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**The Manager – ASX Market Announcements
Australian Securities Exchange
Level 4, 20 Bridge Street
SYDNEY NSW 2000**

GSE.ASX

SHAREHOLDER UPDATE – ACQUISITION OF HORIZON HEALTHCARE

Goldsearch Limited (GSE.ASX) is pleased to provide an update to shareholders regarding the acquisition of Horizon Healthcare Solutions Pty Limited.

Background to Transaction

On 9th July 2014, Goldsearch announced that it had entered into a binding heads of agreement to acquire all of the issued capital of Horizon Healthcare Solutions Pty Limited (HHS). HHS operates as a licensed and approved Healthcare Services Provider pursuant to the Approved Medical Deputising Service Program and can engage up to 40 Eligible Doctors with Licences issued by the Commonwealth Government's Department of Health and Ageing.

The proposed acquisition of HHS follows an extensive search by the Board of Goldsearch for businesses or assets which can deliver sustainable and growing cash flows over the long term without the need for major capital investment.

The purchase price payable by Goldsearch under the agreement will be determined by an independent valuer subject to a maximum valuation of \$8 million. The purchase will be achieved by the issue of Goldsearch shares to Horizon shareholders at an issue price of 0.003c. As HHS has less than 50 shareholders Goldsearch is exempted from the need to make a takeover offer for HHS under Chapter 6 of the Corporations Law.

Completion of the acquisition is subject to a number of conditions precedent including completion of due diligence to Goldsearch's satisfaction, shareholder approval of the transaction, interim funding to fund the transaction costs and all relevant Government consents being obtained.

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Progress on Transaction

Since entering into the binding heads of agreement and announcing the transaction Goldsearch has;

- commenced its due diligence on HHS
- appointed Hall Chadwick Corporate (NSW) Limited as a valuer to provide an independent valuation of HHS to determine the purchase price and
- met with the Australian Securities Exchange (ASX) to discuss the implications of the transaction on Goldsearch's listing.

The Independent Expert's report by Hall Chadwick Corporate (NSW) Limited and Goldsearch's due diligence are both anticipated to be completed within a one month time frame. In the event that this work is completed to Goldsearch's satisfaction, Goldsearch directors will provide shareholders with a notice of meeting and explanatory memorandum outlining the transaction and the resolutions required to effect it.

Due to the significant change in the nature and scale of Goldsearch's activities which would arise from the transaction, Goldsearch and its advisers met with the Australian Securities Exchange (ASX) to discuss and seek guidance on re-compliance with Chapters 1 and 2 of the ASX Listing Rules. The ASX has now confirmed that Goldsearch can complete the proposed HHS transaction in accordance with ASX Listing Rule 11.1.2. and 11.1.3

Goldsearch Chairman Mr Terry Willsteed said " ***This will be a transforming transaction for Goldsearch, allowing it to achieve its strategic objective of securing sustainable cash flows from a business with considerable growth potential. Horizon represents a sensible acquisition for Goldsearch in the highly attractive healthcare services sector which enjoys strong market fundamentals and a bright outlook*** ' He went on to say that ***'Goldsearch offers Horizon access to capital markets to fund its future development, an experienced board of public company directors with extensive commercial experience and a superior platform to secure important long term advantages over its competitors*** '

Transaction Highlights

- Goldsearch will acquire 100% of HHS by the issue of Goldsearch shares and options
- Low cost entry point into healthcare services - an attractive and dynamic industry sector
- Strong market fundamentals driven by ageing demographics and Government healthcare policy favour the growth of independent services firms such as HHS

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- Limited competition mainly in the form of small privately held concerns lacking access to funding
- Secures immediate cash flow with outstanding future growth potential
- Provides a platform for future growth widening the range of services to meet the growing demands of the healthcare market
- ASX listing provides on-going access to the capital markets to fund future growth needs
- Well-funded public company structure can attract, reward and retain highest quality and experienced management talent
- Support of both Companies' Boards.
- Expedited timeframe to completion subject primarily to satisfactory due diligence and valuation report.

About Horizon Health

Horizon Healthcare Solutions (HHS) is an occupational medical organisation in NSW, offering a complete range of services including WorkCare Medical, Medical Response Team (myMRT), Allied Healthcare, Employees Family Support Program and a full range of after-hours medical services. (<http://www.horizonhealth.com.au>)

HHS has been in operation since January 2009 and holds a Medical Provider's License issued by the Commonwealth of Australia represented by the Department of Health and Ageing.

Horizon has been issued with a License under the Approved Medical Deputising Service Program allowing the recruitment of 40 Eligible Doctors .

The aim of HHS pursuant to this Program is to sell franchises to Doctors who are able to be supported by local teams who will run and develop the myMRT services as well as support in house emergency departments of hospitals by taking on the minor not life threatening emergencies.

HHS has provided services for major companies including Coca Cola Amatil, Qantas, RailCorp, Toll Holdings, TNT and a range of other corporate clients.

Market Opportunity

Demand for Healthcare services in Australia is increasing at a substantial rate due to the aging population. The challenges faced by existing services from ever-increasing waiting times at doctors surgeries and an average waiting time of at least 4 hours in Emergency Departments has provided the impetus for companies such as HHS to be quickly embraced by the market and strongly supported by Government healthcare policy.

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The lack of after-hours, work on-site and home medical services has resulted in an enormous opportunity for stable, successful companies with a history of success to assist in alleviating the demand.

Business Model

HHS derives revenues from the following sources:

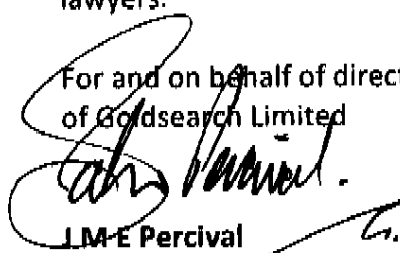
- Franchise
- In-Clinic Services
- Pre-Employment Services
- WorkCover On-Site Services
- Outsourced Hospital Emergency Department Services

Indicative Timeline

EVENT	INDICATIVE DATE
Announcement of transaction	9 July 2014 - Completed
Appointment of expert to value shares in Horizon (to determine price purchase)	15 July 2014 - Completed
Completion of due diligence on Horizon	28 August 2014
Determination of final purchase price by Horizon	September 2014
General meeting to approve transaction	October 2014
Issue of prospectus	October 2014
Reinstatement to trading	October 2014

Goldsearch is being advised by corporate advisory firm Emerald Partners and Watson Mangioni lawyers.

For and on behalf of directors
of Goldsearch Limited


JME Percival