

gsh/psh/gsh775

28 July 2009

The Manager - Company Announcements Office
Australian Securities Exchange Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Via ASX Online

Number of pages – 21

Dear Sir,

Quarterly activity report to 30 June 2009

Enclosed for release to the market is the Company's activity report for the quarter ended 30 June 2009 together with a duly completed Appendix 5B report for the period.

For and on behalf of the directors of
Goldsearch Limited



P S Hewson
Secretary

SIGNIFICANT DEVELOPMENTS

Mount Wellington project

- Regional geological mapping has identified a number of new fault zone exploration targets.

Mary Kathleen project

- Subject to formal transfer of the tenements, Goldsearch will become 100% owner of the project.
- Reconnaissance evaluation of a number of targets confirms potential for significant copper mineralisation.

East Musgrave joint venture

- BHP Billiton has given formal notice of withdrawal from the joint venture with Goldsearch retaining a 49% interest in the project.
- Independence Group and Goldsearch are finalising budgets for a program of EM geophysics over the two highest priority targets identified to date to commence during the current quarter.

Equity investments

- Increase of \$623,000 in the market value of the Company's listed equity investments during the quarter from \$1,330,000 to \$1,953,000.

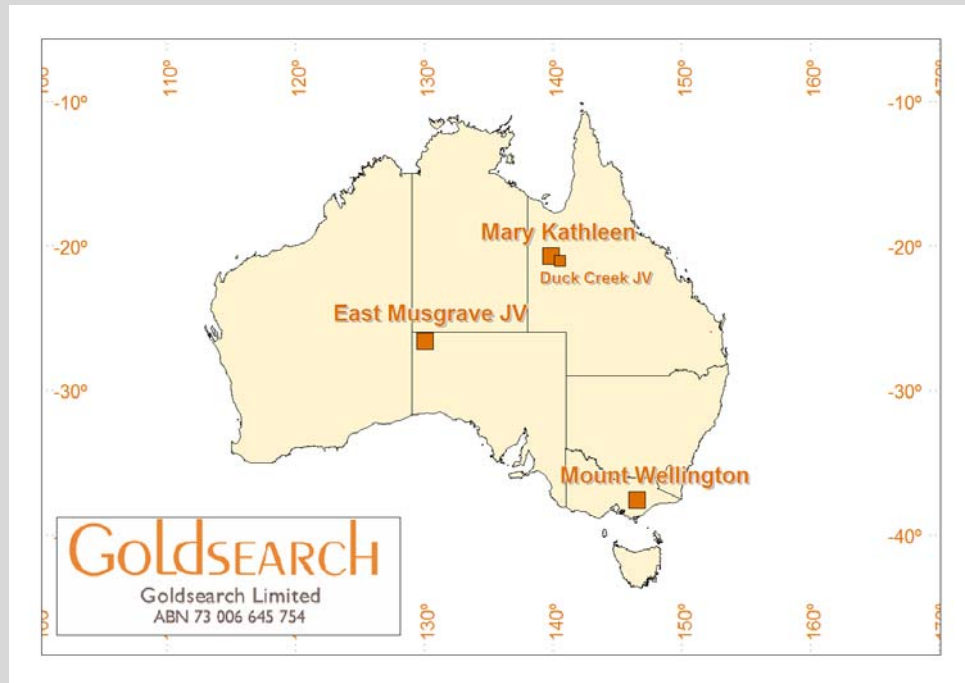
Goldsearch Limited
ABN 73 006 645 754

Level 4 / 20 Loftus
Street
SYDNEY NSW 2000

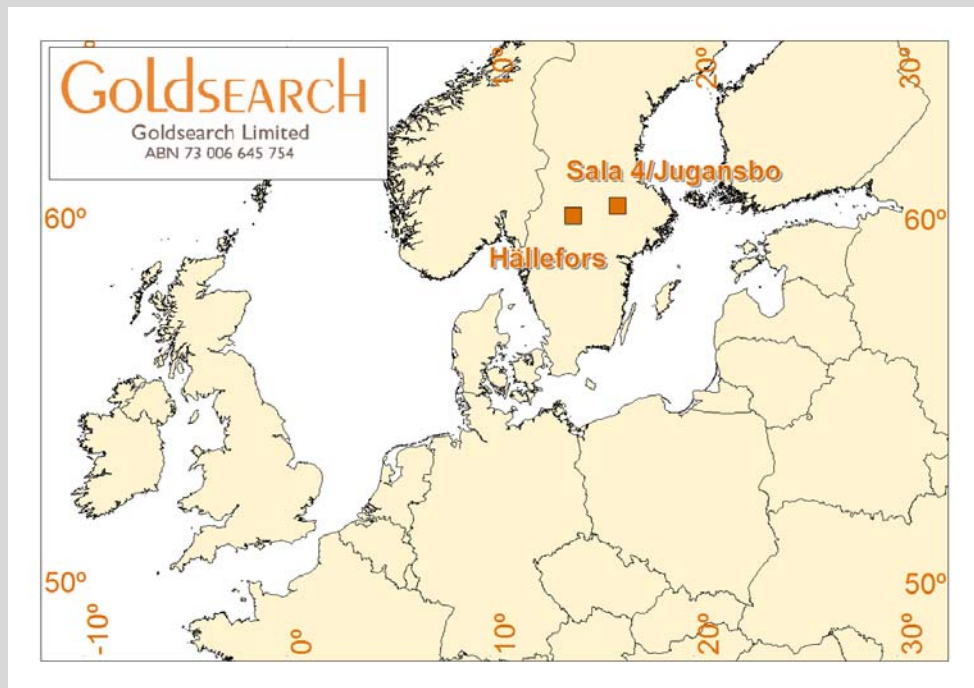
ASX: GSE,
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GoldSEARCH



