA JV - PlatSearch 49%, Teck 51%, UXA can earn 80%**

**JUNCTION DAM, SA- UXA JV - PlatSearch 39.2%, Eaglehawk 9.8%, Teck 51%, UXA can earn 80%.**

**Uranium JV - PlatSearch 10%, Eaglehawk 2.5%, Teck 13.0%, Marmota 74.5%**

**JUNCTION DAM URANIUM JOINT VENTURE**

As previously reported, good exploration results have been obtained by joint venturer Marmota Energy Limited in reconnaissance drilling over the Saffron uranium prospect, Junction Dam.

During the quarter additional drilling was completed at Saffron as well as over the recently identified Bridget prospect, immediately to the north of the Saffron prospect, (Figure 1) and within the Yolanda prospect, to the south.

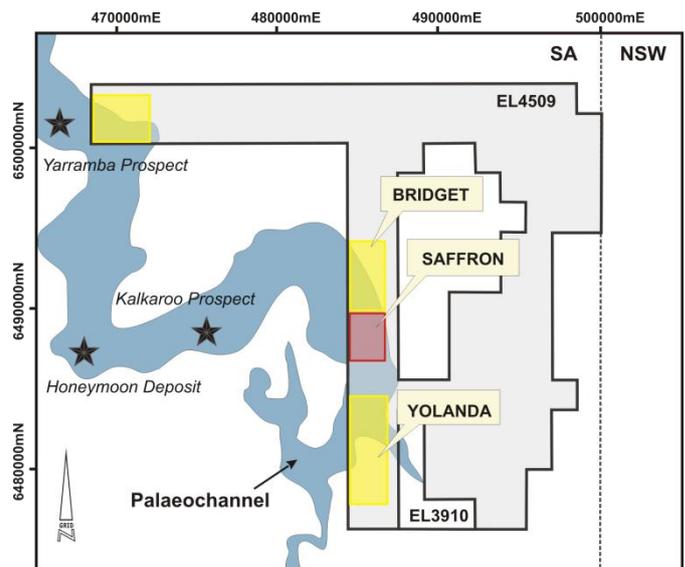
Significant results continue to be obtained with down-hole gamma readings indicating uranium mineralisation of potential economic significance returned from Eyre Formation sediments which hosts the nearby Honeymoon Uranium Mine and the rich Beverley Four Mile uranium project to the north of Junction Dam. The best result returned was 1.45 metres @ 5,332ppm eU<sub>3</sub>O<sub>8</sub> at Bridget with Marmota reporting that drilling completed to date at Saffron and Bridget has defined mineralisation over strike lengths of 2 and 4 kilometres respectively.

Five holes drilled at the Yolanda prospect in the main part of the Yarramba Palaeochannel intercepted prospective channel sands. Three drill holes returned anomalous uranium values confirming the continuation of the channel system southward on the project. Marmota believes that the presence of mineralisation at Yolanda offers substantial expansion potential south of the Saffron prospect.

For further information please refer to the Marmota website.

**UXA JOINT VENTURE**

UXA Resources Ltd (UXA) is currently earning Teck's interest in the PTE joint venture covering both the Junction Dam and Mundi Plains tenements (but not including the Junction Dam uranium JV with Marmota). Under the agreement, UXA must spend a total of \$5 million over four years to earn



**Figure 1 – Junction Dam uranium prospects**



Teck's interest (up to 80% of joint venture), with a minimum of \$1.2 million on exploration required within the first year.

