

gsh/psh/gsh682

3 January 2007

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

Via ASX Online

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Dear Sir,

Comment on recent trading in Company securities

The directors of Goldsearch Limited have noted the significant increase in the market price and turnover of the Company's securities both before and after the response to the ASX price query which was released on 29 December 2006.

The directors wish to caution investors and shareholders and re-affirm the statements in the 29 December 2006 announcement and make the following further comments:

1. The directors have no further information at this time in relation to the results of the recent drilling program on the Mary Kathleen project.
2. As stated in the 29 December 2006 response, the indications of broad intervals of low grade uranium mineralisation from the hand-held scintillometer test were "expected from prior surface sampling". In this regard we refer to earlier statements on the project as set out in the Company's 2006 annual report, in the June 2006 and September 2006 quarterly reports and in specific announcements on the project dated 27 July 2006 and 7 December 2006.
3. The hand-held scintillometer tests are indicative only of the presence of uranium mineralisation. The grades and intersection widths need to be determined by laboratory assay tests of the drill samples.
4. The Company anticipates receipt of assay results during mid to late January 2007, following which the results will be announced.

For and on behalf of the directors of
Goldsearch Limited



P S Hewson
Secretary