

gsh/psh/gsh661

27 July 2006

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

Via ASX Online

No. of pages – 4

Dear Sir,

Re: Mary Kathleen uranium project – including joint venture with Central West Gold NL

Attached for release to the market is an update report on the Company's Mary Kathleen uranium project, part of which is being carried out through a joint venture with Central West Gold NL.

For and on behalf of the directors of  
Goldsearch Limited



P S Hewson  
Secretary

**ASX ANNOUNCEMENT**  
27 July 2006

**Mary Kathleen uranium project, Queensland**

Goldsearch Limited, through its 50/50 Mary Kathleen joint venture with Central West Gold NL and its 95% owned Duck Creek Project, has mineral tenements covering approximately 375 square kilometres neighbouring the historical Mary Kathleen Uranium Mine in the Cloncurry/Mount Isa district of Queensland.

Previous production from the nearby Mary Kathleen Mine between 1958 and 1963, and a second period between 1976 to 1982, was approximately 18 million pounds of U<sub>3</sub>O<sub>8</sub> in concentrates over the total mine life.

The Goldsearch tenements cover a significant area of prospective Corella Formation rocks which are the host to the uranium (+REE) mineralisation at Mary Kathleen. As well as being prospective for skarn-style uranium mineralisation similar to Mary Kathleen, the tenements are also prospective for iron oxide copper-gold (+/- uranium) similar to Ernest Henry and Olympic Dam and oxide copper mineralisation associated with the numerous known occurrences of copper mineralisation within the tenements.

Initial reconnaissance programs by Goldsearch have identified three priority uranium target areas worthy of significant follow up programs with a view to identifying targets for drilling (**See Plan**). Additional targets are also likely to be generated.

*Elaine Dorothy*

At the Elaine Dorothy prospect, approximately seven kilometres south of the Mary Kathleen Mine, limited drilling and costeaning by previous explorers identified significant uranium mineralisation associated with skarn-style alteration and garnetisation of Corella Formation metasediments. At the time the mineralisation was recognised to be similar in style to the Mary Kathleen deposit with an average grade of 0.28% U<sub>3</sub>O<sub>8</sub>.

Work by Goldsearch at the Elaine Dorothy prospect has included geological mapping and scintillometer surveying. This work identified gamma-ray spectrometer readings indicating uranium concentrations up to 3,000 parts per million (ppm) uranium over narrow zones in three separate areas, with individual strike lengths for each zone of approximately 200 metres. This high count zone is associated with a narrow intrusive intermediate to mafic dyke at the faulted contact between a biotite gneiss and chlorite and garnet altered calcareous meta-sedimentary units of the Corella Formation.

Numerous rock chip samples were collected and assay results are pending.

*Anomaly M*

Reconnaissance work at Anomaly M, to follow up a high priority four kilometre long anomaly in the regional uranium radiometric data, has included scintillometer surveying and preliminary geochemical and rock chip sampling.

Reconnaissance rock chip samples collected from gossanous outcrops within carbonaceous siltstones of the Corella Formation returned encouraging assay results. Peak values for six gossanous samples were 490 ppm uranium, 1.75% copper, 114 ppm molybdenum and 1,860 ppm zinc. These samples were collected from a high count zone with scintillometer readings of up to 400 counts in a regional background of 30 counts.

A single line of reconnaissance geochemical sampling over the regional anomaly in this area returned a peak uranium value of 19 ppm in a background of 2 ppm. The results to date at Anomaly M are encouraging, the uranium anomaly being co-incident with reactive Corella Formation meta-sediments in the Mary Kathleen District. The proximity to “hot” granites with elevated uranium abundance and major regional faults indicates potential for concentrations of economic mineralisation.

*Mount Dorothy*

Scintillometer sampling at Mount Dorothy returned strong anomalies of up to 300 counts in a background of 90 counts over a strike length of approximately 750 metres. This area is associated with a discrete anomaly in the regional radiometric data and copper oxide mineralisation associated with a quartz–ironstone body. Three drill holes were located which appeared to be targeting the copper oxide mineralisation. Further work is required to evaluate both the scintillometer anomaly and the potential for significant copper mineralisation.