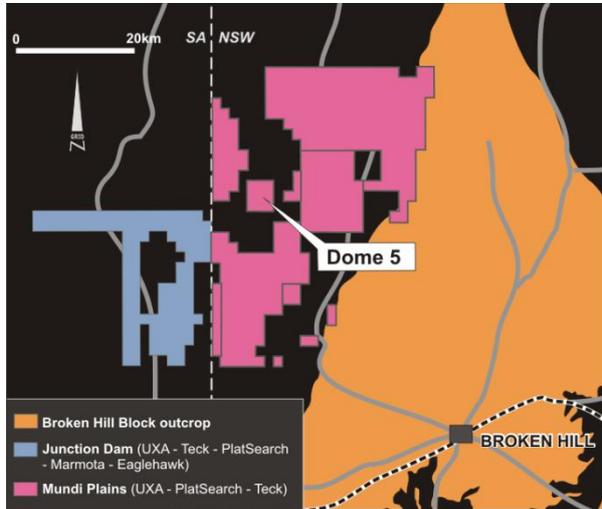


Figure 2 – Dome 5 location

At Mundi Plains, previous drilling by Teck at the Dome 5 prospect (Figure 2) defined narrow, high grade intervals of Mississippi Valley Type (MVT) lead-zinc-silver mineralisation approximately 330 metres below the surface including 0.8 metres at 4.9% lead, 19.2% zinc and 83 g/t silver in hole DF6.

During the quarter, UXA completed a 7 hole, 2,653m mud rotary and diamond drill program to follow up the Teck results and to determine the extent of mineralisation. Six holes tested Dome 5 and one tested another gravity feature to the east.

The UXA program, along with results of previous drilling, has defined a 500m wide zone of higher grade mineralisation which is open to both the west and southeast (Figure 3). This mineralised zone runs in a roughly north west – south east orientation, along the north side of a strong gravity anomaly, and is coincident with the southern margin of the basement granite contact with the Paragon Group metasediments.

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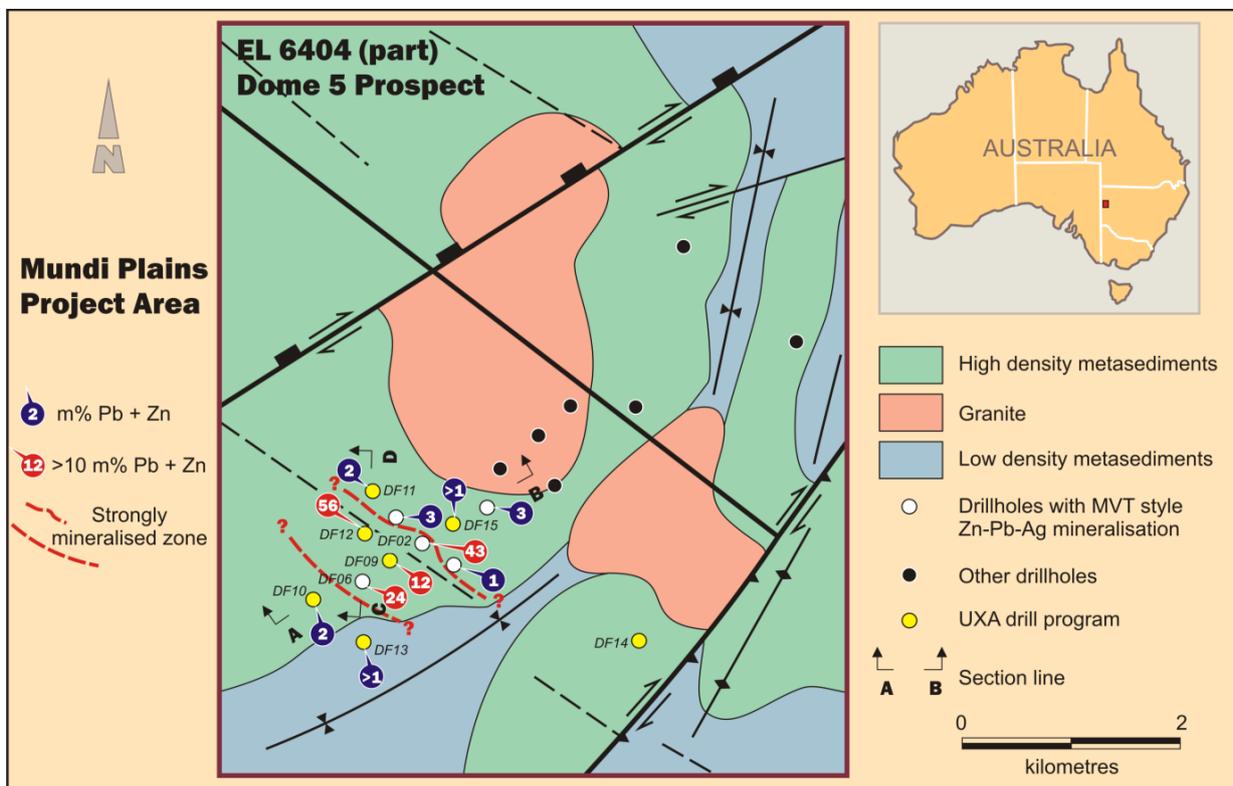