Goldsearch Limited Australian project locations.



Goldsearch Limited Swedish project areas.

MOUNT WELLINGTON PROJECT (VICTORIA)

100% Goldsearch - gold, silver, zinc, copper, lead

The Mount Wellington project is located 20 kilometres south-east of the town of Jamieson and 10 kilometres east of the Morning Star gold mining centre in eastern Victoria. The total project area covers 365 square kilometres.

There are several known mineral occurrences at Mount Wellington. Significant gold (+/- silver and base metal) mineralisation has been intercepted in drilling by previous explorers at Hill 800 and Rhyolite Creek (*Figure One*). Mineralisation is hosted by Cambrian-aged volcanic rocks and various genetic styles for this mineralisation have been proposed by past explorers.

At Hill 800, using a cut-off grade of 0.8 grams per tonne (g/t) gold, the inferred mineral resource is calculated by Goldsearch to be 1,118,000 tonnes with an average grade of 1.5 g/t gold for 52,200 contained ounces of gold.

Goldsearch believes the project has significant potential for large intrusion-related gold and base metal ore deposits, along with the potential for high-grade epithermal gold-silver deposits and volcanogenic base metal mineralisation. Goldsearch recently established a semi-permanent eight person camp at the project area in support of ongoing field operations.

An initial Goldsearch drilling program was completed at the Rhyolite Creek and Mikes Bluff targets during the June 2008 quarter, with one hole drilled at each target. A program of ground induced polarisation (IP) electrical geophysics and follow up drilling at the Rhyolite Creek target (2 holes) was completed during the December 2008 and March 2009 quarters.

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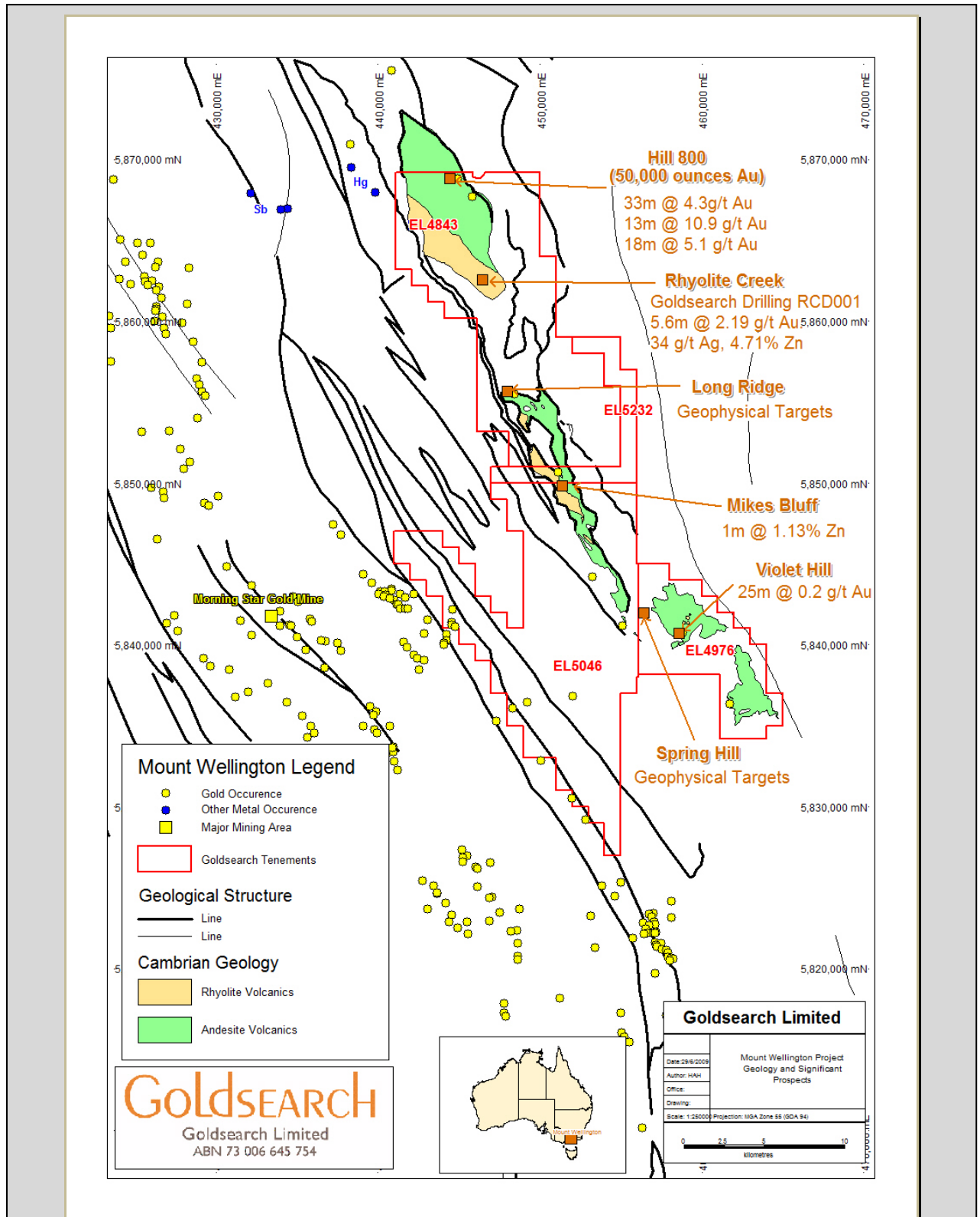


