



28 January 2011

QUARTERLY REPORT FOR PERIOD ENDED 31 DECEMBER 2010 SUMMARY

- **Thomson Resources Ltd** (ASX Code TMZ) successfully listed onto the ASX on 17 December 2010 raising \$4.6 million. Thomson plans to commence drilling over some of its key projects once floods affecting the region abate. PlatSearch has maintained a 25.6% shareholding.
- Stage 2 drilling over the Saffron uranium project at **Junction Dam** by joint venture partner Marmota Energy Limited continued to generate strong uranium values. Further extensive drilling at the Saffron and Bridget prospects is due to start shortly.
- Exploration by **Silver City Minerals Limited** continued to generate encouraging results over its large tenement holding within the Broken Hill Block. Progress for the planned IPO is well advanced.
- **Eastern Iron Limited** reported very encouraging results from preliminary metallurgical work at its Hawkwood magnetite iron project. High grade iron concentrates were generated from initial drill samples, recording average iron values in excess of 63-67% Fe, with relatively low to modest deleterious element levels.
- **Eastern Iron Limited** secured 100% of the Eulogie magnetite iron prospect located 200 kilometres north of the Hawkwood project. Eulogie has similar general geology and iron product potential to Hawkwood and will be evaluated for its early start-up potential.
- PlatSearch increased its investment into **Eastern Iron** by exercising the remainder of its 12 cent options. PlatSearch now owns 31.5 million fully paid shares representing 48.3% of the issued capital.
- **WPG Resources Ltd** completed a \$A85 million placement and rights issue to provide additional funding for its activities including the planned construction of its DSO operation at Peculiar Knob, due to commence production later this year. PlatSearch subscribed to the capital raising and now owns 10.4 million fully paid shares.
- PlatSearch bolstered its cash position by selling its shares and options in **Chesser Resources Limited** for approximately \$3 million (pre costs) and securing a \$2.5 million convertible note.

THOMSON FOLD BELT, NSW

Thomson Resources Ltd successfully listed onto the ASX on 17 December 2010, raising \$4.6 million. PlatSearch acknowledges the good response from its shareholders to the Priority Offer and the support from the wider community of investors and brokers who assisted with the fund raising.

PlatSearch and its wholly owned subsidiary, Bluestone 23 Limited holds 18,000,000 ordinary Thomson shares representing a total of approximately 25.6% in the Company. In addition, PlatSearch holds 5,000,000 Thomson options (exercise price 30 cents and expiry date of 11 December 2014).

Thomson has advised that it will implement an aggressive exploration work programme to test the numerous, high quality targets defined within its tenements as foreshadowed in its Prospectus. Drilling is anticipated to start early in 2011 once unseasonal heavy rain in the normally dry region abates and flood waters recede.

CURNAMONA PROVINCE/BROKEN HILL, NSW AND SA

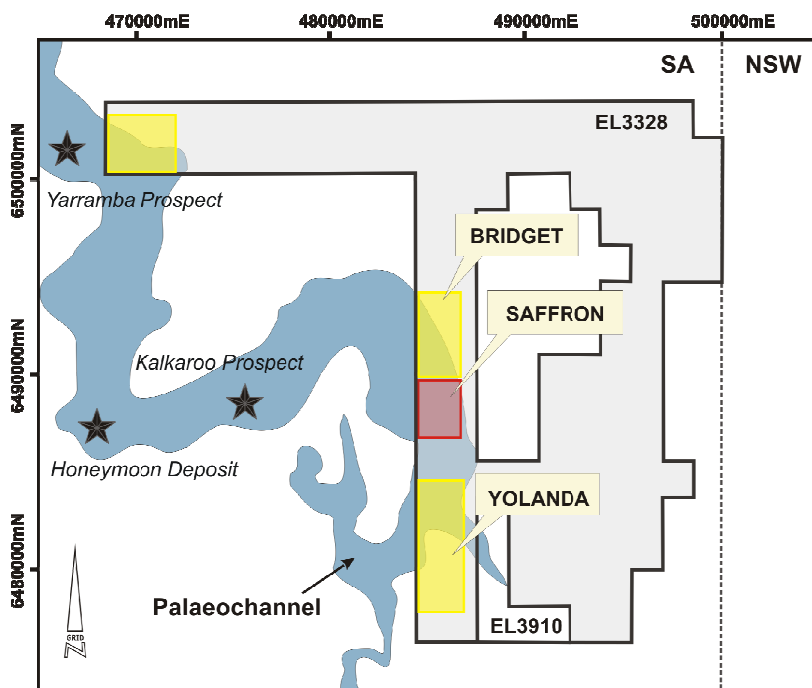
MUNDI PLAINS, NSW – EL 6404, PTE JV - PlatSearch 49%, Teck 51% and can earn 80%

