



Goldsearch Limited

ABN 78 006 645 754

Level 4
20 Loftus Street
SYDNEY
NSW 2000

Telephone: (02) 9241 5999 Fax: (02) 9241 5599
email: gold@goldsearch.com.au

01 July, 2002

LETTER TO OPTIONHOLDERS RE OPTIONS EXPIRING ON 31/07/02

Notice is hereby given that the abovementioned quoted options registered in your name as at 1 July 2002, each of which entitles you to subscribe for one ordinary fully paid cent share in Goldsearch Limited at an issue price of 20 cents per share, will expire at 5pm Eastern Standard Time on Wednesday 31 July 2002.

These options will expire and be of no further force or effect unless you exercise your options, in whole or in part, by forwarding a duly completed "Notice of Exercise of Options" (as enclosed) together with payment of the relevant application monies, to arrive at the share registry or registered office of the Company no later than 5pm Eastern Standard Time on Wednesday 31 July 2002.

(1) PAYMENT

Cheques or bank drafts in Australian dollars should be made payable to "Goldsearch Limited", crossed "Not negotiable", and forwarded together with a duly completed "Notice of Exercise of Options" to the share registry of the Company;

Computershare Investor Services Pty Limited Level 3, 60 Carrington Street, Sydney NSW 2000.
Tel (02) 8234 5000: Fax (02) 8216 5500

or

delivered to the registered office of the Company as detailed above; to arrive no later than 5pm Eastern Standard Time on Wednesday 31 July 2002.

(2) PARTIAL PAYMENTS OR UNDER PAYMENTS

If your remittance is less than the amount indicated on this notice, you will be issued with the number of fully paid ordinary shares, at an issue price of 20 cents each, represented by your payment and the balance of your options will expire.

(3) INFORMATION ON RECENT SHARE PRICES

The latest market price of fully paid ordinary shares in Goldsearch Limited prior to the issue of this notice was 4 cents on 28 June 2002.

The highest market price in the three months prior to the issue of this notice was 6.1 cents on 4 March, 2002. The lowest market price in the three months prior to the issue of this notice was 3.7 cents on 27 June, 2002.



(4) QUOTATION OF LISTED OPTIONS

Quotation of your options on the Australian Stock Exchange will cease at the close of business on Wednesday 24 July 2002.

P S Hewson
SECRETARY

THIS NOTICE IS NOT AN INDUCEMENT FOR YOU TO EXERCISE YOUR OPTIONS. IF YOU HAVE ANY DOUBTS AS TO THE MERITS OF EXERCISING YOUR OPTIONS OR NOT, YOU SHOULD SEEK INDEPENDENT ADVICE FROM YOUR STOCKBROKER, ACCOUNTANT OR FINANCIAL ADVISER.

LETTER TO OPTIONHOLDERS

OPTIONS EXPIRING ON 31 JULY, 2002

Enclosed herewith a notice regarding expiry of your options. This is a requirement of ASX listing rules and is not intended as an inducement for you to exercise your options prior to expiry.

By way of update we have recently been granted licences for five tenements in the Northern Territory portion of the Musgrave Block. As most of you are aware we have been waiting for six years for these licences to be granted. This is the first entry opportunity for a mining company in over twenty years and our patience will hopefully be rewarded in coming months with significant results from these highly prospective areas.

Our joint venture partner, Independence Gold NL has prepared work programs for the granted exploration licences and we are awaiting clearance of the areas by the traditional owners.

This is a most promising development for Goldsearch, however it is unfortunate it is too late to significantly change the likelihood of the 31 July, 2002 options expiring without value.

The Company has recently applied for tenements in Victoria and southern NSW and is actively pursuing joint venture opportunities.

The board is confident that the next six months will be a time of considerable opportunity and growth for your company.



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If you have any doubts as to the merits of exercising your options or not, you should seek independent advice from your stockbroker, accountant or financial adviser.

The directors thank you for your support and look forward to your continuing involvement with the Company.

J Landerer (OBE AM)
CHAIRMAN