Figure 3 – Dome 5 zinc-lead-silver prospect with recent drilling (figure from UXA)



The zone is defined by four drill holes, DF02, 06, 09 and DF12, where the combined m% Pb+Zn (metres of mineralisation multiplied by % grade of lead + zinc) is greater than 10m% (Figure 3). The best intersection was recorded in hole DF12 which intersected 3.0m of high grade sphalerite and galena mineralisation grading 15.8% lead + zinc and 63ppm Ag from 315.0 metres (Figure 4). A second zone of mineralisation, 5 metres below the high grade zone, returned 1.29 metres grading 6.88% lead + zinc and 20 ppm silver.

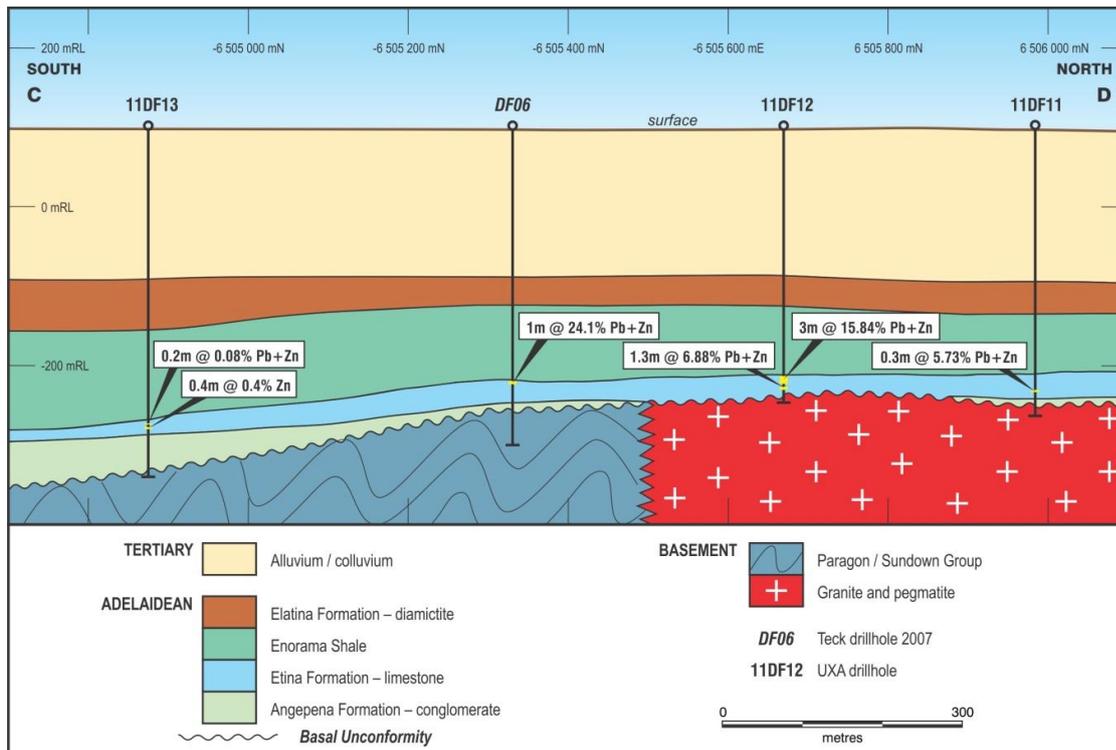


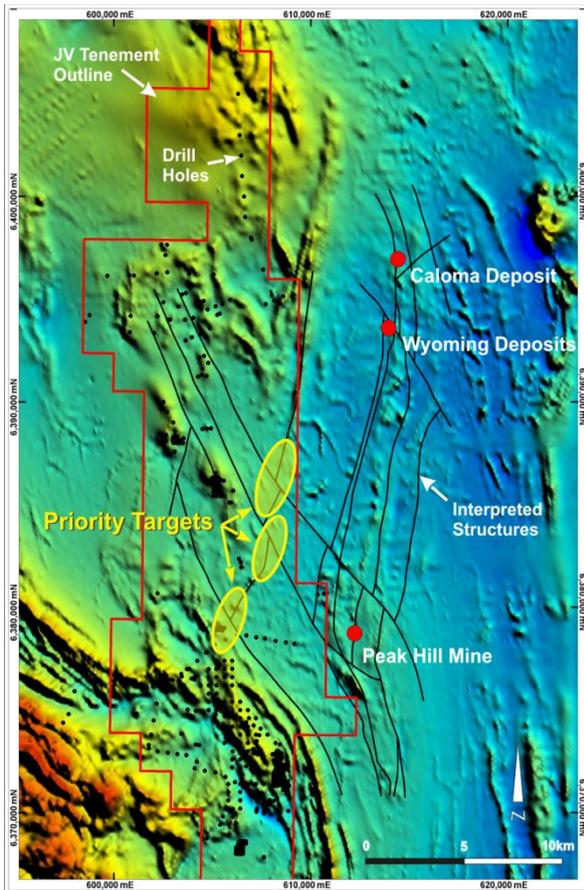
Figure 4 – Dome 5 Cross Section with recent drilling (figure from UXA)

UXA are planning to follow up these intersections will closer spaced and extensional drilling, forecast to commence later this year.

### LACHLAN FOLD BELT, NSW

#### WYOMING WEST JV – PlatSearch can earn 80%

As previously reported, PlatSearch NL has established a new joint venture with Raptor Minerals Limited to explore the area to the west of Alkane’s Wyoming/Caloma gold deposits, in central NSW. The Wyoming West joint venture tenements