JUNCTION DAM, SA– EL 4509, PTE JV - PlatSearch 39.2%, Eaglehawk 9.8%, Teck 51%, 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.

Marmota reported numerous high-grade intercepts (>1,000ppmeU₃O₈) from Phase 2 follow-up infill and extensional drilling. 56 shallow rotary mud drill holes and four core holes have now been completed within the prospect area in this phase of work.



Drilling in the programme also confirmed an extension to the strike length of the Saffron prospect to approximately two kilometres, open to the north and south.

Mineralogical assessment on core samples from the Saffron prospect indicate that the principal uranium minerals are analogous to those found within the Honeymoon ISL uranium project, consisting of coffinite, uraninite, and uranium phosphates.

An Electromagnetic (EM) survey is currently underway

over the Bridget target area which will assist in targeting the next round of drilling, proposed to commence in April 2011.

During the quarter, Marmota announced that it has moved to a 74.5% share of the uranium rights at Junction Dam. PlatSearch has now diluted to a 10% interest in the joint venture.

UXA Joint Venture

As reported previously, agreement has been reached between Uranium Exploration Australia Limited (ASX: UXA) and Teck Australia Pty Ltd (Teck) for UXA to earn all of 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 Teck’s interest (up to 80% of joint venture), with a minimum of \$1.2 million on exploration required within the first year.

UXA plans to follow up the very encouraging mineralised drill intersections previously recorded at the Dome 5 prospect with further drilling. Previous drilling by Teck 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 and 0.7 metres at 3.1% lead, 20.5% zinc and 60 g/t silver in DF2 (Figure 3). Although narrow, the lead-zinc-silver intersections are highly encouraging, particularly given that the drilling completed to date is relatively wide-spaced with the mineralisation “open” in several directions.

UXA intends to commence a drilling programme, subject to fulfilling access requirements, during January.

SILVER CITY MINERALS LIMITED

Silver City continued preparations for its planned IPO. A Prospectus is in the final stages of preparation and a lead broker has been identified.

Exploration work completed during the quarter included -

- Detailed geological and geochemical sampling commenced at the Mt Brown prospect (EL 7319) where brecciated massive sulphide gossans outcrop intermittently over a 1.5 kilometre strike length. Historic rock chip sampling shows values up to 402ppb gold, 433g/t silver, 34% lead and 0.9% copper.

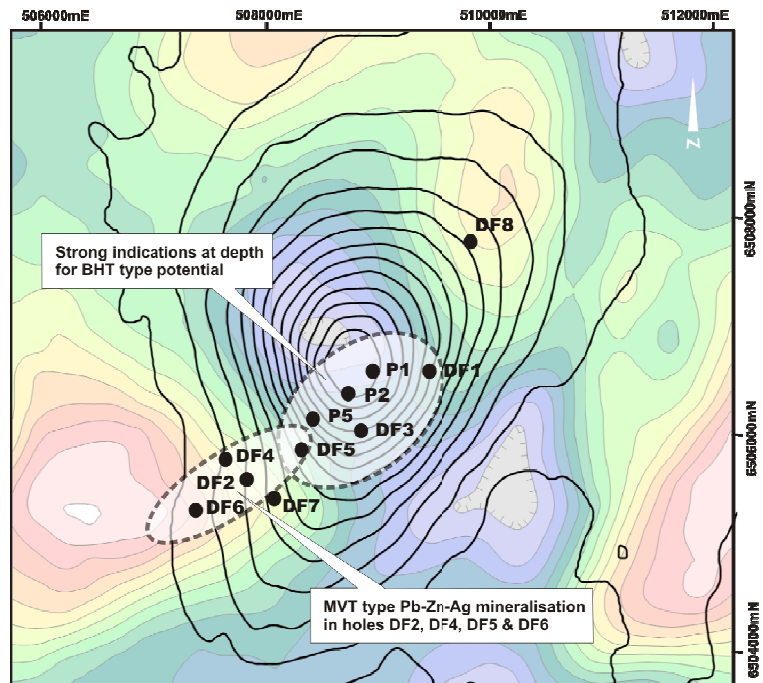


Figure 2 – Dome 5 drilling over magnetics (black contours) and gravity (colour contours)

