

gsh/psh/gsh811

29 April 2011

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

Via ASX Online

Number of pages – 25

Dear Sir,

Quarterly activity report to 31 March 2011

Enclosed for release to the market is the Company's activity report for the quarter ended 31 March 2011 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

Mary Kathleen joint venture

- Further drilling completed at Mount Dorothy and Elaine Dorothy prospects.
- Copper-cobalt-rare earth element (REE) discovery extended along strike and down-dip at Mount Dorothy with increased grades in holes MDD010 and MDD011.
- Revised and improved metal grades from previous Mount Dorothy drillholes MDD005 and MDD006 announced.
- Newly defined strongly anomalous precious metal grades of up to 157grams per tonne (g/t) silver and 0.28 g/t gold in MDD011.
- New zone of copper-cobalt sulfide mineralisation defined at Elaine Dorothy and new zone of TREO-U mineralisation defined 200 metres along strike from Elaine Dorothy inferred JORC resource.

Musgrave Minerals Limited

- Musgrave Minerals Limited prospectus completed.
- Initial public offer (IPO) to raise up to \$20 million and list on the Australian Securities Exchange (ASX) on 29 April 2011.

Equity investments

- The market value of the Company's equity investments at 31 March 2011 was \$1,377,851.

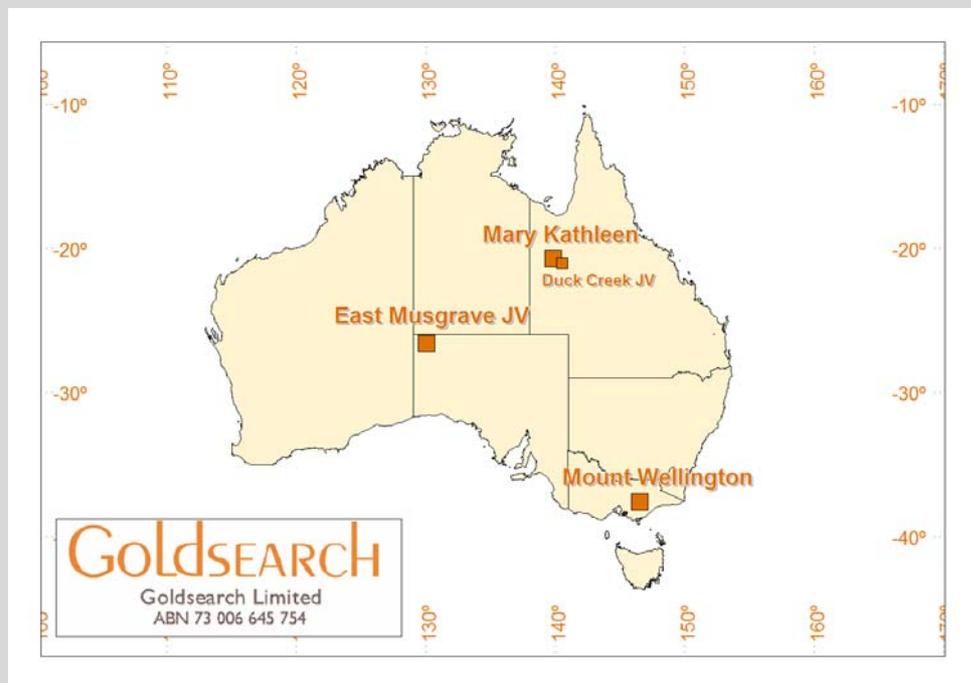
Goldsearch Limited
ABN 73 006 645 754

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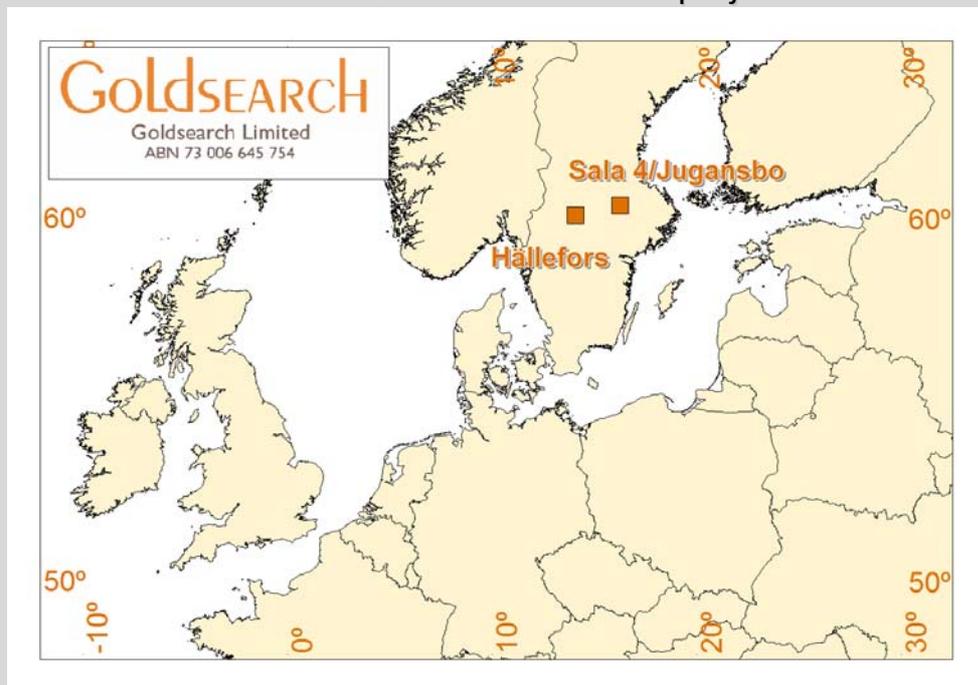
ASX: GSE



GoldSEARCH



Goldsearch Limited - Australian projects



Goldsearch Limited - Swedish projects

Figure 1: Goldsearch Limited - Project locations

MARY KATHLEEN PROJECT (QUEENSLAND)

Goldsearch diluting to 30% (non-manager) - copper, cobalt, rare earth elements

The Mary Kathleen project is a joint venture between Goldsearch and China Yunnan Copper Australia Limited (ASX: CYU). The joint venture covers three exploration permits located mid-way between Mount Isa and Cloncurry within the Mount Isa Inlier of north-west Queensland (Figure 2). These tenements host numerous copper ± gold and uranium prospects, many of which have not been explored for rare earth elements (REEs). CYU is earning 70% in the project by spending \$1.5 million on exploration by August 2012. The current joint venture is primarily targeting REEs, copper and cobalt mineralisation at Mount Dorothy and Elaine Dorothy (Figure 2). Future reverse circulation (RC) drilling is planned for Prince of Wales and Hardway prospects for the second half of 2011. Several detailed ASX announcements were made during the March 2011 quarter.