cover the western extension of rock units believed to be similar to those hosting the Peak Hill gold mine and the Wyoming and Caloma gold deposits where Alkane is investigating the potential to build a new gold mining operation. The Wyoming and Caloma deposits are hosted within volcanoclastic sediments and shallow intrusive porphyritic sills cut by gold bearing north-northeast faults offset by later north-west oriented structures.



**Figure 5 – Wyoming West JV tenements over magnetics showing key targets**

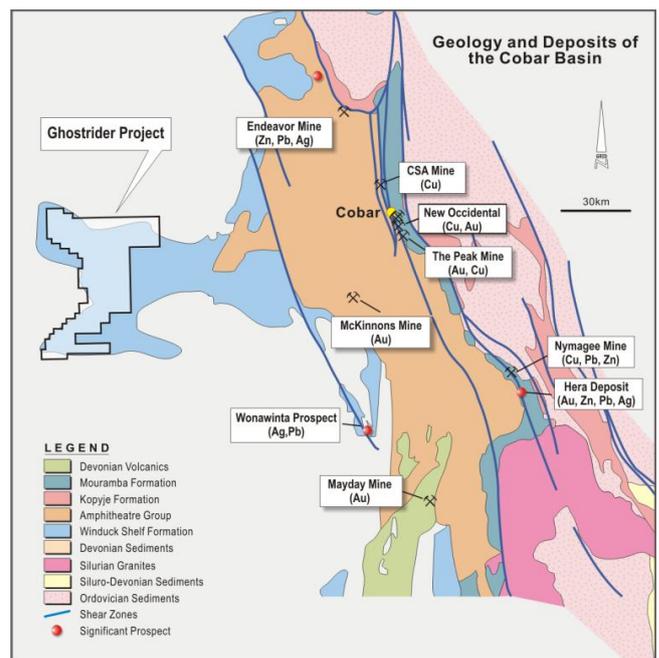
Previous work by PlatSearch has identified strongly anomalous results in 2 metre composite samples from RAB drilling completed by BHP Limited in the 1980s, extending over a strike distance of 4 kilometres (Figure 7), with maximum values in the weathered zone of 1.15% lead, 0.22% zinc, 0.12% copper and 25ppm silver. Limited deeper RC drilling (70 – 100 metres) intersected lead sulphides in fresh rock (up to 0.48% lead). The lead anomaly is open to the northwest and east, and appears to be obscured by younger (Late Devonian) sediments to the west where work by PlatSearch indicates a clear target for primary mineralisation below cover.