- A comprehensive review of historic geochemical surveys coupled with recent rock chip sampling confirms strong anomalism associated with known occurrences of lead and silver-rich veins (known as Thackaringa type veins) at Apollyon Valley (EL 6475) and suggests potential for both very high grade silver-bearing sulphide veins and broader halos of lower grade oxidised veins, or vein stockworks which might be amenable to open pit mining and leach beneficiation.

The overall geochemical anomaly extends for over 20 kilometres along Apollyon Valley Shear Zone, however the best responses lie in a well-defined corridor 200 to 500m wide and approximately 10km long in the southern part of the licence. Recently collected rock chip samples have returned values of up to 12.95% lead, 119 g/t silver and 0.36% copper from gossans in old mines areas.

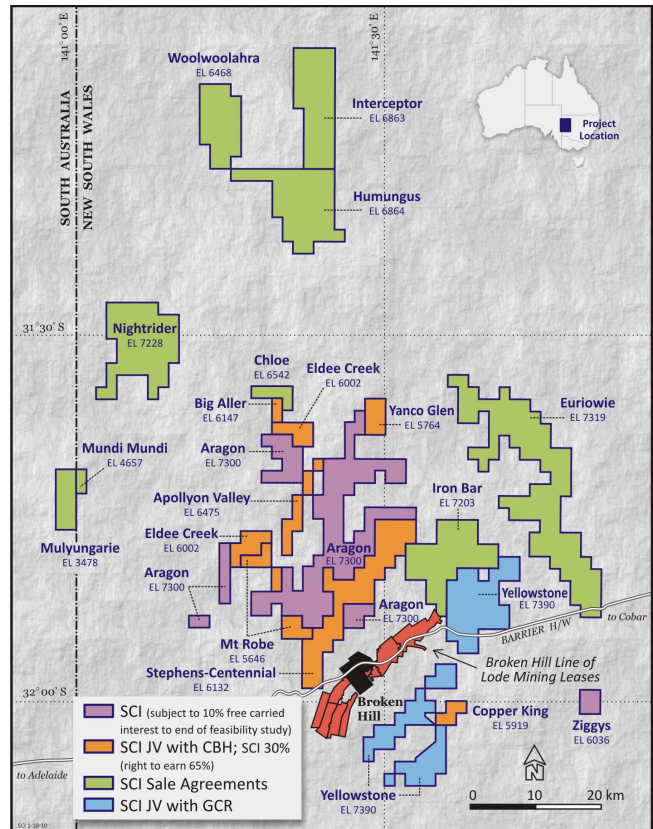


Figure 3 – Silver City tenements and joint ventures

LACHLAN FOLD BELT, NSW

THURLA JV – EL 6477, PlatSearch can earn 20%

Core drilling to test the possible targets within the interpreted northern extension of the same stratigraphy that hosts the multimillion ounce Stawell gold deposit in western Victoria commenced. The first hole will test a distinct magnetic target between 260 and 300 metres vertically below the surface.

INVESTMENTS

EASTERN IRON LIMITED

Eastern Iron 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.

Hawkwood Project (Eastern Iron can earn up to 80%)

Following encouraging results from RC drilling and the definition of thick zones of magnetite mineralization over a 7 kilometre strike length at Hawkwood (reported last quarter), Eastern Iron submitted chip samples for preliminary metallurgical testwork consisting of grind size and David Tube analysis.

Analysis was carried out on composite samples to determine the optimum grind size for magnetic separation (Davis Tube Recovery – DTR). This work indicated that a relatively coarse grind size of between 75 to 106 microns generated excellent liberation and concentrate quality results (see

below), with rejection of the majority of silica and other deleterious elements. This is very encouraging as the grind size is coarser than most other magnetite deposits which may result in lower milling costs during operation.