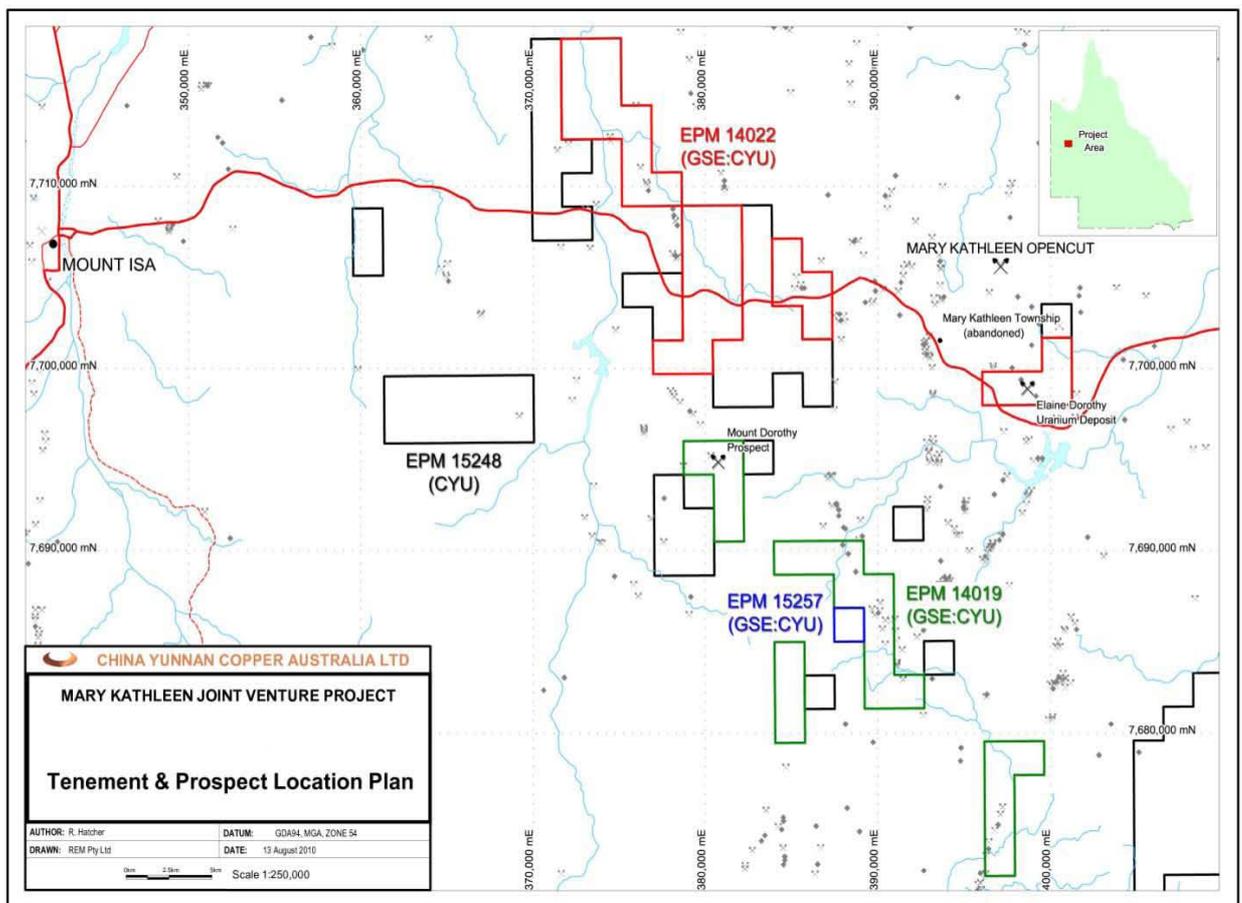


Figure 2: Mary Kathleen joint venture - Tenement location map. (Tenements in green, blue and red comprise the Mary Kathleen joint venture. Tenements in black are 100% CYU).

Mount Dorothy

Drillhole assay results released on 6 January 2011 confirm a heavy rare earth element (HREE) discovery at Mount Dorothy and improved copper-cobalt results. These results were from diamond holes MDD005 and MDD006 which were drilled in the second half of 2010. Assay highlights include:

- a broad zone of yttrium (Y) and HREE in MDD005 of **16 metres grading 1,249 parts per million (ppm) (1.25 kilograms per tonne(kg/t)) total HREE-Y** from 71 metres;
- revised analysis of results from MDD006 include **36 metres grading 1.54% copper and 198 ppm cobalt** from 50 metres (compared to previously reported 28 metres grading 1.9% copper and 247 ppm cobalt from 50 metres; including **9 metres grading 5.5% copper and 205 ppm cobalt from 55 metres; including 2 metres grading 10.5% copper and 732 ppm cobalt** from 61 metres).

For full REE and Y results refer to page 2 of the press release dated 6 January 2011. Drillhole locations are illustrated in plan (Figure 3) and cross-section (Figure 4).

Results from further follow-up drilling completed in the current quarter at Mount Dorothy were released on 22 March 2011. This program consisted of three diamond holes (MDD009 to MDD011 inclusive) totalling 382.5 metres (Table 1). *Hole MDD009 was abandoned due to bad ground conditions and re-drilled as MDD010.

Table 1: Mount Dorothy drillhole specifications

Hole ID	East (GDA94)	North (GDA94)	RL metres	Azi °True	Dip	Total depth (metres)
MDD009*	380650	7695048	438	120	-60°	48.2
MDD010	380649	7695049	438	120	-60°	132.6
MDD011	380619	7695066	437	120	-85°	201.7

These holes extended the copper-cobalt-yttrium-HREE mineralisation along strike and down-dip (Figure 5) and also defined new zones of mineralisation in the footwall. The holes returned broad yttrium oxide (Y₂O₃) and total rare earth oxide (TREO) mineralisation and also copper-cobalt sulfide mineralisation which are summarised in Tables 2 and 3 respectively. Core recovery in some mineralised zones was poor due to ground conditions.

Y₂O₃ and TREO mineralisation highlights include:

- MDD010:** 10 metres grading 1,099 ppm (1.1 kg/t) Y₂O₃+TREO from 43 metres
1.6 metres grading 1,475 ppm (1.48 kg/t) Y₂O₃+TREO from 131 metres (this zone remains open)
- MDD011:** 6 metres grading 1,045 ppm (1.05kg/t) Y₂O₃+TREO from 146 metres associated with 0.17% copper, 196 ppm cobalt.

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Significant copper-cobalt sulfide mineralisation results include:

MDD011: 17 metres grading 1.03% copper, 109 ppm cobalt from 105 metres within
21 metres grading 0.84% copper, 108 ppm cobalt from 104 metres

MDD011: 7.5 metres grading 2.33% copper, 159 ppm cobalt from 155.50 metres within
32 metres grading 0.65% copper, 141 ppm cobalt from 131 metres.

These results show an increase in width and metal content down-dip (MDD011) from previously reported MDD005 (28 metres grading 0.18% copper and 98 ppm cobalt from 63 metres and 16 metres grading 1,249 ppm (1.24 kg/t) Y+HREE (oxide equivalent = 1,864ppm Y₂O₃+TREO) from 71 metres).

