

gsh/psh/gsh691

16 February 2007

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

Number of pages – 1

Dear Sir,

Re: East Musgrave Project – completion of joint venture agreement

The directors of Goldsearch Limited are pleased to announce that the agreement for a proposed joint venture over the East Musgrave Project (the Project) between the Company, BHP Billiton Minerals Pty Limited (BHP Billiton) and Independence Group NL (IGO) which was announced on 1 December 2006 has now been finalised and signed by all parties.

IGO is currently earning a 51% interest in the Project and will complete the earning of that initial interest by issuing 200,000 fully paid ordinary IGO shares to Goldsearch.

Under the terms of the new joint venture agreement, BHP Billiton can earn a 65% interest in the Project by spending A\$25 million or by delivering a bankable feasibility study within 10 years.

Upon BHP Billiton earning its interest, equity in the Project will be BHP Billiton 65%, IGO 17.85% and Goldsearch 17.15%

For further details of the agreement please refer to the Company's 1 December 2006 announcement which can be viewed on the Company's web site www.goldsearch.com.au

A meeting of the Anangu Pitjantjatjara, the local traditional owners, and Goldsearch Limited - Independence Group NL, to discuss access agreements to the Pitjantjatjara Lands (Musgrave Block), took place in Central Australia on 4 December 2006 and a further meeting on the matter has been scheduled for 20 February 2007.

For and on behalf of the directors of
Goldsearch Limited



P S Hewson
Secretary

For further information please contact:

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