



# PLATSEARCH NL

ACN 003 254 395

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25 November 2005

Dear Shareholder

The enclosed documents are important and I urge you to give them your full consideration.

## **Invitation to Participate in the PlatSearch Share Purchase Plan**

I am pleased to advise that your Board of Directors has decided to make an issue under its Share Purchase Plan ("the SPP"). The SPP entitles shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$5,000 worth of shares in PlatSearch free of brokerage. An Application Form is also enclosed, should you wish to participate. If fully subscribed, the Offer under the SPP will raise \$1,389,545 through the issue of 19,850,637 shares.

The right to participate in this initial offer under the SPP is available exclusively to persons who are registered as holders of fully paid ordinary shares in PlatSearch NL at 5:00pm on the record date of 25 November 2005 and whose registered address is in Australia, New Zealand and any other jurisdiction in which it is lawful for the Company to offer shares under the SPP.

The purchase price of the new shares to be offered under the SPP has been set at 7 cents. This represents:

- a price in line with the last closing sale price prior to the date of this letter of 7 cents per share;
- a 3.7% discount to the weighted average market price of the ordinary shares sold during the course of trading on the Australian Stock Exchange for the five trading days immediately preceding this announcement;
- a 7.9% discount to the weighted average market price of the ordinary shares sold during the course of trading on the Australian Stock Exchange for the three trading months immediately preceding this announcement; and
- a price that compares with the 52 week high of 12 cents and 52 week low of 6.5 cents.

As you are aware, PlatSearch is funded by equity contributions from shareholders and management fees that we are able to secure from our joint venture partners. Over the years we have been able to keep management and overhead costs very low by industry standards and that has been a key factor in attracting continuing support from shareholders. From a fundraising viewpoint, placements to large investors can be

completed quickly and at a low cost. However, we are conscious that smaller shareholders do not get the opportunity to subscribe equity at the discounted placement price. It is for this reason that we undertake rights issues from time to time, even though they are more costly (requiring a prospectus) and time consuming than a placement.

We therefore commend the SPP as being fair to smaller shareholders. Not only does it provide a low cost way of raising funds, but it also redresses the bias towards larger investors that is unavoidable in making placements. In fact, the SPP is biased in favour of smaller shareholders, since no shareholder, irrespective of size, can subscribe more than \$5,000. The SPP offers another useful benefit in that it provides an opportunity for smaller shareholders to round up the size of their holdings to a marketable parcel of shares (\$500 worth).

### **Current and Forthcoming Company Activities**

The SPP will afford shareholders the opportunity to acquire additional shares during an active period for the Company with drilling programmes at a number of its emerging New South Wales and South Australian gold and base-metals projects. These programmes are set out in the attached Summary of Exploration Highlights. Success for the Company in any one of these projects could see a positive re-rating of the Company's share price. With this in mind, the Directors have decided to offer shareholders the opportunity to acquire further shares, at a discount to recent prices.

Whilst my fellow Directors and I have confidence in the future of the Company, it would be remiss of me if I did not also draw your attention to the fact that owning shares in an exploration company, like PlatSearch, is considered a speculative form of investment and that the future price of the Company's shares can rise or fall depending on exploration success and fluctuations on the stock market generally.

Shareholders should be aware that there is a risk that the market price of the shares may change between the date of this offer and the date when the new shares are issued to you under the SPP. The value of the shares you receive may rise or fall accordingly.

### **Additional information and key dates**

Further information on the Company, including an update on its current projects, is contained on the PlatSearch website, <http://www.platsearch.com.au>.

If you would like to participate in the SPP, please return your completed blue application form, together with your cheque representing the purchase price for the **22 December 2005**.

Please note that the maximum investment per shareholder is \$5,000 (representing 71,430 shares at a purchase price of 7 cents per share). The minimum number that can be applied for is 7,145 shares at a total cost of \$500. Shareholders may also apply for any number of shares between the maximum and the minimum. Shares allotted under the SPP will be issued no later than 4 January 2006.