Within the West Wyoming joint venture tenements, interpretation of regional magnetic data and other information by Raptor and PlatSearch has indicated that north-west and north-northeast oriented structures, similar to those found at Wyoming and Caloma may be present. Previous exploration focused on the northern and southern parts of the joint venture area, but there has been very little exploration over the area where these structures are interpreted to occur.

PlatSearch has progressed data compilation and geological modelling and has initiated contact with landholders in the region as a first step towards commencing regional RAB/aircore traverses across the key targets identified to date.

**Ghostrider Project, NSW – PlatSearch 100%**

Preparations for the commencement of field work at the Ghostrider Project continued. PlatSearch believes the area is prospective for Mississippi Valley Type (MVT) base and precious metal mineralisation similar to that found within the Wonawinta silver/lead deposit located 120 kilometres to the southeast.



**Figure 6 – Ghostrider location and geology**

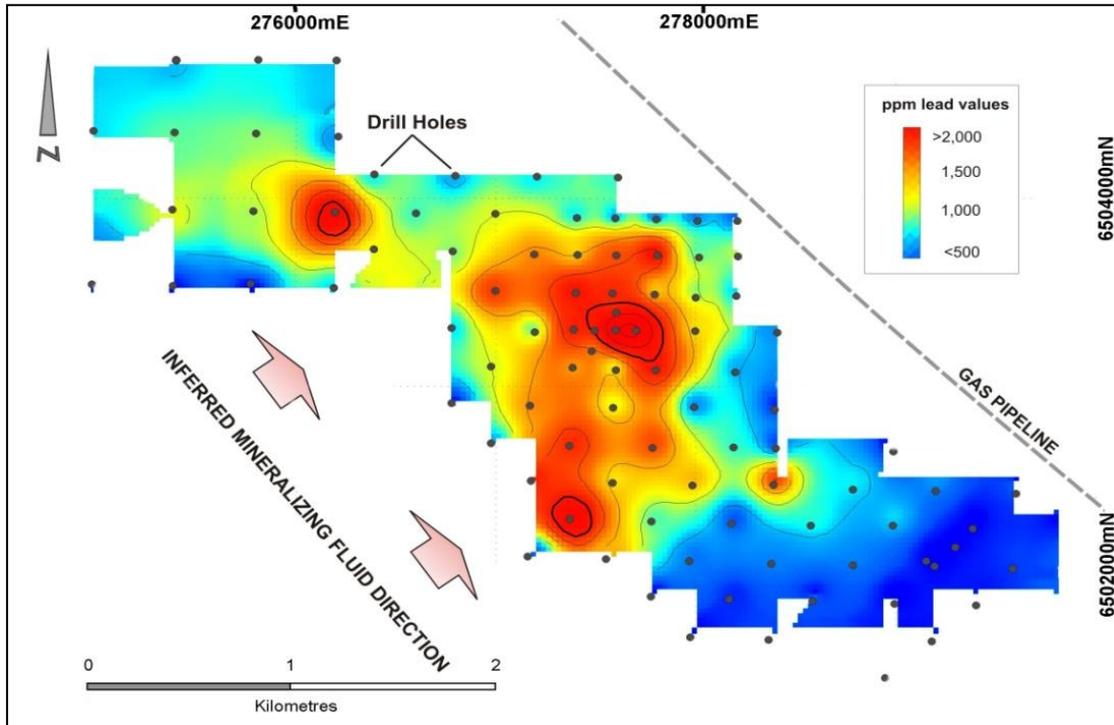


