



PLATSEARCH NL

ACN 003 254 395

Level 1, 80 Chandos Street, St Leonards NSW 2065 (PO Box 956, Crows Nest NSW 1585)
Telephone: (02) 9906 5220 Facsimile: (02) 9906 5233
Email: pts@platsearch.com.au Website: www.platsearch.com.au

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COMPLETION OF WPG RESOURCES IRON ASSETS SALE RESULTS IN SUBSTANTIAL CASH INJECTION INTO PLATSEARCH

- **WPG Resources Ltd has advised of the completion of the \$320 million sale of its iron assets in South Australia to Onesteel Limited.**
- **WPG will distribute a capital return and fully franked dividend of \$1.05 per WPG share back to shareholders.**
- **PlatSearch owns 10.4 million WPG shares which will deliver a pre-tax return to the Company of \$10.9 million.**
- **Combined with current cash, PlatSearch will have around \$13.5 million on deposit, by far the strongest financial position the Company has been in since listing 24 years ago.**
- **These funds place the company in a very robust position to progress exploration within its portfolio of quality projects in Australia and to facilitate the acquisition of advanced projects within Europe and/or Africa.**

Sydney, October 6: PlatSearch NL (ASX: PTS) (“The Company”) is pleased announce that WPG Resources Ltd (ASX: WPG) has advised of the completion of the sale of its iron assets in South Australia to Onesteel Limited (ASX: OST) for a total consideration of \$320 million. WPG has announced that following this sale it intends to distribute \$1.05 per WPG share to its shareholders via a capital return (\$0.42/share) and a fully franked dividend (\$0.63/share).

PlatSearch owns 10.4 million WPG shares and expects to receive a pre-tax cash return of \$10.9 million in early November.

Commenting on the sale, PlatSearch’s Managing Director, Greg Jones said: “This is an extremely positive development for PlatSearch. The sale will result in the injection of \$10.9 million (pre-tax) into the Company which will take its total cash position to approximately \$13.5 million by early November. This is by far the strongest financial position PlatSearch has been in since listing 24 years ago.”

“The success of this transaction vindicates the highly successful investment strategy that the Company has adopted over the last few years, following the vending of assets into ASX listed

resource companies and the judicious support of these companies in subsequent fund raisings. Over the last 12 months, share sales or capital returns by the PlatSearch investments have netted a pre-tax return of approximately \$14.2 million, which is in excess of six times the total investment. An outstanding result.”

“The funds place the company in a very sound position to progress exploration within its portfolio of quality projects in Australia. In addition, as outlined to its shareholders, the Company is pursuing a number of advanced opportunities within Europe and Africa. This new funding will strongly facilitate the acquisition of advanced projects within this region,” Mr. Jones added.

Following the distribution of sale proceeds to its shareholders, WPG will retain approximately \$87 million (from which it will pay approximately \$71 million in tax in April 2012) as well as its 50% shareholding in Southern Coal Holdings Pty Ltd which owns the significant Penrhyn and Lochiel North coal projects in South Australia, its joint venture with Evergreen Energy Inc to commercialise clean coal technology and its land asset and capacity to develop a bulk export facility at Port Pirie. The company has commenced a program to review new project investment opportunities. PlatSearch intends maintaining its shareholding in WPG.

Yours faithfully



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Greg Jones
Managing Director

PlatSearch Background

Platsearch is a diversified resource company with numerous exploration projects in eastern Australia and a strong portfolio of investments within a number of ASX-listed resource companies.

The Company’s key, wholly owned exploration projects include the Ghostrider lead/zinc/silver project, and Kempsey and Wyoming West gold projects in NSW. In addition, the PlatSearch has a number of joint ventures over projects such as Junction Dam (uranium) and Mundi Plains (lead/zinc/silver) near Broken Hill, western NSW.

As of 30 September, the total enterprise value of PlatSearch, inclusive of the Company’s shareholdings in ASX listed resource companies, combined with estimated cash was \$24.3 million.

The PlatSearch project search now includes advanced and brown-field opportunities to meet its business objective of becoming a producer with ongoing positive cash flow. The Company has recently identified a range of advanced and brown-field opportunities within Europe and Africa and has progressed substantial evaluation work. PlatSearch has now incorporated a wholly owned European subsidiary, established and equipped an office in France and employed a team of experienced European geologists to assist in the work.

PlatSearch anticipates that this strategy will result in it securing high quality, advanced assets offshore.