The ASX Listing Rules, specifically Listing Rule 7.1, restricts a company from issuing equity securities, which in any 12-month period would amount to more than 30% of the Company's total shares on issue at the date of the proposed issue. Accordingly, the Company cannot issue more than 19,850,637 shares without shareholder approval or a waiver to the Listing Rule by ASX. The Company does not propose to seek shareholder approval to issue more than 19,850,637 shares, but reserves the right to

seek an ASX waiver. Accordingly **applications will be considered on a first come first served basis**. If applications in excess of 19,850,637 shares in total are received, then these applications will be returned, so that the maximum allowed number of shares issued are issued (i.e. 19,850,637 shares).

A full copy of the Terms of the PlatSearch NL Shareholder Share Purchase Plan is available on request from the Company. If you have any questions on the SPP, please call the Company's office on (02) 9906 5220 during business hours.

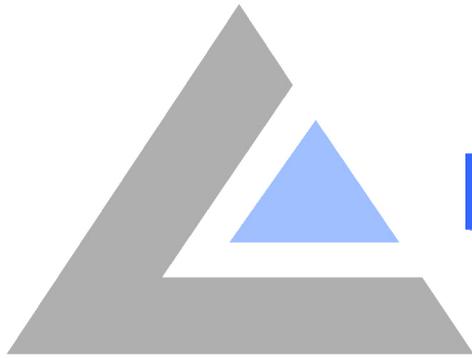
The rights attaching to the SPP Shares are identical in all respects to existing fully paid ordinary shares in the capital of the Company. The total number of issued fully paid shares in the capital of the Company as at the record date was 66,166,879. Currently the Company has 1,173 shareholders. If all such shareholders participate in the SPP, this can still only result in the issue of 19,850,637 shares, with the non-acceptance and return of late applications. However, realistically, the Directors do not expect all shareholders will fully participate in the SPP, so it is not likely that the maximum number of shares will be issued.

If fully subscribed, the Offer under the SPP could raise \$1,389,545. The intended use of the funds raised, pursuant to the issue of the SPP Shares, is to further advance the Company's exploration activities by providing additional working capital to support the programmes set out in the attached Summary of Exploration Highlights.

Yours sincerely  
**PlatSearch NL**



**Raymond J Soper**  
Chairman



# PLATSEARCH NL

## SUMMARY OF EXPLORATION HIGHLIGHTS

November 2005

Dear Shareholder

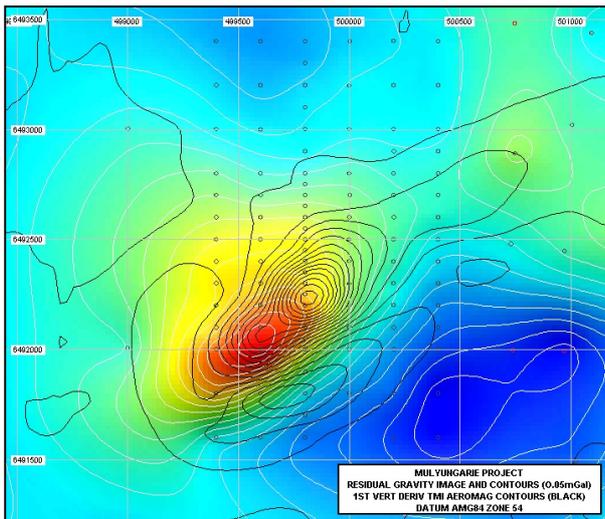
PlatSearch is pleased to provide an update on its progress to assist in your evaluation of the accompanying Shareholder Purchase Plan. This opportunity to further invest in PlatSearch comes at a time when your Company is looking forward to a substantial amount of drilling and exploration work on at least 10 prospects located in the Broken Hill Block, the Lachlan Fold Belt, the Curnamona Craton and the Gawler Craton over the next six months. Some of this drilling has been planned for some time but is only now occurring due to a critical shortage of drilling contractors in the exploration industry.