Figure One: Mount Wellington Project geology, target locations and previous drill results.

Drilling undertaken by Goldsearch to date at the Rhyolite Creek target has defined a zone of gold, silver, copper, lead, zinc mineralisation over an area of at least 300 metres by 200 metres. The mineralisation is associated with a horizon of massive to semi-massive sulphides at a major lithological contact between felsic and intermediate volcanic sequences and is related to an extensive zone of hydrothermal alteration. Extensive zones of low-grade zinc mineralisation within the footwall intermediate volcanics suggest a potentially significant mineralising system. Mineralisation is not believed to be syn-volcanic (Cambrian) and is thought to be related to a later (Devonian) hydrothermal event, possibly associated with the emplacement of magmatic bodies during the major orogenic event at that time. Numerous geophysical targets have been identified within the project area which may represent the magmatic sources to the mineralising events in the area.

Table One: Rhyolite Creek – Previous Goldsearch drilling.

Hole ID	Type	East (metres) (GDA94)	North (metres) (GDA94)	Azimuth (degrees)	Declination (degrees)	Final Depth (metres)
RCD001	DD	446814	5862758	234	-60	504
RCD002	DD	446816	5862760	45	-61	246
RCD003	DD	446777	5863028	225	-60	500.3

Table Two: Rhyolite Creek - Significant assay results – Previous Goldsearch drilling.

Hole ID	From (m)	To (m)	Interval (m)	Gold (AAS) (g/t)	Gold (FA) (g/t)	Silver (g/t)	Copper (%)	Lead (%)	Zinc (%)
RCD001	220	225.6	5.6	1.02	2.19	34	0.18	0.41	4.71
	<i>Incl.</i>								
RCD001	223	224	1	3.30	8.95	127	0.43	1.52	14.7
RCD001	224	224.4	0.4	2.59	3.63	79.6	0.81	1.35	17.9
RCD001	220	280	60	-	-	-	0.07	-	1.1

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RCD002	194	195.5	1.5	0.19	-	6.0	-	0.02	0.22
RCD003	177.8	180.4	2.6	1.99	-	12.6	-	0.02	0.10
RCD003	354.5	361.5	7	0.01	-	0.3	0.03	-	0.39
RCD003	397	410.3	13.3	0.02	-	1.04	0.05	-	0.62
RCD003	442	454.4	12.4	0.02	-	0.3	0.05	-	0.36

(Note: AAS - Aqua regia digest, atomic absorption spectrometry determination, FA - Fire Assay, g/t – grams per tonne, m – metres)

The interpreted up-dip extension of the mineralisation intercepted in drilling is coincident at surface with significant zinc in soil geochemical anomaly extending over an area of 1000 metres by 150 metres. The area drilled to date is, in places, disrupted by younger un-mineralised dolerite dykes. Much of the target horizon in holes RCD002 and RCD003 was obscured by these later dykes. Future drilling will target areas away from interpreted dyke positions.

Goldsearch is to receive \$46,000 in government assistance to drill hole RCD003 courtesy of the Re-Discover Victoria initiative.

During the June 2009 quarter a program of regional geological mapping was undertaken just prior to the end of the summer field season. The aim of the exercise was to undertake preliminary evaluation of a number of regional target areas. The mapping identified a number of new faults and provided good additional insight into the distribution of prospective Cambrian aged rocks at Mount Wellington. Compilation of the information, which is currently underway, will assist significantly with proposed drill targeting and provide strong technical support for applications for further drilling funding via the Re-Discover Victoria initiative in the December 2009 quarter. A number of very interesting and previously unrecognised fault zones were mapped over significant strike distances.