Hole Number	75 micron					106 micron				
	Recovery (%)	Fe	Al ₂ O ₃	SiO ₂	TiO ₂	Recovery (%)	Fe	Al ₂ O ₃	SiO ₂	TiO ₂
H2222-H2223	21.8	62.15	2.16	1.12	3.99	22.2	60.72	2.36	1.66	4.07
H3404-H3405	35.3	66.28	2.06	0.65	2.22	37.5	65.23	2.33	0.86	2.51
H3698-H3699	25.6	61.12	3.09	1.32	6.05	30	60.05	3.38	1.86	6.42
H3754-H3755	18.6	68.65	0.33	1.14	1	19.6	67.12	0.52	1.83	1.35
Average	25.3	64.55	1.91	1.06	3.32	27.32	63.28	2.15	1.55	3.59

Davis Tube Recoveries were based on the 75 micron grind size and a number samples were submitted for concentrate production. Averaged results from drilled intervals are as follows:

Hole	From-To	Interval (m)	Fe %	V %	TiO ₂ %	SiO ₂ %	Al ₂ O ₃ %	P %	S %	DTR %
HRC003	26-74m	48	63.6	0.39	2.9	1.2	1.9	0.00	1.6	17
HRC006	74-92m	18	66.3	0.48	3.1	1.0	2.2	0.00	0.0	20
HRC018	69-90m	31	67.1	0.48	2.1	1.7	1.0	0.00	0.2	15

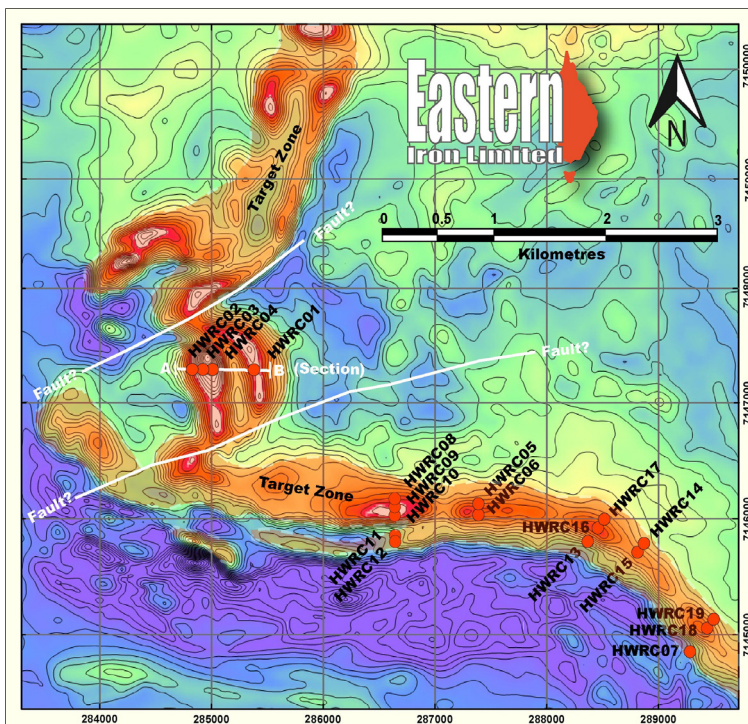


Figure 4 - Hawkwood drill hole locations over magnetics

The preliminary results are very encouraging. The DTR work produced high iron grade concentrates of 63 to 67% Fe with low levels of the impurities normally associated with titaniferous magnetite ores. The coarse grain size has allowed effective liberation of TiO₂, Al₂O₃ and SiO₂ bearing minerals resulting in low levels for these compounds and high levels of Fe. Good vanadium grades, an important by-product, were also recorded.

In the coming months Eastern Iron will undertake a short program of diamond core drilling to provide more accurate modelling of the resource potential, to confirm the dip of the

layers and to provide an indication to what extent the intersected intervals represent true widths. This will assist in planning for the next stage of resource drilling and interpretation of the completed RC drilling program. The core drilling will also provide samples for further metallurgical testwork.