Figure 7 - Ghostrider contoured maximum lead values (ppm) in drilling

The Company has designed a large Induced Polarisation (IP) survey to test the project area for deeper base metal sulphides below the oxide regolith and to the west (see Figure 8), below the Devonian sediment cover and is contacting landowners to organise access. PlatSearch plans to commence this survey in the fourth quarter and to follow-up with deeper drilling as required.

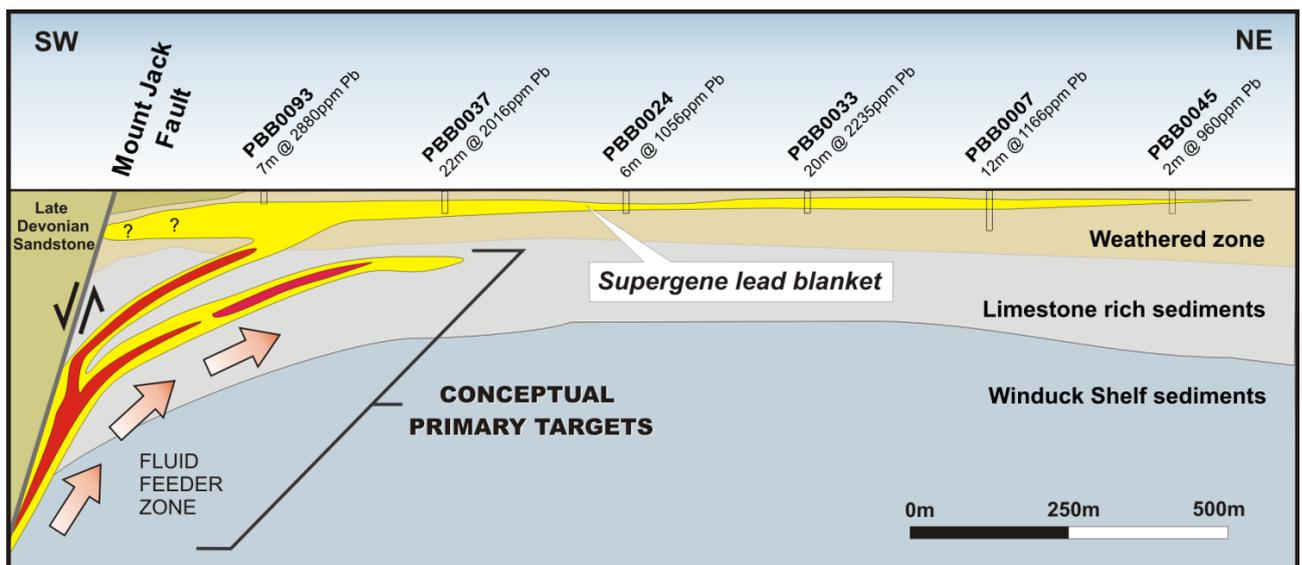


Figure 8 – Ghostrider conceptual mineralisation target



**BUSINESS DEVELOPMENT**

As previously outlined to its shareholders, PlatSearch, as well as continuing to pursue its traditional grassroots exploration opportunities, intends acquiring new advanced to brownfield projects in an effort to advance the Company towards production and cash flow.

Recently the Company has identified a range of advanced and brownfield opportunities within Europe and Africa and is progressing further evaluation work. It has now incorporated a wholly owned European subsidiary, established and equipped an office in France and employed a team of experienced European geologists.

