

gsh/psh/gsh681

29 December 2006

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

By email to james.gerraty@asx.com.au

No. of pages – 3

Dear Sir,

Response to price query

We acknowledge receipt of your letter dated 28 December 2006 (copy attached) in relation to the increase in the price and trading volume of the Company's securities and respond as follows:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. Not applicable.
3. The Company announced on 7 December 2006 that a drill program had commenced on the Company's Mary Kathleen project and that assay results could be expected in approximately six weeks.

A program of 7 holes of reverse circulation drilling was completed on 15 December 2006. Samples were tested for uranium content using a hand-held scintillometer and, as expected from prior surface sampling, broad intervals of low grade uranium mineralisation were indicated. Those samples which exceeded 50ppm were sent to Alice Springs for assay.

The Company anticipates receipt of assay results during mid to late January 2007, following which the results will be announced.

4. We confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

For and on behalf of the directors of  
Goldsearch Limited



P S Hewson  
Secretary



ASX Limited  
ABN 98 008 624 691  
Level 45  
South Tower  
Stock Exchange Centre  
525 Collins Street  
Melbourne VIC 3000

GPO Box 1784Q  
Melbourne  
VIC 3001

Telephone 61 (03) 9617 7842  
Facsimile 61 (03) 9614 0303  
Internet <http://www.asx.com.au>

28 December 2006

Paul Hewson  
Company Secretary  
Goldsearch Limited  
SYDNEY NSW

By Facsimile: (02) 9241 5599

Dear Paul

### Goldsearch Limited (the "Company")

#### RE: PRICE QUERY

We have noted a change in the price of the Company's securities from 4.8 cents at the close of trade yesterday to 8.1 cents at the time of writing. We have also noted an increase in volume of shares traded today.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

In answering this question please address the recent press reports about

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at [james.gerraty@asx.com.au](mailto:james.gerraty@asx.com.au) or by facsimile on **facsimile number (03) 9614 0303**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie **before 9.30 a.m. EDST**) on Friday, 29 December 2006.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,

James Gerraty  
MANAGER ISSUERS, MELBOURNE