Table 2: Significant yttrium & rare earth oxide intersections for holes MDD010 and MDD011

Hole ID	From (metres)	To (metres)	Width (metres)	Y ₂ O ₃ +TREO (ppm)	% LREO	% HREO+Y ₂ O ₃
MDD010	5.6	13.0	7.4	837	87	13
incl.	7.0	9.0	2.0	1,222	88	12
incl.	11.0	13.0	2.0	1,140	91	9
MDD010	28.0	30.0	2.0	1,121	57	42
MDD010	38.0	54.0	16.0	969	46	53
incl.	43.0	53.0	10.0	1,099	42	58
MDD010	59.0	63.0	4.0	539	75	25
MDD010	71.0	72.0	1.0	1,803	91	9
MDD010	80.0	81.0	1.0	1,071	87	12
MDD010	105.0	121.0	16.0	524	77	23
incl.	113.0	114.0	1.0	1,956	91	10
MDD010	131.0	132.6	1.6	1,475	89	11
MDD011	27.0	29.0	2.0	549	77	23
MDD011	66.0	70.0	4.0	892	48	52
incl.	67.0	68.0	1.0	1541	43	57
MDD011	120.0	123.0	3.0	1,709	24	76
incl.	121.0	123.0	2.0	2,087	23	77
MDD011	139.0	160.0	21.0	717	16	84
incl.	146.0	152.0	6.0	1,045	15	85
incl.	155.5.0	157.0	1.5	1,435	12	88
MDD011	181.0	186.0	5.0	871	84	16
incl.	181.0	183.0	2.0	1,515	89	11
MDD011	190.0	196.0	6.0	854	88	12
incl.	190.0	192.0	2.0	1,725	92	8

* 500 ppm Y₂O₃+TREO cut-off with a maximum of 3 metres internal dilution

** TREO is the sum of REE assays converted to REO for Ce, La, Dy, Er, Eu, Gd, Ho, Lu, Nd, Pr, Sm, Tb, Tm, Yb and Y.

*** LREO = Ce, La, Nd, Pr, Sm,

HREO = Dy, Er, Eu, Gd, Ho, Lu, Tb, Tm, Yb and Y.

Table 3: Summary of significant copper- cobalt intersections for holes MDD010 and MDD011

Hole ID	From (metres)	To (metres)	Width (metres)	Copper (%)	Cobalt (ppm)	Comment
MDD010	35.0	37.0	2.0	0.11	29	
MDD010	44.0	48.0	4.0	0.15	141	poor recovery
MDD010	53.0	65.0	12.0	0.52	34	
inc.	53.0	61.0	8.0	0.66	33	
MDD011	65.0	68.0	3.0	0.46	771	
inc.	66.0	68.0	2.0	0.60	752	
MDD011	73.0	90.0	17.0	0.30	31	
inc.	76.0	79.0	3.0	0.77	51	
MDD011	97.0	100.0	3.0	0.13	17	
MDD011	104.0	125.0	21	0.84	108	poor recovery 107-118 metres
inc.	105.0	122.0	17	1.03	109	poor recovery 107-118 metres
MDD011	131.0	163.0	32.0	0.65	141	poor recovery 135-155 metres
inc.	155.5	156.0	1.5	9.84	251	
inc.	155.5	163.0	7.5	2.33	159	

* 0.10% copper cut-off with a maximum of 3 metres internal dilution.

CYU plans to complete a maiden resource estimate for Mount Dorothy in December 2011.

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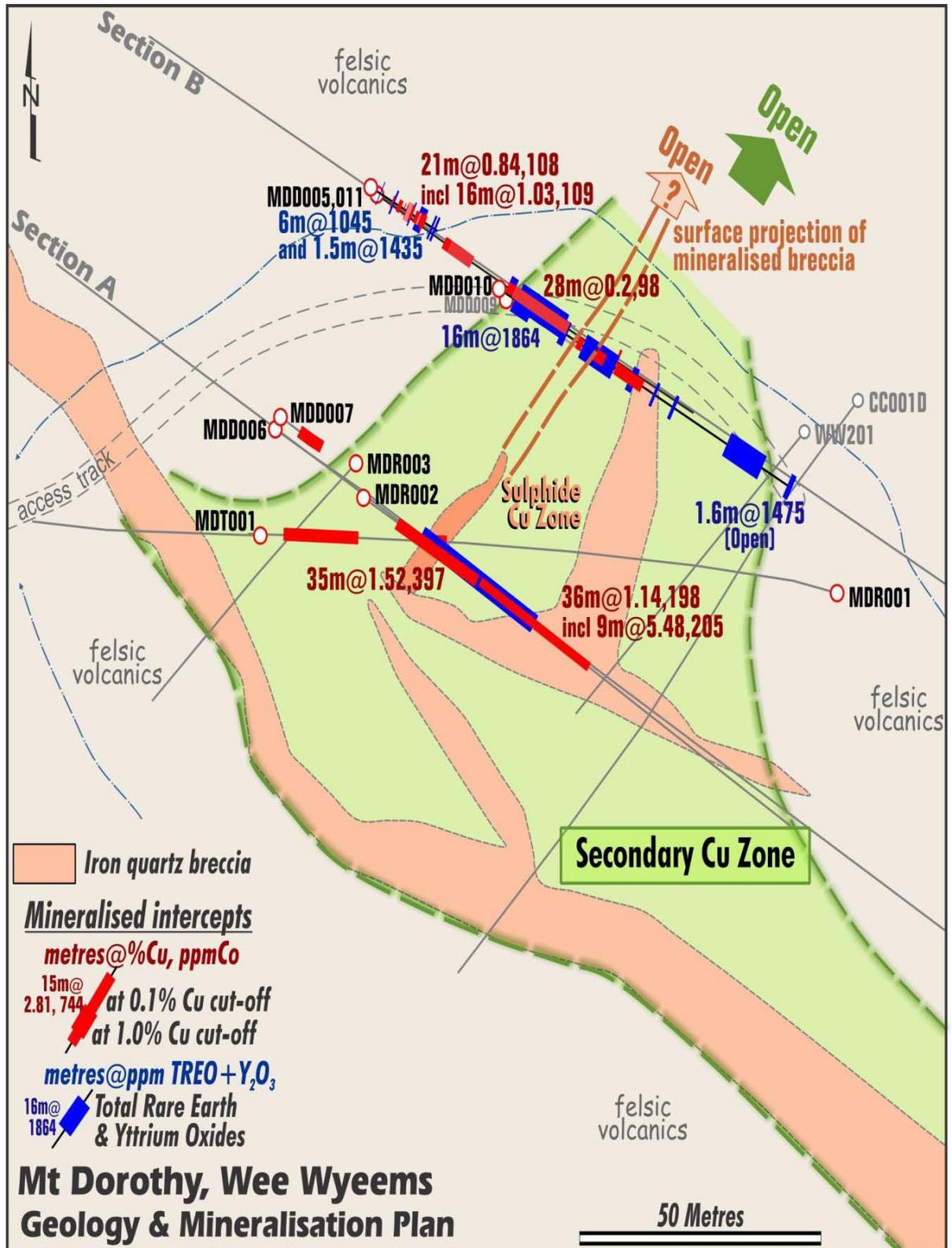