Heath Hellewell  
Exploration Manager

***For further information please contact:***

John Percival  
Director Operations, Goldsearch Limited  
Phone: (02) 9241 5999

*Note: The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by Mr Heath Hellewell, who is the Company's Exploration Manager and Mr Greg Duncan, who is a consultant to the Company. Both Heath Hellewell and Greg Duncan have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Heath Hellewell and Greg Duncan consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.*

**Note:** Additional information on Goldsearch Limited can be found on the Company's website – [www.goldsearch.com.au](http://www.goldsearch.com.au)

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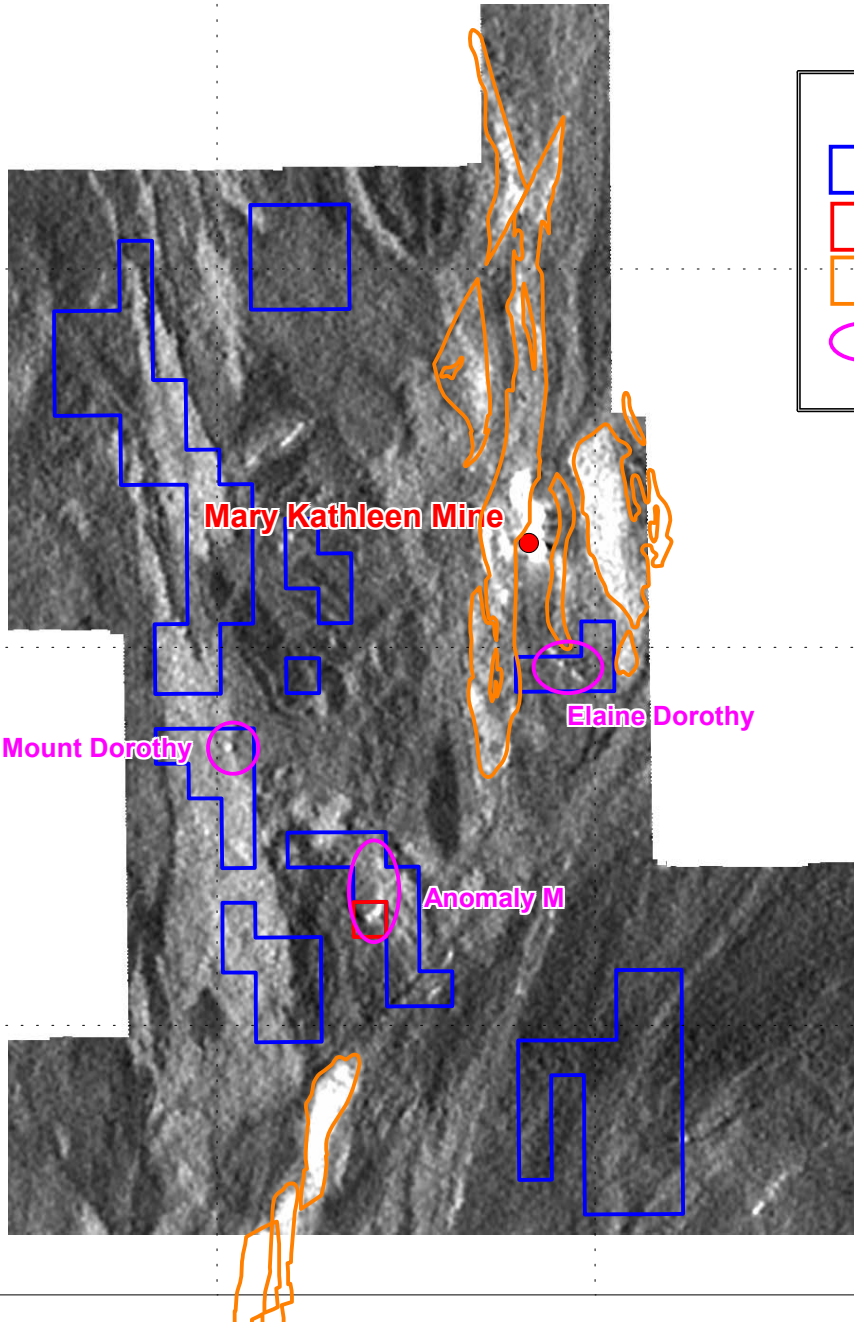
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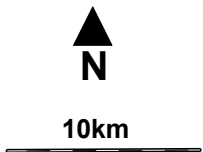


**LEGEND**

-  Exploration Permit - Granted
-  Exploration Permit - Application
-  "hot" Granite
-  Target Area



**Mary Kathleen Uranium Project**  
Uranium Radiometric Data  
& Target Areas



Drawn: H Hellewell - July 2006