### HIGHLIGHTS

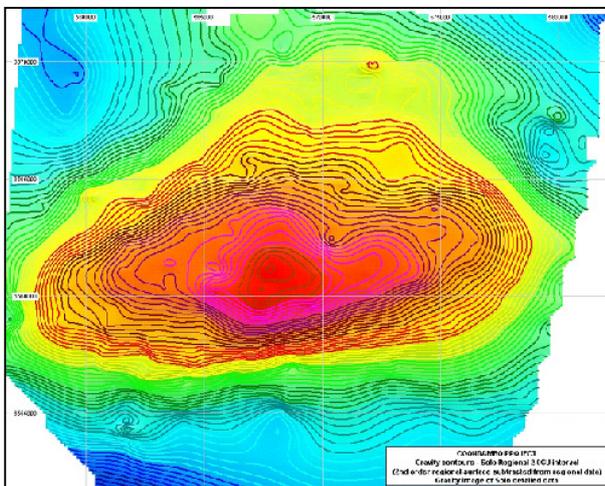
- The successful completion of the IPO fundraising and listing on the Australian Stock Exchange, by Western Plains Gold (ASX Code: WPG) on 23 August 2005 was a pleasing and very positive development for PlatSearch. PlatSearch holds a 25% shareholding in WPG and WPG is funding extensive exploration programmes, including drilling on three key PlatSearch joint venture tenements; Mulyungarie, Euriowie and Kalabity at Broken Hill. Further, through its shareholding in WPG, PlatSearch will benefit from any exploration success on WPG's Redan, Trundle, Lake Cargelligo and Peak Hill East tenements.
- Following its listing, WPG commenced RAB drilling for essential geochemical sampling at many of its prospects at Broken Hill and completed an intensive programme of 629 RAB holes on five prospects. This work confirmed and defined the presence of several strong and coherent geochemical anomalies that will be the target of planned RC percussion drilling that commenced in late November 2005. A total of 15 inclined RC holes will be completed on the Fairy Hill and Yalcowinna Creek prospects in this programme.
- At WPG's Trundle project in the Lachlan Fold Belt NSW, in which PlatSearch has a 2% NSR royalty, RAB geochemistry at the Mordialloc prospect has defined a strong copper anomaly extending over a 500 metre strike length and open in several directions. Further RAB drilling is planned to extend and map out the anomaly, prior to RC drilling.
- Drilling commenced in late November on the WPG project at Lake Cargelligo, in the Lachlan Fold Belt of NSW. Two inclined core holes are planned to test a zone of intense shearing and pyrite alteration with anomalous soil geochemistry at the Achilles 1 prospect.
- WPG signed a joint venture agreement to farm-in to PlatSearch's Kalabity tenement near Olary SA and will explore it for uranium, copper and gold. An intensive field programme that will collect over 1,300 calcrete samples across the tenement area commenced in November. Previous sampling by PlatSearch at the KR4 prospect shows uranium values up to 3.46%.
- In the Benagerie Joint Venture in the Curnamona Craton SA, Newcrest is exploring for iron-oxide associated copper-gold deposits and plans to drill test a number of targets defined by magnetic data and detailed gravity data collected recently by Newcrest. Drilling will commence in March 2006.

- Joint venturer Tri Origin commenced a 1,000 metre air-core and RC percussion drill programme at the Woodlawn South project in the Lachlan Fold Belt in mid-November 2005. Tri Origin is earning an 80% interest in the Woodlawn South tenement.
- PlatSearch recognised a unique opportunity to apply cutting edge geochemical technology to parts of the Broken Hill field. The technology utilises a portable XRF analyser to provide a rapid in-field analysis for most metals in soils, with acceptable accuracy, in a 60 second measurement. This means that large areas can be rapidly soil sampled with a close sample spacing. A joint venture has been signed with CBH Resources to utilise this approach. CBH and PlatSearch tenements have been combined in the joint venture creating a 500 square kilometre ground package covering a substantial portion of the Broken Hill Block. Large parts of these tenements have no previous geochemical coverage. CBH will fund a Stage One programme that PlatSearch will operate and field work will commence in late November 2005.
- In the Stephens-Centennial area Broken Hill, joint venturer Sipa has advised that an agreement with a major company regarding that company's introduction into the Stephens-Centennial joint venture is at an advanced stage of documentation. Drilling is expected to commence as soon as the agreement is signed and a suitable contractor can be engaged.
- Marathon Resources is committed to drill a deep basement hole at the Coondambo prospect located in the Gawler Craton SA, approximately 120 kilometres south west of Olympic Dam. This drilling is scheduled to commence in early 2006.