Figure 3: Map depicting recent Mount Dorothy drillholes and geology

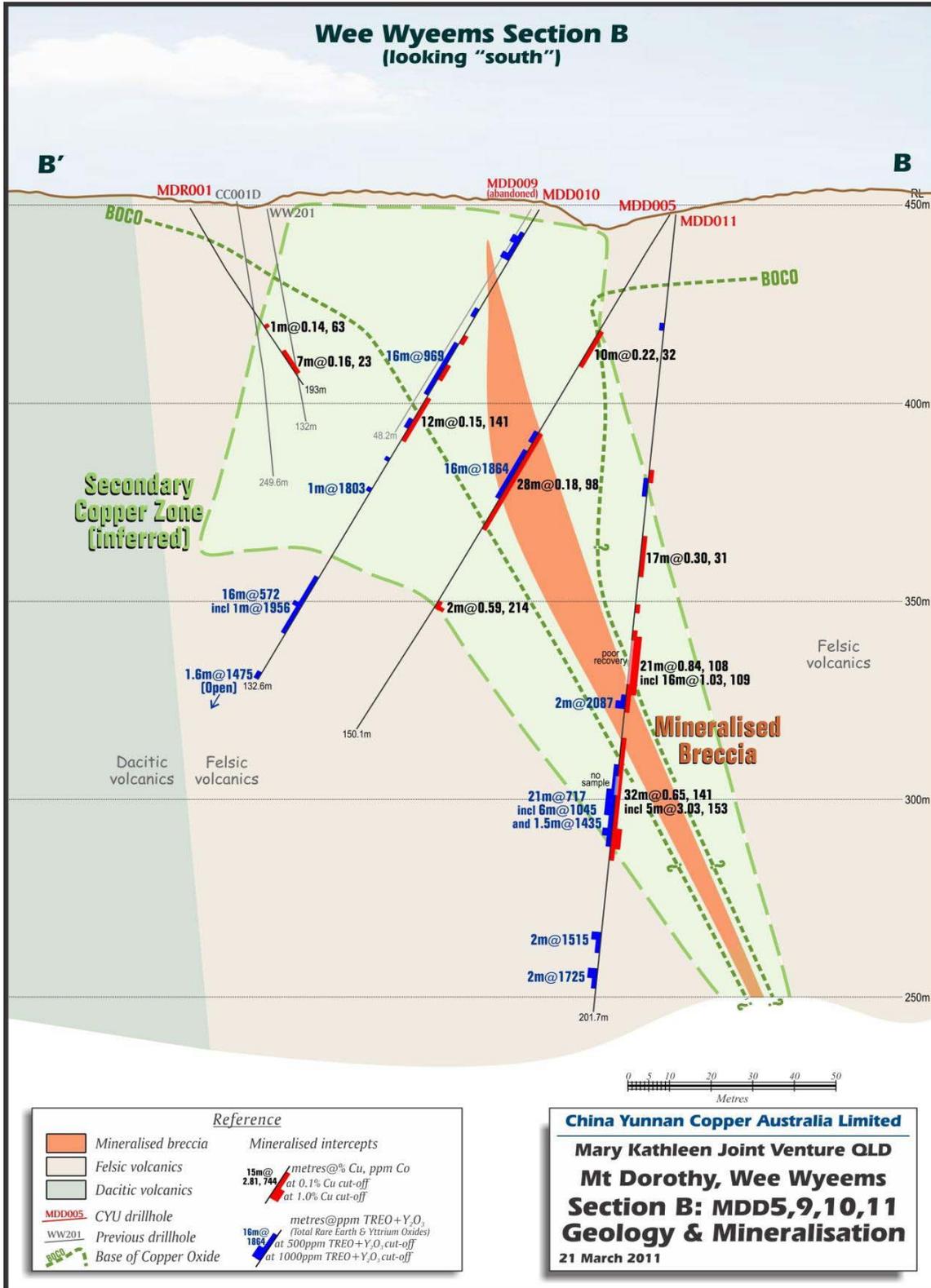


Figure 4: Mount Dorothy cross-section B showing recent drillholes with geology and mineralised zones

Elaine Dorothy

During the quarter a single diamond drillhole MKED004 was drilled to test a zone of previously drilled sulfides (visual estimate of 38% sulfide over 42 metres in percussion hole EP004 completed in 1983) that was not assayed for REE, copper or gold. The hole is located 200 metres north-west of the Elaine Dorothy REE-U inferred JORC resource (Table 4, Figure 5).

Table 4: Elaine Dorothy drillhole specifications (datum in GDA94 zone 54 UTM co-ordinates).

Hole ID	East	North	RL metres	Azi True	Dip	Total Depth (metres)
MKED004	398,054	7,699,542	405	177	-70	207.8
EP004	398,053	7,699,540	405	177	-70	136.0

MKED004 was collared 2 metres of EP004 within a 5 to 10 metre wide north-north-east striking, sub-vertically dipping shear zone containing minor malachite within garnet skarn (garnetite). The hole passed out of the oxidised shear at 11 metres into massive garnetite with minor patchy diopside rich calc-silicate that continued to 205 metres. The hole was terminated in a biotite schist at 207.8 metres.

The oxidised shear at the top of the hole contains minor malachite, mineralisation continued into fresh garnetite to 15 metres with moderate pyrite and minor chalcopyrite. Significant sulfides, dominated by stringer and disseminated pyrrhotite with pyrite and patchy chalcopyrite, occur between 27 and 70 metres which correspond well with the sulfide zone recorded in EP004.

The sulfides are generally fracture controlled with pyrrhotite exceeding 50% from 43 to 60 metres, with moderate amounts (to 10%) of pyrite and minor (to 2%) chalcopyrite. The more intense fracture zones develop into narrow breccias (5 to 10 centimetres wide) with sulfide fill. Chalcopyrite is best developed between 59 and 70 metres with several zones of flat lying tensional veins. A cross-section summarising the geology of MKED004 is displayed as Figure 6.

The hole returned several copper - cobalt zones corresponding to the mineralisation described above. The shear zone at the top of the hole returned **15 metres grading 0.33% copper, 162 ppm cobalt from surface** and the broad zone of visible sulfides returned **49 metres grading 0.44% copper, 283 ppm cobalt from 25 metres**, including **24 metres grading 0.63% copper, 301 ppm cobalt from 46 metres** and **8 metres grading 0.30% copper, 217 ppm cobalt from 81 metres**. Copper values reach a maximum of 1.75% with 325 ppm cobalt and 0.18 g/t gold from 59 to 60 metres. Significant copper-cobalt zones are summarised in Table 5.