Eulogie Project

Eastern Iron has acquired a 100% interest in the Eulogie project, a magnetite iron deposit located approximately 200km north-north-west of Hawkwood, close to sealed roads connected to the main Moura – Gladstone railway line.

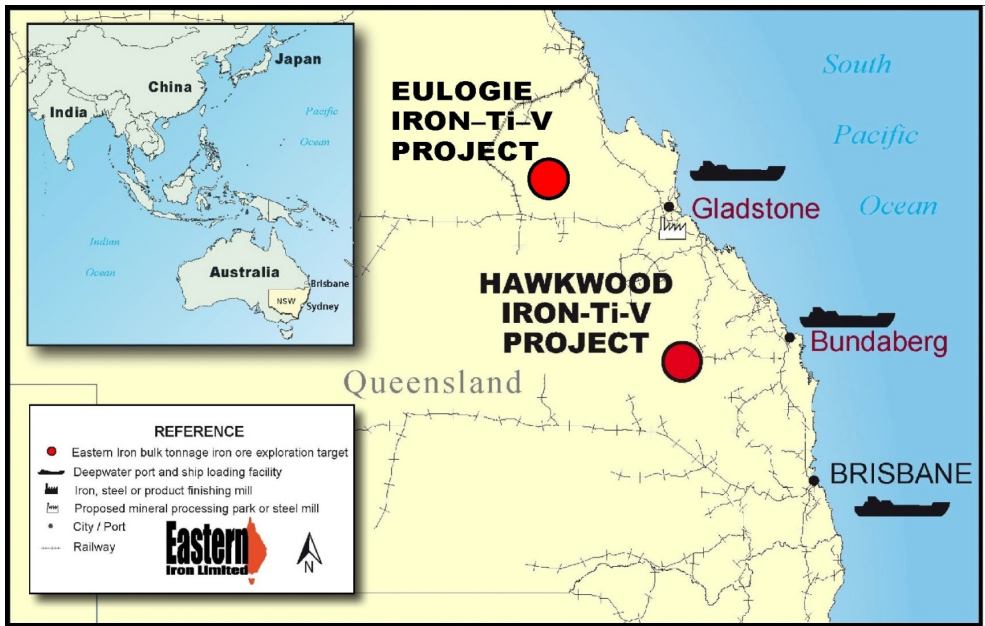


Figure 5 - Location of Eastern Iron’s Hawkwood and Eulogie Projects

At Eulogie, titanium and vanadium-bearing magnetite is concentrated within shallow dipping (30-40 degrees) gabbroic layers (ferrigabbro) up to 100m thickness within a layered igneous complex. The geology and nature of the ferrigabbro layers is almost identical to those recently drilled Hawkwood and it is expected that iron products from the two areas will have many similarities.

Previous work in the late 1980’s by Thiess examined the project as a possible source of iron ore for a proposed steel plant located at Gladstone. A pre-feasibility study was completed and included 30 RC and cored drill holes. Eastern Iron considers that the project has an exploration target potential of between 100 to 200 million tonnes.

Thiess also completed preliminary magnetic separation testwork which, at a final grind size of 100 micron, produced concentrates containing 58-64% Fe, 2-5% TiO₂ and 0.87% V₂O₅.

The acquisition of the Eulogie project provides Eastern Iron with a potential additional source of iron ore product in the Central Queensland area supplying a common export point at Gladstone Port. Eulogie, whilst with less resource potential than Hawkwood, is even better placed with respect to existing rail, road and port infrastructure and potentially could be brought on stream at relatively low capital cost and within a shorter time frame. This provides a number of options including sequential or staggered development of the two projects using cash flow from Eulogie to support a development at Hawkwood.

Over the short term, Eastern Iron plans to evaluate the resource and mining potential at Eulogie including data compilation and assessment, initial drilling to confirm previous resource estimates and metallurgical work to better define the characteristics of the iron concentrate.

NSW Iron Project

Following shareholder approval, Eastern Iron formalised its agreement with 3E Steel Pty Ltd (3E) which allows 3E to earn up to a 77.5% interest in 13 tenements (out of 17) in Eastern Iron's NSW Iron Ore project. 3E may earn its interest by completing further investigations, including a bankable feasibility study, into the potential development of an iron ore project. Under an earlier agreement with PlatSearch, Eastern Iron had earned an 80% interest in the project tenements with obligations to sole fund project expenditure to the completion of a bankable feasibility study.