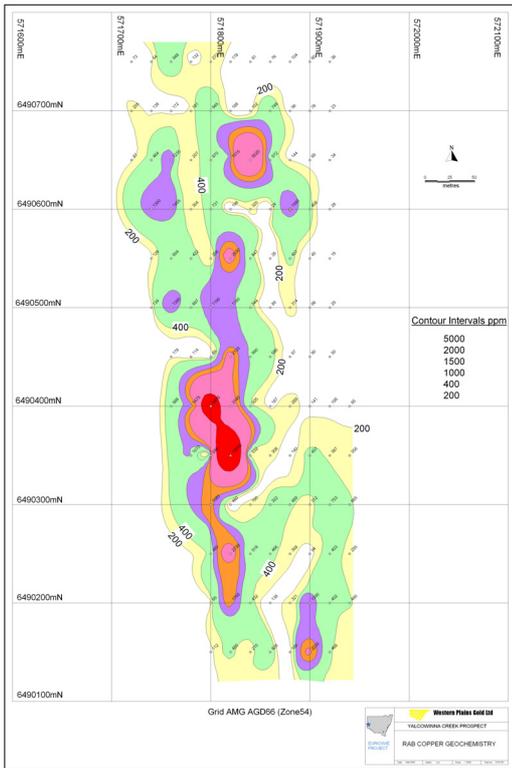
The following maps show some of the targets that will be drill tested by PlatSearch's joint venture partners over the next six months.



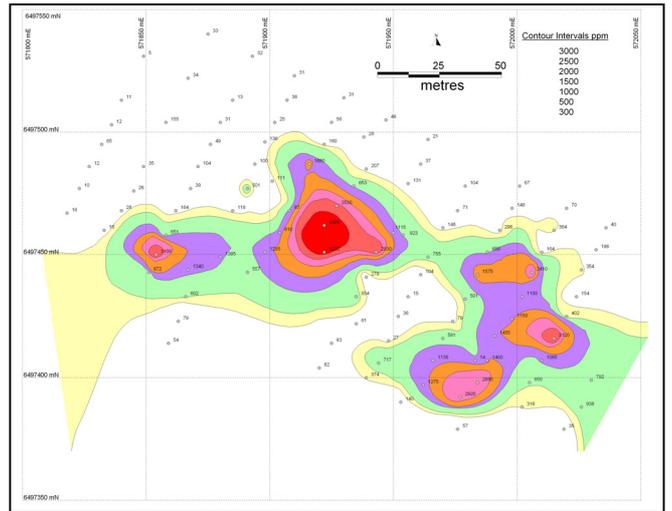
**Mulyungarie Project, K1 prospect.** This image of gravity image and magnetic contours shows coincident magnetic and gravity anomalies due to a large ironstone body. Prospect has potential for iron-oxide associated copper-gold-uranium. WPG will drill test with two core holes in January 2006.



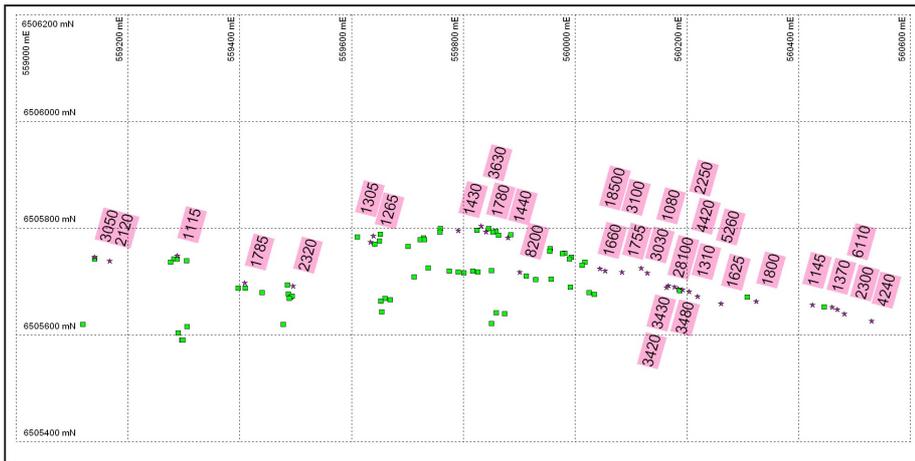
**Coondambo Project.** Contour/image map shows a large gravity anomaly with potential for Olympic Dam style copper-gold-uranium mineralisation. Marathon will drill test in early 2006. A previous hole funded by Inco intersected strong haematite and anomalous rare earths.