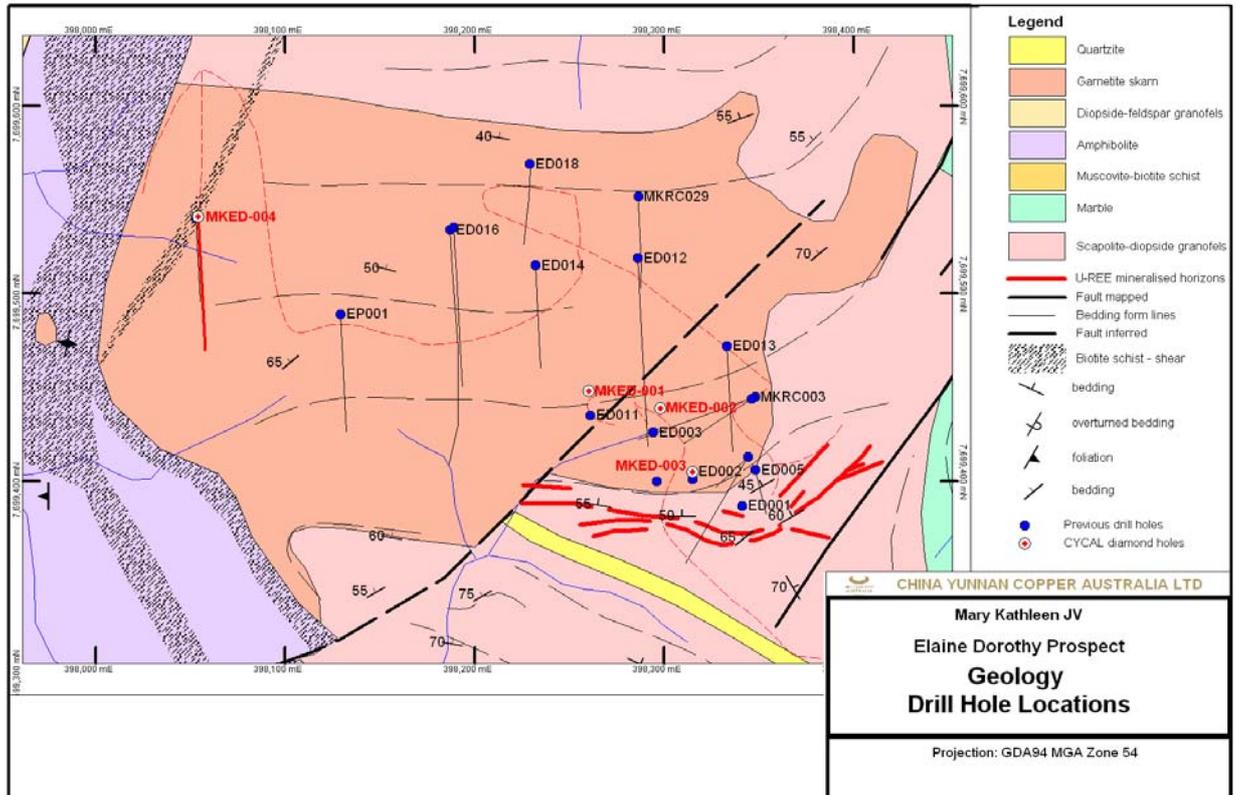


Figure 5: Elaine Dorothy Prospect - Geology and drillholes. Note recent holes drilled by CYU are in red.

Table 5: Significant copper-cobalt intersections in MKED004 (using a 0.10% copper cut-off with a maximum of 3 metres internal dilution)

Hole ID	From (metres)	To (metres)	Width (metres)	Copper (%)	Cobalt (ppm)	Gold (g/t)	Comment (150 ppm cobalt & 0.10g/t gold cut-offs)
MKED004	0	15	15	0.33	162	0.07	including 4metres grading 325 ppm cobalt from 11 metres
MKED004	25	74	49	0.44	283	0.05	including 5 metres grading 325 ppm cobalt from 27metres
<i>including</i>	46	70	24	0.63	301	0.09	including 28 metres grading 398 ppm cobalt from 41 metres
<i>including</i>	66	70	4	1.03	238	0.22	including 2 metres @ 1,430 ppm cobalt from 43 metres 0.50% copper cut-off 1.00% copper cut-off
MKED004	81	89	8	0.30	217	0.02	including 3 metres grading 492 ppm cobalt from 86 metres
MKED004	174	175	1	0.12	134	0.03	

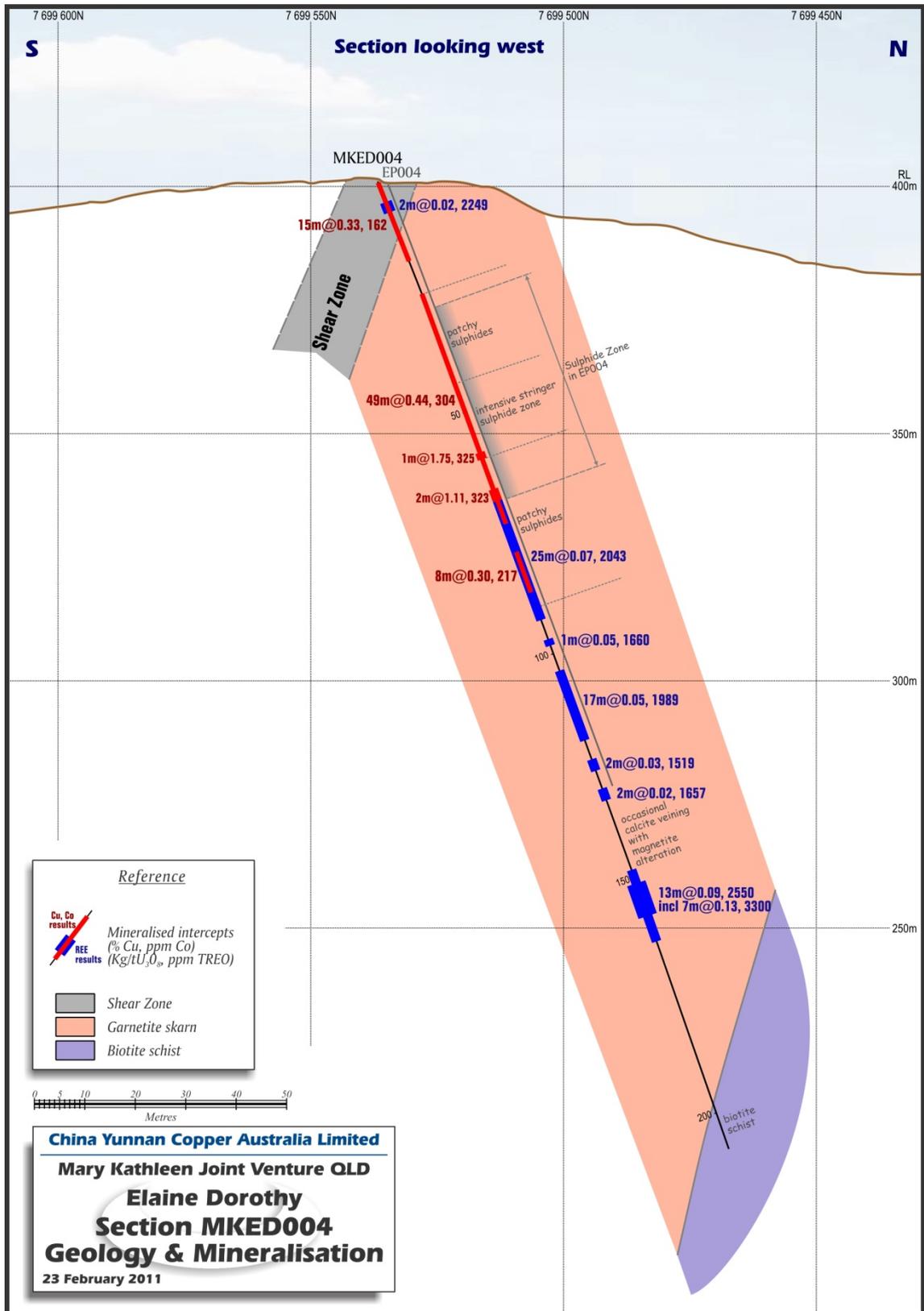


Figure 6: Cross-section (398050mE) through MKED004 (and EP004) showing geology and zones of mineralisation (red intercepts are copper-cobalt zones and blue are REE-U).