Mount Wellington - Forward program

Drilling results at Rhyolite Creek are now being reconciled with results from the ground IP geophysical survey with the aim of defining further drill targets to be tested during the 2009/2010 field season. Geological mapping, regional geophysical data and historical exploration results are also being assessed for a number of other regional targets. Goldsearch currently intends to once again apply for funding for future drill programs under the anticipated third round of the Re-Discover Victoria initiative.

MARY KATHLEEN PROJECT (QUEENSLAND)

Goldsearch 100% - copper, gold, uranium

Goldsearch is exploring for Mary Kathleen-style uranium deposits and copper-gold deposits in the highly prospective Mount Isa Inlier, North Queensland. The project area is located to the north and south of the former Mary Kathleen uranium mine and north of the Kalman copper-molybdenum-rhenium deposit, between Mount Isa and Cloncurry. The project area is comprised of three granted tenements, EPM 14019, EPM 14022 and EPM 15257 covering a total area of approximately 160 square kilometres.

The project was previously subject to a joint venture between Goldsearch (75%) and Central West Gold NL (25%). During the March 2009 quarter Central West Gold NL elected not to meet cash calls to preserve its interest in the project and has subsequently diluted its entire project interest. Central West Gold's interest in the tenements is currently being formally transferred to Goldsearch.

Work completed to date by Goldsearch at Mary Kathleen has included soil geochemistry, ground magnetic geophysical surveys, ground IP geophysical surveys, reverse circulation (RC) and diamond drilling. This work has, as previously reported, identified copper (+/-gold) mineralisation at the Pindora and Hardway targets and uranium mineralisation at Elaine Dorothy.

In anticipation of Goldsearch becoming the 100% holder of all tenements a reconnaissance visit was undertaken to a number of target areas within the project during the June 2009 quarter.

