

gsh/psh/gsh678

7 December 2006

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

Via ASX Online

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Dear Sir,

Re: Mary Kathleen project – commencement of drilling program

Attached for release to the market is advice of the commencement of a drilling program on the Company's Mary Kathleen project.

For and on behalf of the directors of  
Goldsearch Limited



P S Hewson  
Secretary

7 December 2006

**Mary Kathleen project drilling – ASX announcement**

Goldsearch is pleased to announce that it has commenced drilling operations at the Mary Kathleen project in the Mount Isa/ Cloncurry region of north-west Queensland.

Goldsearch is earning up to 75% in the project through a joint venture with Central West Gold NL.

The program is targeting uranium mineralisation at the historic Elaine Dorothy prospect and at the recently identified McGregor target.

At Elaine Dorothy, exploration by the previous operators of the former Mary Kathleen Mine, which is located six kilometres to the north, reportedly identified a significant occurrence of uranium mineralisation with grades averaging 0.28% U<sub>3</sub>O<sub>8</sub>. Follow-up scintillometer sampling in this area by Goldsearch has defined a discrete radiometric anomaly associated with outcropping mineralisation and alteration of similar appearance to the Mary Kathleen deposit.

At McGregor, follow-up of a prominent radiometric anomaly identified in regional radiometric data has defined a large coherent scintillometer anomaly approximately two kilometres in strike length and associated with alteration of prospective Corella Formation rocks. Uranium mineralisation at both the Mary Kathleen deposit and the Elaine Dorothy prospect is also hosted by rocks belonging to the Corella Formation.

The program, as currently planned, consists of approximately 1,000 metres of Reverse Circulation drilling. However samples will be evaluated on-site using a scintillometer and the program will potentially be expanded if high radiometric counts are returned from this sampling. Final assay results are anticipated within the next six weeks.

**Heath Hellewell**  
Exploration Manager