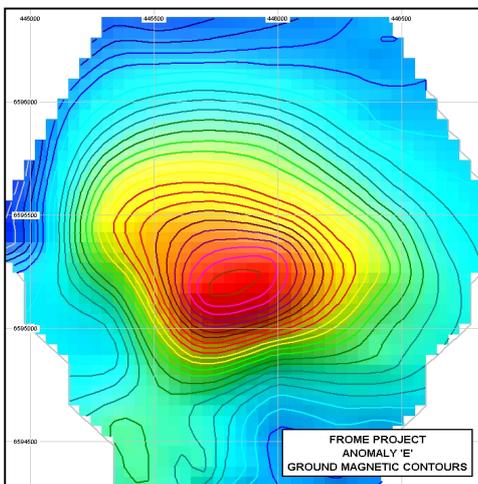
**Euriowie Project Yalcowinna prospect.** C-Horizon copper geochemical anomaly extends over at least a 700 metres strike. WPG currently drilling 9 RC holes.



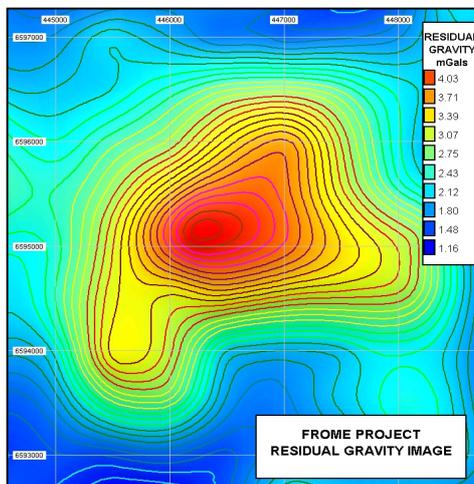
**Euriowie Project, Fairy Hill prospect.** C-horizon copper geochemical anomaly extends over 200 metres strike. WPG currently drilling 6 RC holes.



**Euriowie Project, Son Of Man prospect.** Rock-chip copper values show strongly anomalous gossan zone over a 1,400 metres strike. Values up to 2.8% copper. WPG will RAB drill followed by RC drilling early 2006.