The terms of the agreement with 3E provide that they will complete a programme of work including bulk sampling and beneficiation testing in the first 12 months. It is hoped that 3E's work can identify a processing breakthrough or the potential for a commercial arrangement to evaluate utilising this material as feed for a regional customer.

The agreement with 3E includes a requirement that Eastern Iron and PlatSearch execute an agreement to restructure the ownership of the 15 project tenements in which the companies hold interests. This restructure involves a transfer of interests in the tenements and will allow PlatSearch to own a 51% direct interest in just over half the iron Resource defined to date within the eastern section of the project area.

In June and December 2010, PlatSearch exercised a total of 10,500,000 \$0.12 options that it held in Eastern Iron at a total cost of \$1.26 million. As a result, PlatSearch has increased its shareholding in Eastern Iron to 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 27 January 2011 EFE shares were trading at \$0.18.

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

WPG RESOURCES LTD

WPG Resources Ltd (ASX Code: WPG) completed a placement and rights issue to its shareholders raising \$85 million to assist with the development of its flagship Peculiar Knob DSO iron ore mine south-east of Coober Pedy in South Australia. WPG has decided to put the project into production, with operations planned to commence before the end of 2011. Sales totalling 3.3 million tonnes per annum of high grade iron ore fines are forecast by WPG to begin soon after mining of ore begins, with the product to be exported through Port Pirie.

PlatSearch participated in the raising, increasing its shareholding in WPG to a total of 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 close to \$9 million. As at 27 January 2011 WPG shares were trading at \$0.89. For further details regarding the progress of WPG projects, refer to its website.

CHESSER RESOURCES LIMITED

Chesser Resources (ASX Code: CHZ) is exploring for gold deposits in the Tethyan Belt in Turkey. Chesser is earning an interest in a number of projects, the most advanced of which include the potentially heap-leachable Sisorta high sulphidation, epithermal gold deposit and the high grade Kestanelik epithermal vein deposit.

On 28 October 2010 PlatSearch sold its shares and options in Chesser Resources resulting in net proceeds before brokerage of approximately \$3 million. This represents an excellent return of over 10 times PlatSearch's total investment.

AGUIA RESOURCES LIMITED (FORMERLY NEWPORT MINING)

Agua Resources (ASX Code: AGR) is an exploration company in joint venture with PlatSearch over the Pathfinder project in South Australia. Agua has acquired two highly prospective and potentially large scale phosphate projects in Brazil, the Lucena Phosphate Project and the Mata da Corda Phosphate Project. Agua has also reached conditional agreement to acquire a private mineral exploration company Potassio do Atlantico Ltda with a primary focus on potash exploration and development in the Sergipe Basin, Brazil, one of the largest global potash markets.

During the quarter Agua reported encouraging exploration results from the Mata da Corda Phosphate Project, including reconnaissance rock chip sampling from Block 1 returned high grade phosphate results from a mineralised trend that extends over at least 1 kilometre of strike and is up to 500m wide. Best assays from this extensive zone returned up to 25.7% and 28.4% P₂O₅.

The Company also completed first pass drilling at the Capacete, Block 5, Block 6 and Block 1 target. The Capacete drilling returned wide zones of low grade phosphate mineralisation with narrow high grade intervals up to 13.67% P₂O₅ at the Breccia target.

To support ongoing exploration activities, Agua also completed a private placement to raise \$3.95 million at a share price of \$0.50 per share to sophisticated and professional investors. PlatSearch currently holds 510,000 fully paid shares and 1 million options exercisable at \$0.35. At 27 January 2011 Agua shares were trading at \$0.65.

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

CORPORATE AND FINANCIAL

CAPITAL RAISING

PlatSearch announced that it has completed a capital raising via a private placement of 16,666,667 convertible notes at 15 cents each which has raised \$2,500,000 (pre-costs) in additional working capital for the Company.