**INVESTMENTS**

Platsearch maintains a strong and diversified portfolio of investments within a number of ASX-listed resource companies. These holdings are a direct result of PlatSearch vending tenements and projects generated by the Company into junior exploration companies in return for shares and / or options, and the continued participation by PlatSearch in later capital raisings by these companies.

Over the last few years this strategy has been particularly successful, resulting in strong returns for PlatSearch, often in excess of 500% as exemplified in the sale of PlatSearch’s Chesser Resources holdings last year for approximately \$3 million, or more than ten times the original investment.

As of July 26, the total value of the Company’s shareholdings in listed resource companies totalled \$21.2 million. Combined with available cash of PlatSearch of \$3.2 million (as of June 30), the enterprise value of Company, independent of the value of its exploration portfolio, is \$24.4 million or \$0.14 per PTS share (fully diluted).

	No. shares or options	PTS Ownership % of issued shares	Current Price (\$/s)	Value \$
Eastern Iron Limited shares (EFE)	31,500,000	48.3%	\$ 0.11	\$ 3,465,000
WPG Resources shares (WPG)	10,407,837	4.2%	\$ 1.05	\$ 10,928,229
Agua Resources shares (AGR)	185,000	-	\$ 0.67	\$ 123,950
AGR options (50c)	200,000	-	\$ 0.17	\$ 34,000
AGR options (35c)	1,000,000	-	\$ 0.32	\$ 320,000
Silver City Minerals shares (SCI)	14,325,182	14.6%	\$ 0.20	\$ 2,865,036
Thomson Resources shares (TMZ)	18,000,000	25.7%	\$ 0.20	\$ 3,510,000
<b>Market value of shares and options</b>				<b>\$ 21,246,215</b>

**EASTERN IRON LIMITED**

Eastern Iron (ASX: EFE) has secured the rights to significant magnetite iron projects at Hawkwood, Eulogie and Auburn in central Queensland. The company is assessing the potential of these projects for the development of a large scale iron export operation in an area already well serviced by existing infrastructure including proximity to the nearby port of Gladstone.

**Eulogie (EFE 100%)**

Eastern Iron commenced a 3,500 metre RC drilling programme aimed at converting a portion of the 500 to 1000 million tonne target resource as identified by Hellman and Schofield to a resource reportable under the JORC code. As of the end of the quarter approximately two thirds of the programme was completed with resource estimation due for completion around the end of September.

Mineral Engineering Technical Services (METS) completed an initial metallurgical testwork program on available core from one part of the deposit to help determine the amenability of the magnetite-bearing ore to produce an iron-vanadium concentrate and titanium by-product. Results from this study indicate that an iron concentrate product of around 60% iron could be produced from the project at a coarse grind size of 150 micron. Titanium levels at this grind size are around 7% TiO<sub>2</sub>.

The resource information compiled from the drilling at Eulogie will be used in a scoping study being carried out for a potential development. Further metallurgical work is also planned.

**Hawkwood (EFE earning 80%)**

At Hawkwood around 2,000 metres of RC drilling will be carried out to supplement the drilling previously completed and aimed at defining a resource reportable under JORC. Much of the drilling will be focused on the northern extension of the Hawkwood system as defined by detailed aeromagnetics.

PlatSearch shareholding in Eastern Iron is 31,500,000 ordinary shares (approximately 48.3% of EFE). PlatSearch also holds 5,000,000 \$0.35 options which have an expiry date of 19 December 2012. As at 26 July 2011, EFE shares were trading at \$0.11.

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

**THOMSON RESOURCES LTD**

Thomson Resources (ASX: TMZ) commenced drilling of its priority Cobar type base and precious metal targets in the Thomson Fold Belt of north-western NSW.