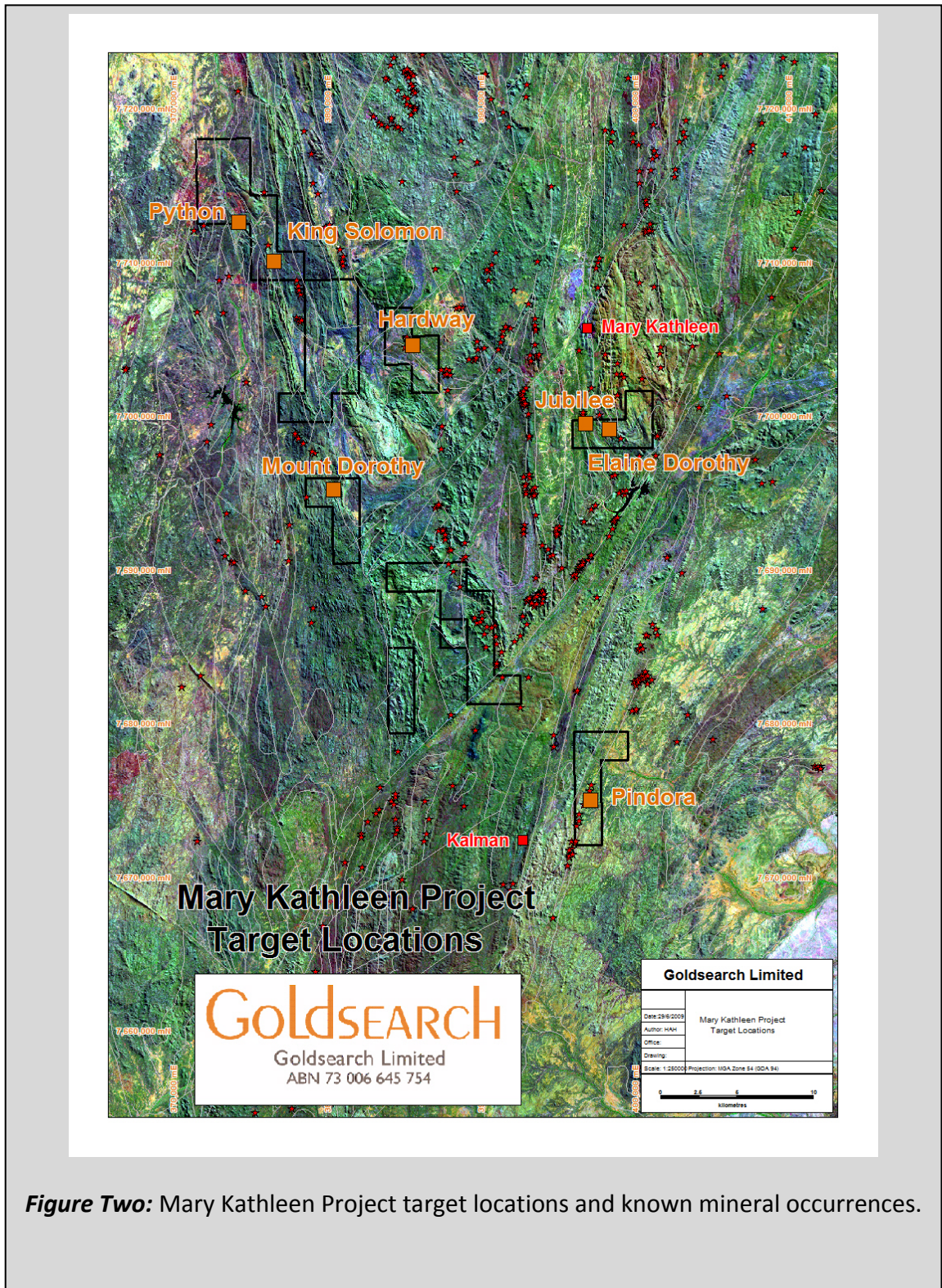


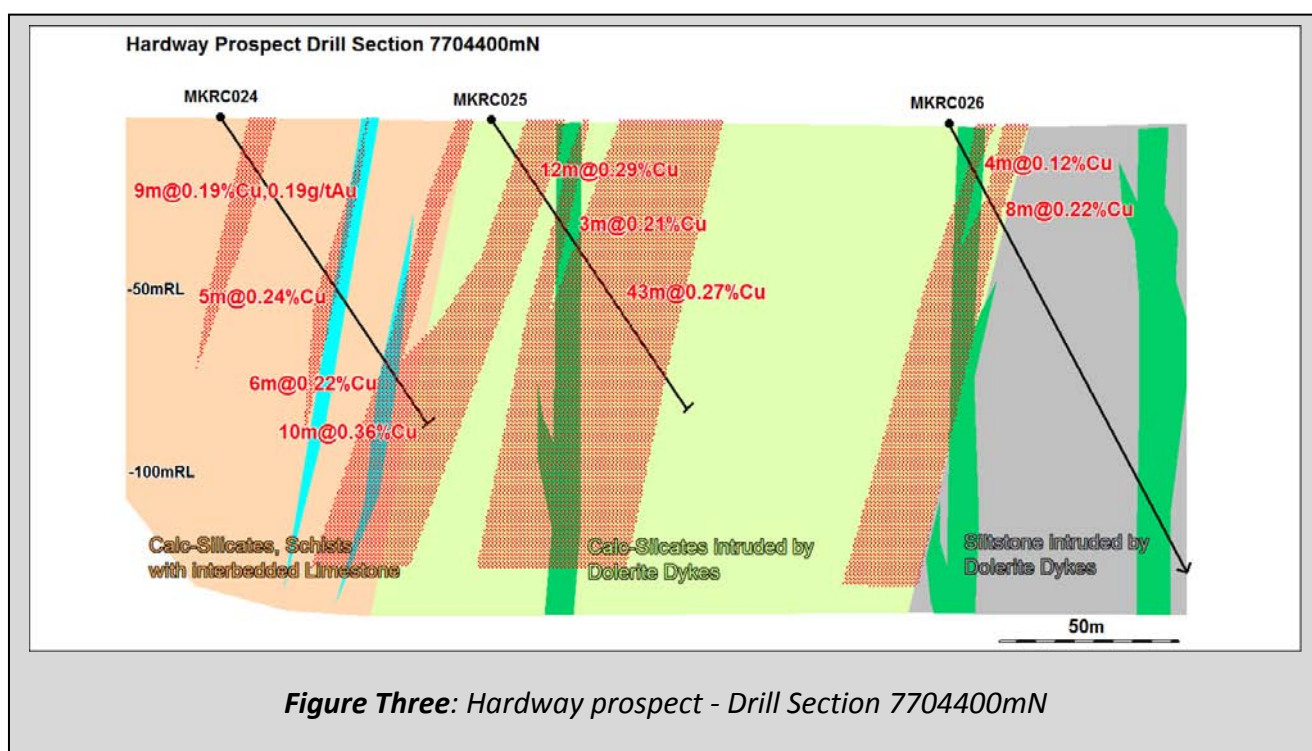
Figure Two: Mary Kathleen Project target locations and known mineral occurrences.

Hardway

At Hardway work to date by Goldsearch has defined an extensive zone of low-grade copper mineralisation. The Hardway trend extends for several kilometres as defined by previous open-pit mining of oxide copper, soil geochemistry and RC drilling. The mineralisation is generally hosted by re-crystallised limestone, calcareous siltstones and dolerite and is associated, in places, with silicification and silica/carbonate veining.