The general terms of the issue are:

- convertible notes with a conversion price of 15 cents per share and a maturity date of 9 December 2013;
- the Company may redeem the notes at any stage and must redeem all convertible notes on the maturity date or upon an event of default;
- each convertible note will accrue interest at 8% per annum to be paid each half year in arrears in cash, the first instalment to be paid on 30 April 2011; and
- note holders will receive one share option for every two convertible notes they subscribe to, providing the notes are converted into ordinary shares and at the time of conversion. The share options will have an exercise price of 25 cents and an expiry of 9 December 2014.

The convertible notes will be placed with two professional and sophisticated investors pursuant to section 708 of the Corporations Act 2001.

The funds raised in the issue will be applied to funding the Company's advanced project acquisition work, exploring its key projects and continuing its successful investment strategy into resource companies.

BOARD AND MANAGEMENT CHANGES

PlatSearch appointed Mr Ivo Polovineo as Company Secretary. Ivo has over 30 years experience in corporate accounting, finance and company secretarial work for a diverse range of companies. He has spent the past 20 years in senior management roles in the resources sector including seven years as Company Secretary (and five years as CFO) of Sino Gold Mining Limited (a former ASX 100 company) until December 2009. Ivo is currently also a Company Secretary of Lynas Corporation Ltd, an ASX 100 company, Thomson Resources Ltd and is a Director of ASX listed Galaxy Resources Limited.

Mr Robert Waring, the current Company Secretary and a Non-Executive Director of the Company, retired as Company Secretary and from the Board effective 31 December 2010. Rob has been Company Secretary since 1990 and a Director since 1995.

The Company will now seek a suitably qualified, independent, Non-Executive Director to fill the vacant position.

FINANCIAL

Cash expenditure by the PlatSearch Group on exploration for the quarter was \$256,000. Expenditure by joint venturers on the Company's projects was \$107,000 for the quarter. Cash funds available for the Group at 31 December 2010 were \$8,257,000. 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.

CORPORATE INFORMATION

Top 10 Shareholders of Fully Paid Ordinary Shares as at 24 January 2011

	Shares	% Shares issued
HSBC Custody Nominees (Australia) Limited	45,500,893	25.96
UOB Kay Hian Private Limited	17,598,362	10.04
Mr Xiangjun Zhang	8,045,000	4.59
Minotaur Resources Investments Pty Ltd	8,000,000	4.56
Viking Investments Limited	6,891,676	3.93
DSB Vickers Securities (Singapore) Pte Ltd	6,570,963	3.75
Mr Chris Carr and Mrs Betsy Carr	5,500,000	3.14
Warman Investments Pty Ltd	4,864,019	2.77
Mr Robert Lewis Richardson and Ms Susanne Brint	3,350,760	1.91
State One Nominees Pty Ltd	3,287,334	1.88
Total Top Ten Holdings	109,609,007	62.53
Other Holdings	65,678,585	37.47
TOTAL FULLY PAID SHARES ISSUED	175,287,592	100.00

<p>CORPORATE INFORMATION</p> <p>ABN: 16 003 254 395 Level 1, 80 Chandos Street St Leonards NSW 2065 PO Box 956 Crows Nest NSW 1585 T: (+612) 9906 5220 F: (+612) 9906 5233 E: pts@platsearch.com.au W: www.platsearch.com.au</p> <p>ASX Code – PTS</p>	<p>DIRECTORS</p> <p>Pat Elliott (Non-Executive Chairman) Greg Jones (Managing Director) Robert Waring (Non-Executive Director and Company Secretary retired 31 December 2010) Kwan Chee Seng (Non-Executive Director) Dr Foo Fatt Kah (Non-Executive Director) Ivo Polovineo (Company Secretary appointed 21 December 2010)</p> <p>Issued Capital</p> <p>At 24 January 2011, 175,287,592 fully paid ordinary shares (held by 1,143 shareholders), 450,000 ordinary shares partly paid to 1 cent, 23,020,000 options, mainly issued under the Employee Share Option Plan and 16,666,667 convertible notes.</p>
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Shareholder Enquiries

Matters relating to shareholdings and change of address should be directed to the PlatSearch share registry:

Computershare Investor Services Pty Ltd
 Level 2, 45 St Georges Terrace
 Perth WA 6000
 T: +1300 557 010

To receive **PlatSearch’s announcements by email** please telephone (+612) 9906 5220 or send a facsimile to (+612) 9906 5233 or send an email to pts@platsearch.com.au