The first drill hole at the Cuttaburra B anomaly intersected zinc sulphide mineralisation (sphalerite) in multiple veins of quartz, pyrrhotite and pyrite ranging from millimetre scale up to 50cm thick (Plate 1) within a stockwork-style system. These veins are within a 300 metre zone of strong carbonate and silica alteration. A total of 43 metres of core has been selected for laboratory testing with results expected next month.



**Plate 1: Sphalerite (brown), arsenopyrite (silver) and pyrite (gold colour) in a 50cm wide quartz vein (white) at 411m in CUTBD02. Field of view 16cm.**

The magnetic anomaly remains unexplained by the drilling, as no magnetic material has yet been intersected other than the minor pyrrhotite veining. This magnetic anomaly remains a key focus of the Company's exploration with down-hole geophysics planned to more effectively target the main magnetic body. This will be followed by further drilling.

The current drilling program has now moved on to Thomson's other high priority bulls-eye magnetic targets. This three-month program is part of the Company's initial test of this virtually unexplored region.

The total program consists of around 8,000m of drilling and is expected to continue until September 2011.

PlatSearch's shareholding in Thomson is 18,000,000 fully paid shares, or 25.7% of the company and 5,000,000 options exercisable at 30 cents. As at 26 July 2011, the TMZ trading price was \$0.195. The current market valuation of this investment is \$3.5 million.

For further details regarding the progress of TMZ projects, please refer to its website.

### **SILVER CITY MINERALS LIMITED**

Silver City Minerals Limited (ASX: SCI) successfully completed its Initial Public Offering ("IPO") raising \$9.8 million, with official quotation on the Australian Securities Exchange Wednesday 6 July 2011. The IPO was well supported by both retail and institutional investors, closing well above the minimum subscription of \$6 million in a difficult and volatile market.

Silver City will be undertaking an exploration program targeting silver, gold, and base metals across its large tenement position located in the Broken Hill district of western New South Wales. The company has a range of quality drill targets across six priority project areas which will be the focus of exploration activity in the first twelve months post listing (Figure 9).

Silver City subsequently announced that it had commenced a program of reverse circulation drilling at the Allendale Project located 40 kilometres north of Broken Hill. The drilling is part of a 10,000 metre program designed to test the first of six high priority targets over the next six months as outlined in the Company's prospectus.

The first prospects to be drilled include:

- The Allendale Mine area; an historic, high grade base-metal producer,





PlatSearch holds 10,407,837 ordinary shares or approximately 4.2% of the company. WPG is one of PlatSearch's more important investments with a current market valuation of \$10.9 million. As at 26 July 2011, WPG shares were trading at \$1.05.

For further details regarding the progress of WPG projects, please refer to its website.

**AGUIA RESOURCES LIMITED**

Agua Resources (ASX: AGR) is an exploration company that has acquired interests in substantial phosphate and potash projects in Brazil.

Agua holds two highly prospective and potentially large scale phosphate projects, the Lucena Phosphate Project and the Mata da Corda Phosphate Project. Agua has also completed the acquisition of a private mineral exploration company, Potassio do Atlantico Ltda, which holds the highly prospective and potentially large-scale Atlantic Potash Project in NE Brazil.

PlatSearch currently holds 185,000 fully paid shares, 1 million options exercisable at \$0.35 and 0.2 million options exercisable at \$0.5. As at 26 July 2011 Agua shares were trading at \$0.67.

For further details regarding Agua's activities, please refer to its website.

**CORPORATE AND FINANCIAL**

**CORPORATE**

Work continued on the proposed Singaporean listing. Market conditions and other factors are being assessed.

**FINANCIAL**

Cash expenditure by the PlatSearch on exploration for the quarter was \$305,000. Expenditure by joint venturers on PlatSearch projects was \$1.69 million for the quarter. Cash funds available for PlatSearch and for the Group at 30 June 2011 were \$3.2 million and \$6.9 million respectively. Eastern Iron is now consolidated with PlatSearch NL and its wholly owned subsidiary Bluestone 23 Limited (The Group). The Company has no borrowings.

**PlatSearch NL**

**Greg Jones**  
Managing Director

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