The RC drilling by Goldsearch along 7704400mN (GDA94) (MKRC024 – MKRC026) has defined potential multiple zones of shallow copper mineralisation over a 250 metre width within the 2.8 kilometre long mineralised Hardway zone (*Figure Three*). Drilling intercepted multiple zones of greater than 0.2% copper (e.g.: 49 metres @ 0.26% copper) within high background copper values averaging approximately 500 parts per million (ppm). The mineralisation is associated with both extensive disseminated sulphides along with minor quartz-carbonate veining and minor stock works. Further drilling is required to test the mineralisation along 7704400mN at depth. Further drilling is also required to test the potential for economic mineralisation elsewhere within the Hardway trend.

The carbonate dominated host rocks of the Corella Formation at Hardway represent an attractive exploration target and elevated cobalt, uranium, gold, yttrium and phosphorus were also intercepted by drilling along the trend and are of considerable interest given the metal association at the nearby Mary Kathleen Mine.



Jubilee

A line of shallow workings extending over approximately 800 metres previously exploited oxide copper and gold mineralisation and associated iron-rich alteration. The southern portion of this zone extends into EPM14019. Rock chip sampling by Delta Gold in 1994 returned assay values up to 26% copper and 7.8 g/t gold. The strong association of iron oxides and gold with the copper mineralisation has implications for IOCG (Iron Oxide Copper Gold) style systems, which are a particularly attractive exploration target.

Mount Dorothy (Wee Wyeems/Three Threes)

At Mount Dorothy, siliceous iron stones with associated minor oxide copper mineralisation outcrop over approximately 1 kilometre strike length.

Previous work by Mount Isa Mines in 1992 reportedly included soil geochemistry and the drilling of three RC drill holes and two diamond drill holes. The best intercept was 26 metres @ 0.86% copper from 106 metres; this hole also intercepted 2 metre intervals up to 3.08% copper. The mineralisation was said to be associated with sheared native copper and minor sulphide minerals.

Host rocks were a sequence of variably altered andesite with zones of strong clay alteration and brecciation associated with faulting.

Other results included 12 metres @ 0.47% copper and 16 metres @ 0.28% copper.

King Solomon/Python area

At King Solomon, shallow underground and open-cut mines have exploited an extensive zone of near surface copper mineralisation hosted by re-crystallised limestone and calcareous siltstones of the Corella Formation. The mineralised zone extends over a strike length of approximately 1.6 kilometres.

Previous drilling along the main mineralised trend appears to be minimal.

At the nearby Python and Python South workings, oxide copper mineralisation appears to be associated with iron rich alteration and is, in places, apparently associated within banded iron rocks.

Mary Kathleen - Forward program

Goldsearch is currently awaiting formal transfer of a 100% interest in the three Mary Kathleen exploration permits. Goldsearch is currently in discussions with a number of interested parties in relation to possible future joint venture arrangements for the project in order to fund drilling at a number of targets.



Figure Four: *Copper oxide staining at Mount Dorothy, Three Threes iron stone outcrop.*

EAST MUSGRAVE JOINT VENTURE (SOUTH AUSTRALIA)

Goldsearch 49% - nickel, copper, platinum

The East Musgrave Project is a joint venture between Goldsearch Limited (49%) and Independence Group NL (51%).

The joint venture signed an agreement with BHP Billiton for BHP Billiton to potentially earn a 65% interest in the project by spending \$25 million or by delivering a Bankable Feasibility Study within 10 years.

BHP Billiton recently advised the joint venture partners that, following an internal corporate directive to focus increasingly on more advanced exploration/development projects, it is reviewing its involvement in the East Musgrave Joint Venture. Formal notice of withdrawal from the project was received from BHP Billiton late yesterday. Accordingly equity in the project will remain as Goldsearch 49% and Independence 51%.

With BHP Billiton now having withdrawn from the project, Independence Group and Goldsearch Limited are currently formulating a work program and budget to commence during the current quarter. This program will initially involve detailed ground electro magnetic (EM) geophysics over the two highest priority anomalies generated from the BHP Billiton funded exploration programs completed to date (anomaly four and anomaly six). Should results from this survey be positive, a contingent budget is proposed to drill test the targets following relevant approvals.

Exploration to date, consisting of regional geochemical (2,755 samples) and gravity geophysical (1,580 stations) sampling, has identified a total of ten priority areas for further evaluation. Peak geochemical assay results from the sand dominated terrain include 1570 parts per million (ppm) nickel, 348 ppm copper, 17 parts per billion (ppb) platinum and 11 ppb palladium. Overall the anomalous geochemical results compare favourably with geochemical results which highlighted the Nebo and Babel discoveries (500 million tonnes @ 0.46% nickel) in the western portion of the Musgrave Terrane.

Previous drilling (three diamond drill holes) by Kennecott Exploration in the early 1970's at anomaly four, which is one of the two priority areas, intersected minor copper and nickel sulphide mineralisation from within the 15 kilometre long intrusion.

