

gsh/psh/gsh726(a)

29 October 2007

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

Via ASX Online

No. of pages – 3

Dear Sir,

Re: East Musgrave joint venture tenements granted

Enclosed for release to the market is advice of the grant of the East Musgrave joint venture tenements.

For and on behalf of the directors of
Goldsearch Limited



J M E Percival
Director Operations

For further information please contact:

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Director Operations, Goldsearch Limited
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ANNOUNCEMENT

29/10/ 2007

EAST MUSGRAVE JOINT VENTURE TENEMENTS GRANTED

A\$630,000 exploration program approved

Goldsearch Limited (ASX: GSE) is pleased to announce the granting of two exploration licences within its East Musgrave Joint Venture.

East Musgrave covers more than 17,000 km² of highly prospective tenements within the South Australian portion of the Musgrave Block. The Joint Venture consists of Independence Group holding a 51% interest, and Goldsearch with 49%. BHP Billiton can earn a 65% interest through funding exploration expenditure of A\$25 million or delivering a bankable feasibility study within ten years. The Joint Venture is targeting sulphide nickel deposits in Giles Complex mafic-ultramafic rocks similar to the Nebo Babel magmatic system discovered by BHP Billiton (then WMC Resources) in 2000.

Goldsearch director Mr John Percival commented, "We are pleased to have our first Musgrave tenements now granted, as we can begin exploration activities in earnest. The region is among Australia's most under-explored, despite evidence for the presence of nickel, copper and other base metals throughout the block."

The Primary Industry and Resources, South Australia (PIRSA) granted the first two exploration licences (from a total of 13 tenement applications), being EL3954 and EL3955 respectively.

EL3955 covers the high priority Wanka Wanka target, where previous drilling of three diamond core holes by Kennecott in the 1970's intercepted minor magmatic sulphide mineralisation in the 10km long, differentiated mafic-ultramafic Wanka Wanka dyke. Currently a petrological and whole rock geochemical study is being conducted on samples from portions of this core recently recovered from the PIRSA core library.

Re-logging of core from hole WW3 identified magmatic sulphides over three metres on the margin of the Wanka Wanka dyke. Re-assaying of this mineralisation returned elevated metal values up to 2.16m @ 0.25 g/t combined platinum, palladium and gold with elevated copper (322ppm) and nickel (1345ppm) from 173.5m. The presence of magmatic sulphides and these elevated assay results suggest the largely un-explored Wanka Wanka dyke represents a potentially fertile magmatic system. The dyke is therefore interpreted as having potential for concentrations of high grade nickel and platinum group element (PGE) bearing sulphides.

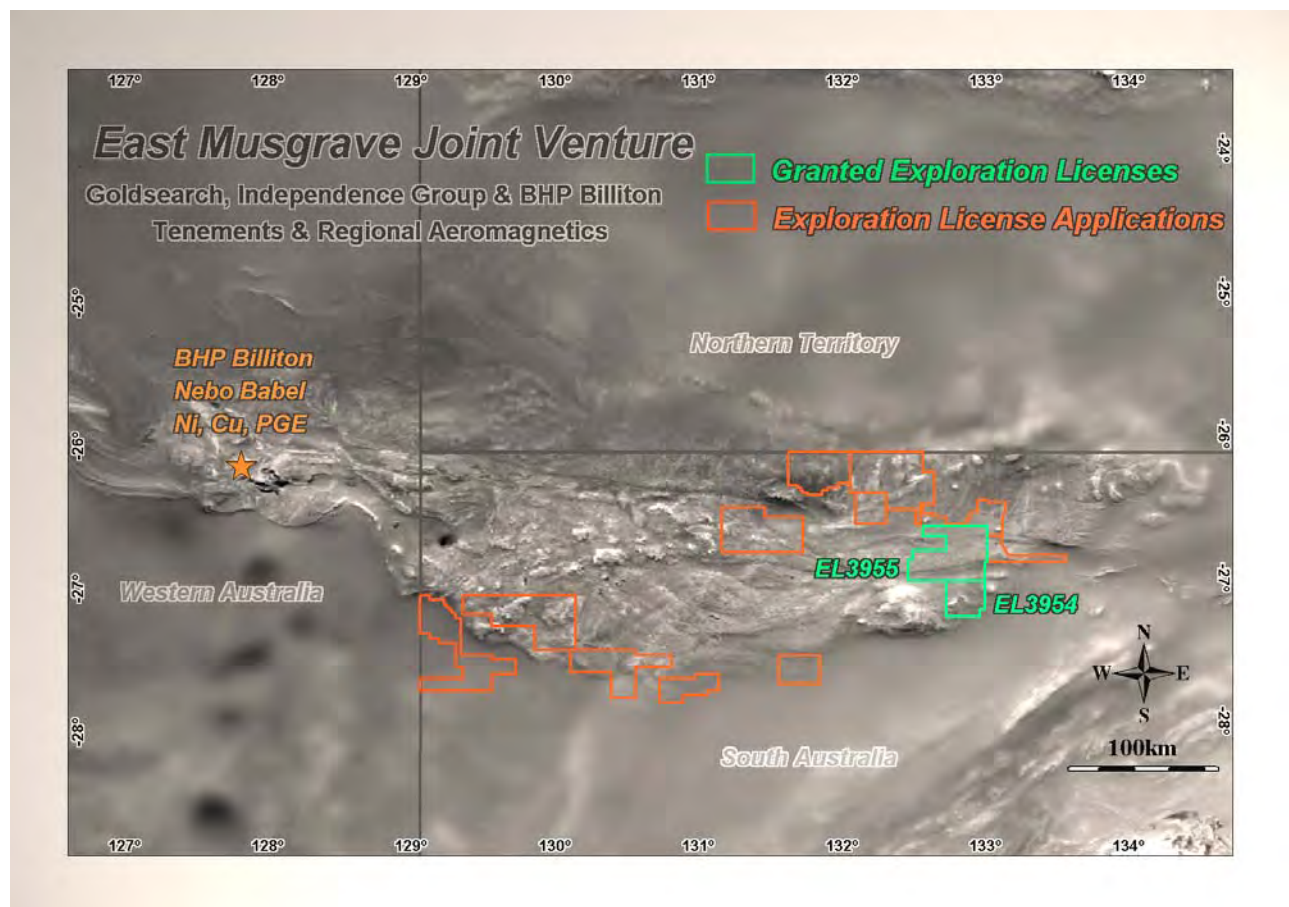
In anticipation of the granting of the tenements, the Joint Venture partners have agreed to initial exploration programs and exploration budgets. Currently BHP Billiton has approved, subject to relevant work program approvals, an initial budget of AUD\$630,000. Work programs will comprise reconnaissance exploration, first

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pass regional geochemistry and gravity surveys along with detailed geochemistry and EM geophysical surveys over priority targets. These programs will be conducted by Independence Group as the managing partner.

Heath Hellewell
Exploration Manager
Goldsearch Limited



East Musgrave Joint Venture Tenements