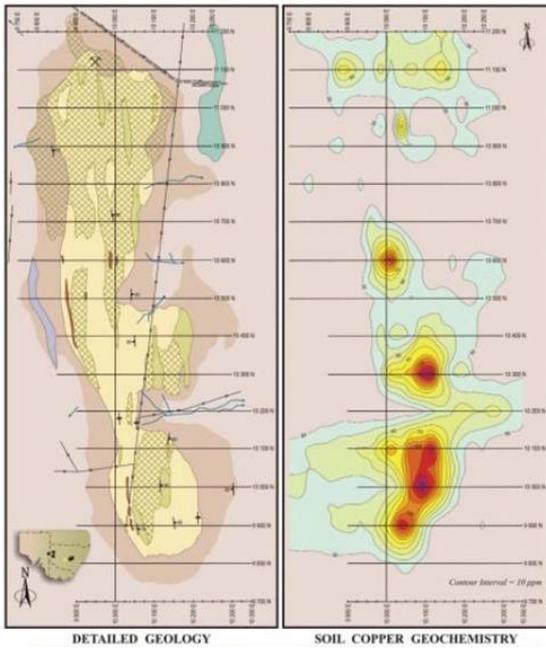


Anomaly 'E' – magnetic anomaly

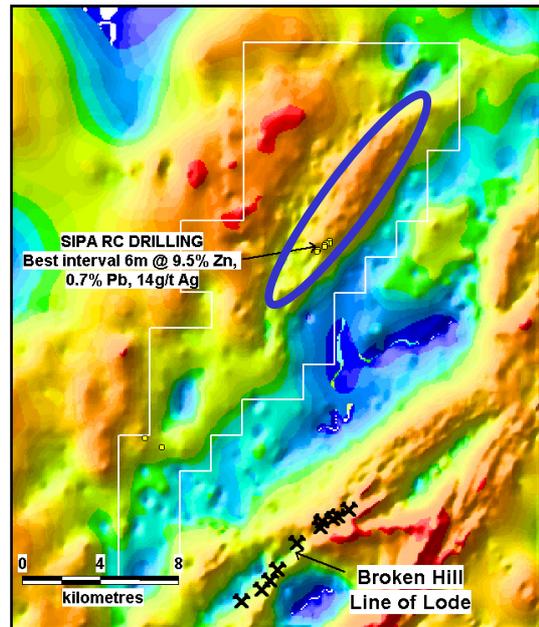


Anomaly 'E' – gravity anomaly

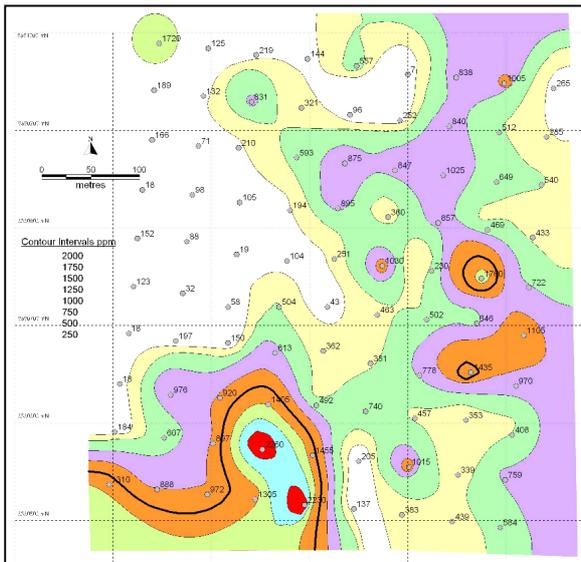
**Benagerie Project, Anomaly 'E'** Coincident magnetic and gravity anomalies with potential for iron-oxide copper-gold mineralisation. Newcrest will drill test in March 2006.



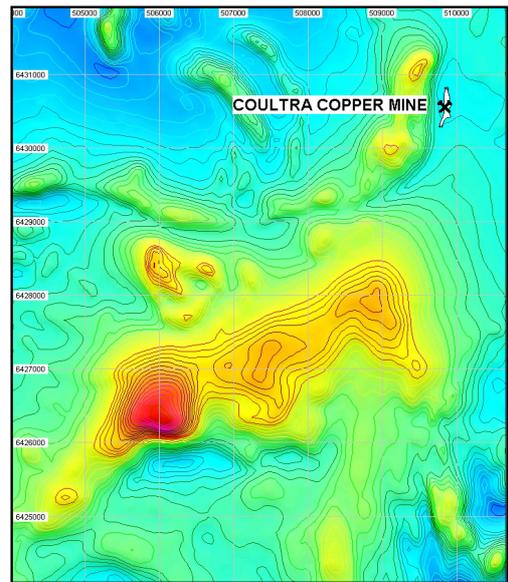
**Lake Cargelligo Project, Achilles 1 prospect.** Extensive, altered, shear zone with anomalous geochemistry. Potential for Cobar style copper-gold. WPG currently drilling 2 core holes.



**Stephens-Centennial Project.** Joint venturer Sipa introducing new partner to deep drill test the Stephens Trig gravity anomaly. Potential for Broken Hill style lead-zinc-silver.



**Trundle Project, Mordialloc prospect.** RAB drilling by WPG shows extensive zone of strongly anomalous copper associated with quartz monzonite intrusives. Potential for Northparkes style copper-gold. Further RAB will be conducted to close off the anomaly then RC drilling in first half 2006.



**Hillston Project.** Perilya will conduct RAB drilling over this discrete magnetic anomaly in December 2005. The target is iron-oxide associated copper-gold mineralisation.

**PlatSearch NL**

Bob Richardson  
**Managing Director**

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