These results open up the potential for significant copper mineralisation along strike and at depth in an area of limited drilling. Significant uranium and rare earth mineralisation has also been returned from MKED004 which are summarised in Table 6.

Table 6: Significant TREO-U intersections in MKED004

Hole ID	From (metres)	To (metres)	Width (metres)	U ₃ O ₈ (kg/t)	TREO* (ppm)	Comment
MKED004	4	6	2	0.02	2249	
MKED004	69	94	25	0.07	2043	
MKED004	97	98	1	0.05	1660	
MKED004	103	120	17	0.05	1989	
MKED004	125	127	2	0.03	1519	
MKED004	133	135	2	0.02	1657	
MKED004	149	162	13	0.09	2550	
<i>including</i>	<i>151</i>	<i>158</i>	<i>7</i>	<i>0.13</i>	<i>3300</i>	<i>at a 0.30% TREO cut off</i>

* 0.15% TREO cut-off with a maximum of 3 metres internal dilution.

** TREO is the sum of REE assays converted to REO for Ce, La, Dy, Er, Eu, Gd, Ho, Lu, Nd, Pr, Sm, Tb, Tm, Yb and Y.

88% of the TREO is dominated by the LREO (light rare earth oxides) of CeO₂ (46%), La₂O₃ (25%), NdO₂ (13%) and Pr₆O₁₁ (4%). The HREO (heavy rare earth oxides) average 7% of TREO and Y₂O₃ averaging 5%. A summary of the breakdown of TREO is outlined in Table 7.

Table 7: Dominate REO as a percentage of TREO

From (metres)	To (metres)	Width (metres)	TREO (ppm)	CeO ₂ (%)	La ₂ O ₃ (%)	NdO ₂ (%)	Pr ₆ O ₁₁ (%)	Y ₂ O ₅ (%)
4	6	2	2249	46	23	17	5	4
69	94	25	2043	47	26	12	4	5
97	98	1	1660	50	28	12	4	3
103	120	17	1989	45	25	14	4	5
125	127	2	1519	43	23	14	4	8
133	135	2	1657	43	23	15	4	6
149	162	13	2550	46	23	14	4	5
<i>151</i>	<i>158</i>	<i>7</i>	<i>3300</i>	<i>47</i>	<i>24</i>	<i>14</i>	<i>5</i>	<i>4</i>

MKED004 returned two significant TREO intersections of 25 metres grading 2,043 ppm TREO, 0.07 kg/t U₃O₈ from 65 metres and **7 metres grading 3,300 ppm TREO, 0.13 kg/t U₃O₈ from 151 metres** contained within a broader zone of 13 metres grading 2,550 ppm TREO and 0.09 kg/t U₃O₈ from 149 metres.

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The uranium-rare earth mineralisation is dominated by cerium (Ce) and is generally fracture related with narrow breccias (to 5 centimetres) developed within the garnetite-diopside skarn. The mineralisation may be related to the presence of black laths, tentatively identified as allanite and is associated with carbonate-magnetite-tremolite alteration and fracture fill. This style of mineralisation is thought to be similar to that of the Mary Kathleen deposit.

The Elaine Dorothy Inferred uranium and rare earth resource contains **83,000 tonnes grading 0.28 kg/t U₃O₈ and 3,200 ppm TREO** which was calculated by the independent resource consultants Hellman and Schofield Pty Ltd (H&S) in 2010. This resource remains open with potential extension to the west down plunge and along the surface to the east (Figure 7).

The intersections in MKED004 are comparable in grade and stratigraphically with the inferred resource supporting the extension of mineralisation. Further drilling to expand the resource and test cerium soil anomalies at Elaine 2 and 3 prospects is planned for the June quarter of 2011.

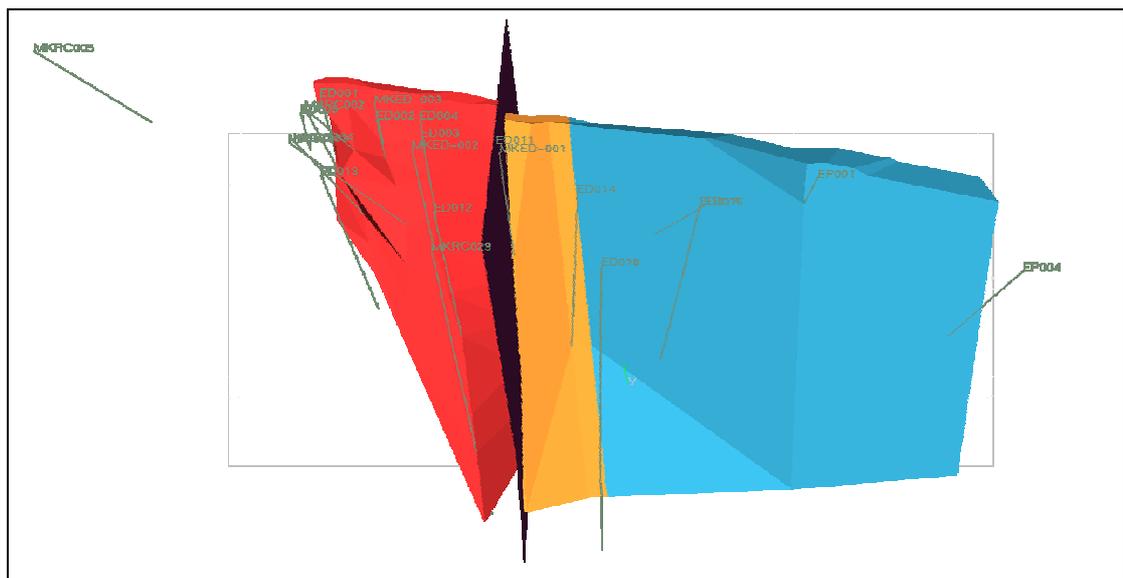


Figure 7: Three-dimensional model showing the mineralised zones of the Elaine Dorothy JORC inferred resource (H&S 2010) looking south. The blue zone is of potential extension. The red eastern zone (higher grade) remains open to the east. Note location of EP004 on extreme west (right of figure) with large area for resource expansion.

MUSGRAVE MINERALS LIMITED (SOUTH AUSTRALIA)

nickel, copper, gold, platinum group elements

During the quarter Musgrave Minerals Limited lodged its prospectus for an initial public offering (IPO) to raise up to \$20 million and list on ASX by 29 April 2011. Musgrave Minerals will be well funded to explore a pipeline of quality tenements which have drill-ready targets and untested mineral occurrences. Musgrave Minerals Limited has a leading tenement position with 7 granted tenements, 4 exploration deeds in place, clearance granted to 3,210 square kilometres and 5 additional tenements ready for grant. This company will be a dedicated explorer holding over 50,000 square kilometres of land under exploration tenure in an under-explored Proterozoic terrain that has demonstrated large nickel-copper-sulfide occurrences of considerable size. Further details are available on the company website: musgraveminerals.com.au.