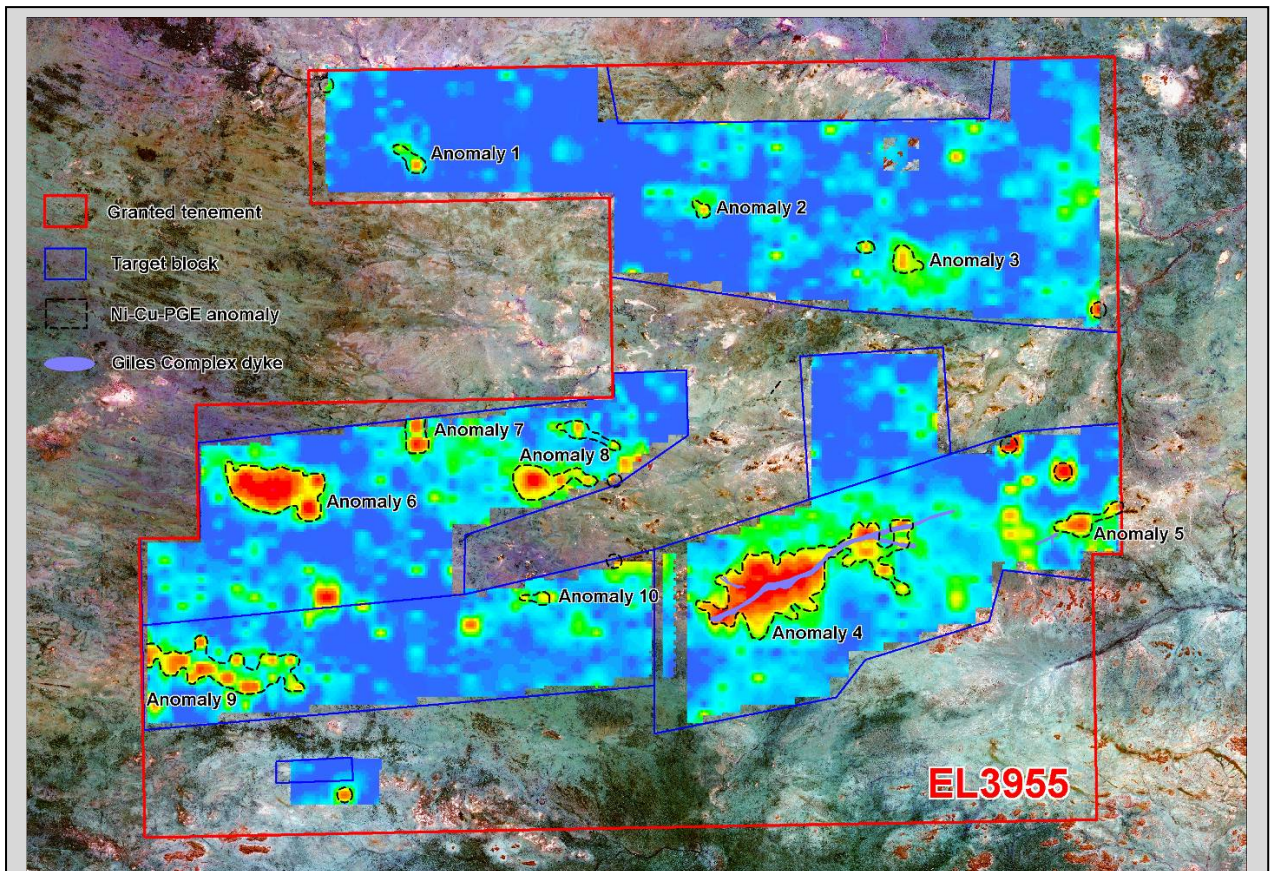


Figure Five: East Musgrave Joint Venture, EL3955 - Image of nickel geochemistry

BERGSLAGEN JOINT VENTURE (SWEDEN)

Goldsearch earning 70% - silver, lead, zinc

In May 2008 Goldsearch entered an agreement with TSX[V] listed Tumi Resources Ltd to earn an interest in a number of prospective base metals areas in Sweden. Following the decision to withdraw from one of the areas during the March 2009 quarter, Goldsearch is currently earning a 70% interest in three exploration licences which cover two separate target areas approximately 200 kilometres north-west of Stockholm. Under the terms of its joint venture with Tumi Resources, Goldsearch can earn 70% of the projects by spending up to €1million over three years.

Goldsearch

The initial minimum commitment by Goldsearch is to fund a skyTEM airborne electromagnetic (EM) and magnetic survey. This survey was successfully completed with final results received in September 2008.

Also under the terms of the joint venture agreement, Goldsearch must incur expenses of €100,000 (including the EM Survey) within year 1, €300,000 in year 2 and total cumulative expenses of €1 million by the end of year 3.

During the December 2008 quarter Goldsearch undertook field evaluation of a number of targets generated from the airborne EM survey. This evaluation highlighted a number of targets recommended for further evaluation using more detailed ground IP geophysics.

Goldsearch equity investments

Independence Group NL (ASX: IGO)

www.independencegroup.com.au

Independence Group NL (IGO) currently operates the highly profitable Long Nickel Mine at Kambalda in Western Australia, where in-mine exploration over recent years has discovered significant new mining resources/reserves at the McLeay and Moran deposits, considerably extending the mine life of the operation. In joint venture with Anglogold Ashanti Limited, IGO is currently conducting a feasibility study on the development of a mining operation to exploit the 5 million ounce gold resource at the Tropicana Project in Western Australia.

At 30 June 2009 Goldsearch held 350,000 ordinary shares in IGO with a market value of \$1,620,500.

Rex Minerals Limited (ASX: RXM)

www.rexminerals.com.au

Rex Minerals (RXM) is currently exploring for copper at Hillside in South Australia and Mount Carrington in New South Wales. Encouraging high-grade copper results have been returned from drilling at both projects.



At 30 June 2009 Goldsearch held 500,000 ordinary shares in RXM with a market value of \$277,500 and 500,000 unquoted options over shares in RXM with an imputed market value of \$127,500.

Queensland Mining Corporation Limited (ASX: QMN)

www.queenslandminingcorporation.com.au

Queensland Mining Corporation (QMN) is currently evaluating a number of priority copper/gold targets in the Cloncurry district in north-west Queensland.

At 30 June 2009 Goldsearch held 1,000,000 ordinary shares in QMN with a market value of \$55,000 and 2,000,000 unquoted options over shares in QMN with an imputed market value of \$NIL.

STATEMENT

Technical information contained in this report was prepared by the Company's Exploration Manager, Mr Heath Hellewell, who is a Member of the Australian Institute of Geoscientists. Mr Hellewell has over 16 years of relevant experience, and qualifies 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 Hellewell consents to the inclusion of his technical information in this report in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001

Name of entity

Goldsearch Limited

ABN

73 006 645 754

Quarter ended ("current quarter")

30 June 2009

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(205)	(1,484)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(158)	(532)
1.3	Dividends received	-	25
1.4	Interest and other items of a similar nature received	10	90
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – JV Income	-	-
Net operating cash flows		(353)	(2,264)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(27)	(81)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(27)	(81)
1.13	Total operating and investing cash flows (carried forward)	(380)	(2,345)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(380)	(2,345)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	3
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) – issue costs	-	(18)
	Net financing cash flows	-	(15)
	Net increase (decrease) in cash held	(380)	(2,360)
1.20	Cash at beginning of quarter/year to date	800	2,780
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter #	# 420	# 420

in addition to the cash on hand the Company has access to further working capital through realisation of the Company's investments in listed securities. At the end of the quarter, the Company's investments in listed securities had a market value of \$1.953 million.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	120
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	- Directors' fees & expenses	111,884
	- Directors' superannuation	8,450

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	N/A
3.2 Credit standby arrangements Market value of listed securities as at 30 June 2009 (See note to paragraph 1.22 above)	1,953	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	-
Total	350

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	41	88
5.2 Deposits at call	379	712
5.3 Bank overdraft	-	-
5.4 Other (provide details) – See 1.22 and 3.2 above	-	-
Total: cash at end of quarter (item 1.22)	420	800

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL 4843 Rhyolite Creek	Renewed on 20 May 09 for two years with a reduced area. Tenement area reduced from 199 to 156 graticular sections.	100%	100%
6.2 Interests in mining tenements acquired or increased	N/A	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (cents) (see note 3)	Amount paid up per security (cents) (see note 3)
7.1 Preference + securities <i>(description)</i>	Nil	N/A	N/A	N/A
7.2 Changes during quarter				
(a) Increases through issues	N/A	N/A	N/A	N/A
(b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	N/A	N/A
7.3 +Ordinary securities	367,249,517	367,249,517	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues (exercise of quoted options)	Nil	N/A	N/A	N/A
(b) Decreases through returns of capital, buy-backs	Nil	N/A	N/A	N/A
7.5 +Convertible debt securities <i>(description)</i>	Nil	N/A	N/A	N/A
7.6 Changes during quarter				
(a) Increases through issues	N/A	N/A	N/A	N/A
(b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A
7.7 Options			Exercise price	Expiry date
Listed options	90,432,809	90,432,809	10.0 cents	31 October 2009
Unlisted options	400,000	-	10.0 cents	30 June 2009
	8,000,000	-	5.0 cents	31 January 2010
	8,000,000	-	7.5 cents	31 January 2010
7.8 Issued during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.9 Exercised during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.10 Expired during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.11 Debentures <i>(totals only)</i>	Nil	N/A		
7.12 Unsecured notes <i>(totals only)</i>	Nil	N/A		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:


(Company secretary)

Date: 28 July 2009

Print name: P S Hewson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.