BERGSLAGEN JOINT VENTURE (SWEDEN)

Goldsearch earning 70% (manager) - silver, lead, zinc

Goldsearch is currently earning a 70% interest in three exploration licences which cover two separate target areas located approximately 200 kilometres north-west of Stockholm in Sweden (Figure 1). Under the terms of its joint venture with Tumi Resources (TSX-V: TM) Goldsearch can earn 70% by spending up to €1million over three years.

Logistics and planning for a pole-dipole induced polarisation (IP) survey is being finalised. A 6.6 line kilometre survey will be conducted at Hällefors and Jugansbo during May. GeoVista AB of Sweden will carry out the survey and data modelling and interpretation will be done by Montana GIS of Australia.

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 NL Woods Point mining centre in eastern Victoria (Figure 9). The project consists of three exploration licences and one exploration licence application covering 365 square kilometres. Several prospects and showings occur within the tenements, several of which were historically mined. Significant gold (\pm silver and base metal) mineralisation has been drilled by previous explorers at Hill 800 and Rhyolite Creek (Figure 8). Mineralisation is hosted by Cambrian-aged volcanic rocks and various genetic mineralisation styles have been proposed.

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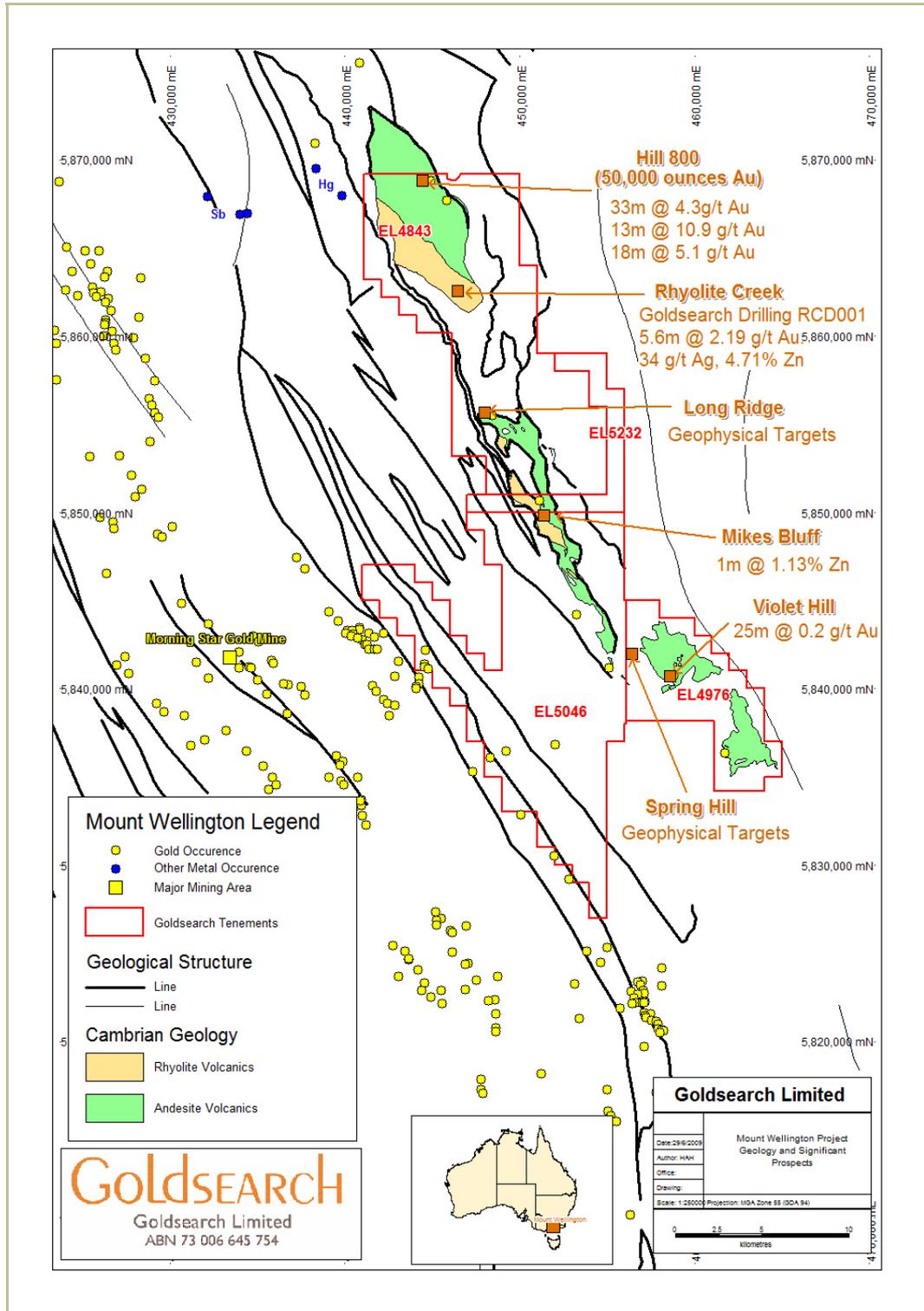


Figure 8: Mount Wellington Project regional geology, mineral occurrences and summary drilling results

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

Drilling at Long Ridge was completed during the March 2011 quarter, with diamond drill hole LRDD001 terminated at 434.7 metres in Cambrian-aged volcanics. The hole tested a coincident IP chargeable, soil (copper-zinc-molybdenite-gold) geochemistry and magnetic (high) anomaly. The hole did not intersect any mineralisation but explained the sources of the geophysical anomalies (Figure 9). Lithological contrasts were interpreted to cause the IP anomaly and strongly magnetic andesitic volcanics the magnetic anomaly. Penetration rates were slow due to highly faulted and broken ground which resulted in poor core recovery. Drilling of LRDD001 was supported by the Victorian Government's Rediscover Victoria Drilling Initiative (Round 3). Drillhole specifications are summarised in Table 8 and a cross-section is included as Figure 9.

Table 8: LRDD001 drillhole specifications

Hole ID	East (GDA94)	North (GDA 94)	RL (AHD)	Azi. True	Dip	Total Depth (metres)
LRDD001	447780	5855944	1077	270	-65	434.7

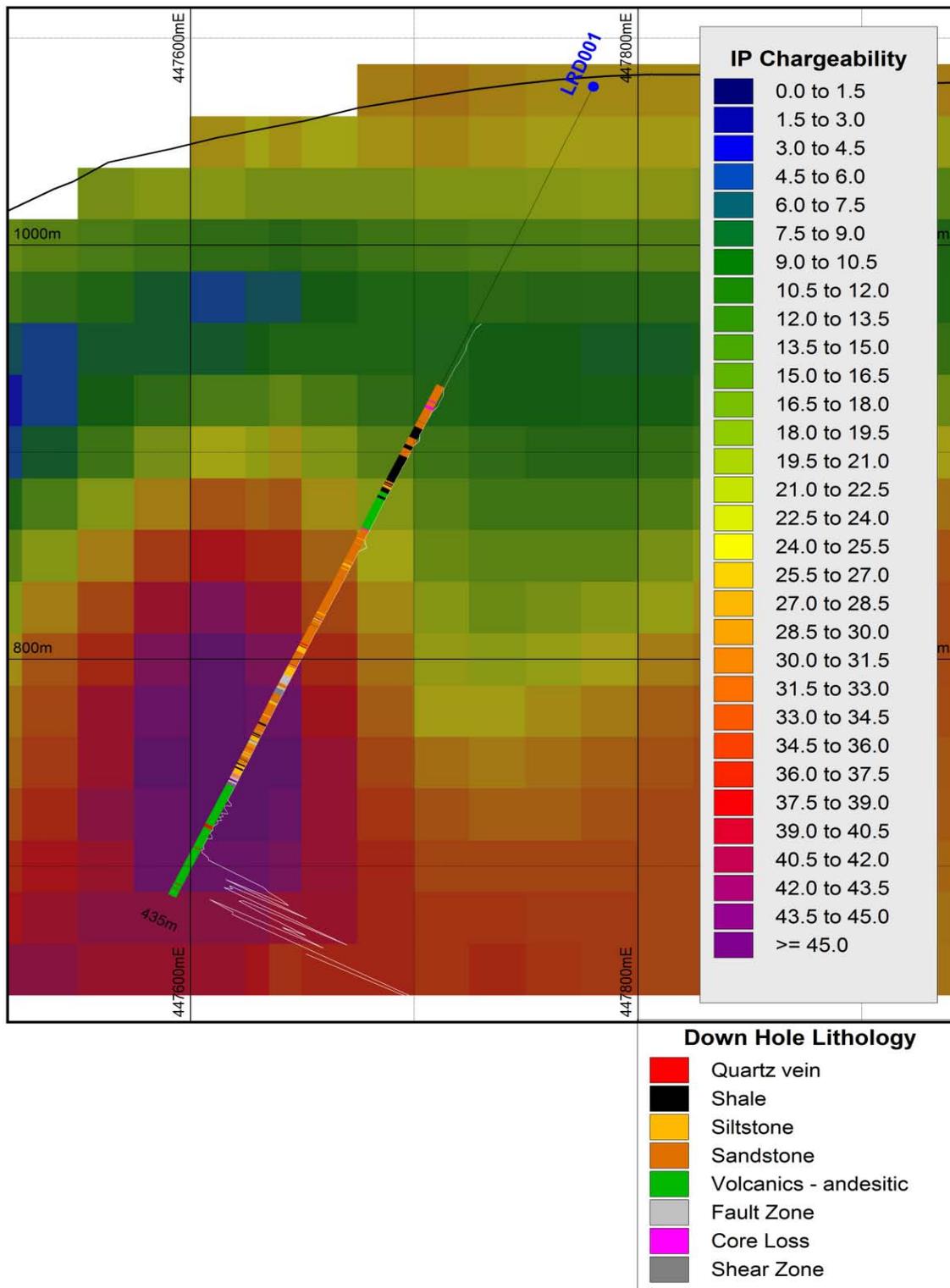


Figure 9: LRD001 hole trace showing lithology, magnetic susceptibility (white histogram) over background IP chargeability



Goldsearch equity investments

Morning Star Gold NL (ASX: MCO)

morningstargold.com.au

Last year Goldsearch acquired a strategic interest in Morning Star Gold NL (MCO), which is the 100% owner of the Morning Star gold mine located approximately 10 kilometres west of Goldsearch's Mount Wellington project.

MCO commenced gold production from its 80,000 tonne per annum gravity recovery gold plant in mid December 2010.

MCO is currently embarking on an increase in shaft haulage capacity at the Morning Star Mine, along with significant exploration drilling programs on a number of key targets.

At 31 March 2011 Goldsearch held 3,504,786 ordinary shares in MCO with a market value of \$1,377,851.

Independence Group NL (ASX: IGO)

independencegroup.com.au

Independence Group (IGO) currently operates the highly profitable Long Nickel Mine at Kambalda in Western Australia, where 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 completed 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. In November 2010 the joint venture announced that the project would proceed with first production scheduled for the December 2013 quarter. IGO completed a \$164.3 million equity capital raising during the December 2010 quarter to assist with its share of the Tropicana Project development.

Recent exploration drilling at the Duketon Nickel Project (IGO earning 70%) has returned encouraging nickel results and further drilling is currently underway.

At 31 March 2011 Goldsearch held 1,667 ordinary shares in IGO with a market value of \$10,985



China Yunnan Copper Australia Limited (ASX: CYU)

www.cycal.com.au

China Yunnan Copper (CYU) is currently exploring for copper and gold in the Cloncurry region of north-west Queensland and Chile and for copper and silver in Laos. CYU is also pursuing advanced copper project acquisitions under a mandate from its majority shareholder Yunnan Copper Industry (Group) Co Ltd. Yunnan Copper Industry (Group) is one of China's largest copper producers and is majority owned by Chinalco, China's largest aluminium producer.

Goldsearch currently holds 2,000,000 August 2011 and 1,000,000 August 2012 share options in CYU all exercisable at 40 cents each which are not valued at present, being unquoted options.

Musgrave Minerals Limited

During the previous quarter Goldsearch was issued with a total of 3,675,000 shares and 1,837,500 options in Musgrave Minerals Limited for its tenement interests. Goldsearch also participated in the initial seed capital raising and contributed \$58,800 for 1,176,000 shares at 5 cents each.

During the quarter Goldsearch participated in a further seed capital raising and contributed \$382,200 for 3,822,000 shares at 10 cents each. The Company's total holding in Musgrave Minerals is now 8,673,000 shares. 6,909,000 of these shares are restricted securities under the ASX Listing Rules and accordingly will be subject to certain escrow conditions following the proposed IPO.

STATEMENT

Technical information contained in this report was prepared by Mr Erik Conaghan who is a full time employee of Goldsearch Limited and is a Member of the Australian Institute of Geoscientists. Mr Conaghan has over 13 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 Conaghan consents to the inclusion of his technical information in this report in the form and context in which it appears. The technical information in this report pertaining to the Mary Kathleen Joint Venture is supplied by China Yunnan Copper of which Mr Richard Hatcher is the competent person.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Goldsearch Limited

ABN

73 006 645 754

Quarter ended ("current quarter")

31 March 2011

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(206)	(633)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(149)	(484)
1.3	Dividends received	1	2
1.4	Interest and other items of a similar nature received	-	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net operating cash flows	(354)	(1,114)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	(393)
	(c) other fixed assets	(1)	(8)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	373	1,484
	(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	372	1,083
1.13	Total operating and investing cash flows (carried forward)	18	(31)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	18	(31)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	18	(31)
1.20	Cash at beginning of quarter/year to date	206	255
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter (see Note 1 below)	224	224

Note 1: In addition to the cash on hand the Company has access to further working capital through realisation of its investments in listed securities. At the end of the current quarter, the Company's investments in listed securities had a market value of \$1.343 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	91
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	83,771
- Directors' superannuation	6,729

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 31 March 2011 (see note to paragraph 1.22 above)	1,343	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	245
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	395

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	178	160
5.2 Deposits at call	46	46
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	224	206

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	EL4843 Rhyolite Creek	In accordance with section 38A of the Mineral Resources Act 1990, this tenement was reduced in area from 131 to 110 graticular sections on 27 January 2011.	100%	100%
6.2 Interests in mining tenements acquired or increased	NIL	N/A	N/A	N/A

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	367,764,517	367,764,517	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	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
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.

- 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:  Date: 29 April 2011
Company secretary

Print name: Paul 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.

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