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25 January 2007

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

Via ASX Online

No. of pages – 5

Dear Sir,

Drilling results – Mary Kathleen project

Attached for release to the market is a report on the results of the recent drilling program at the Mary Kathleen project.

The project is a joint venture with Central West Gold NL. Goldsearch is currently earning a 75% interest in the project tenements.

For and on behalf of the directors of  
Goldsearch Limited



P S Hewson  
Secretary

25 January 2007

## Mary Kathleen Project first-pass drilling results

The Mary Kathleen Project is a joint venture between Goldsearch Limited and Central West Gold NL. Goldsearch is currently earning a 75% interest in the project.

Encouraging assay results have been received for first-pass, reverse circulation drilling of two target areas completed at the Mary Kathleen Project in late December 2006. A total of five close spaced holes were drilled at the Elaine Dorothy target located 6 kilometres south and along strike from the former Mary Kathleen Uranium Mine. Two holes were drilled at the MacGregor target located 20 kilometres south-west from the Mary Kathleen Uranium Mine.

### Mary Kathleen Project drill hole location data

Target	Hole	North (GDA94 Z54) metres	East (GDA94 Z54) metres	Dip degrees	Azimuth degrees	Total depth metres
Elaine Dorothy	MKRC01	7699413	398344	-60	204	132
Elaine Dorothy	MKRC02	7699413	398344	-80	220	138
Elaine Dorothy	MKRC03	7699445	398348	-60	244	132
Elaine Dorothy	MKRC04	7699444	398346	-70	160	126
Elaine Dorothy	MKRC05	7699294	398499	-60	210	96
MacGregor	MKRC06	7686399	388679	-60	90	100
MacGregor	MKRC07	7686797	388767	-60	90	100

Based on preliminary on-site scintillometer readings of drill samples, those which returned an *eU* (estimated uranium content) of greater than 0.005% (50ppm) were sent to ALS laboratories in Brisbane for analysis. Samples were assayed for a multi element suite of 27 elements by the ICP-AES method, uranium was also determined by the XRF method. This was a broad, first-pass assaying exercise to determine elemental relationships and mineralisation styles and it is anticipated that, based on the results, further assaying of the samples is required for elements not included in the standard multi-element suite including gold (Au), thorium (Th) and a number of specific rare earth elements (REE).

### ***Elaine Dorothy***

At Elaine Dorothy, the close-spaced drilling was designed to test surface indications of Mary Kathleen-style uranium mineralisation at a depth of between 50 and 100 metres below surface. The drilling intercepted two individual zones of uranium and rare earth element (cerium (Ce) and lanthanum (La)) mineralisation. The mineralisation is hosted by the Corella Formation, an altered meta-carbonate sequence with minor metamorphosed mafic volcanic rocks.

The mineralisation style and host sequence is consistent with the nearby Mary Kathleen Uranium Mine and, as at Mary Kathleen, the higher grade mineralisation appears to be associated with the presence of the mafic volcanic rocks within the sequence. Of the five holes drilled at Elaine Dorothy only one hole, MKRC04 appears to have intercepted the mafic volcanic rocks down hole. This hole was the eastern-most hole drilled at the prospect and further surface mapping and sampling is expected to commence in the next few weeks to better understand the distribution of the mafic volcanics in the target area. Additional drilling will be

undertaken to further evaluate the target once surface exploration is completed and relevant approvals can be put in place. Additional assaying is also required to better determine total rare earth element concentrations.

### Elaine Dorothy Target drilling results

Target	Hole	From metres	To metres	Intercept metres	Uranium	Rare Earth Oxides	Copper
					U3O8*	Ce2O3* + La2O3*	Cu
					%	%	ppm
Elaine Dorothy	MKRC01	53	57	4	0.013	0.646	
Elaine Dorothy	MKRC02	52	53	1	0.019	0.284	
Elaine Dorothy	MKRC03	84	86	2	0.011	0.192	
Elaine Dorothy	MKRC03	94	100	6	0.012	0.234	455
Elaine Dorothy	MKRC04	67	68	1	0.029	1.073	
Elaine Dorothy	MKRC04	71	72	1	0.022	0.460	
Elaine Dorothy	MKRC04	83	84	1	0.047	0.988	

\* U3O8, Ce2O3 and La2O3 values are calculated values based on element to oxide conversion factors of 1.179 for uranium, 1.171 for cerium and 1.173 for lanthanum.

Based on the positive results from the first-pass drilling at Elaine Dorothy, surface sampling will also commence at the Elaine 2 and Elaine 3 uranium prospects with the aim of defining drilling targets. These prospects are located 500 metres and 1 kilometre along strike from the Elaine Dorothy prospect. At these prospects, limited work by previous explorers has also recognised minor occurrences of uranium mineralisation at surface.

### MacGregor

At the MacGregor target two wide-spaced holes were drilled to test a broad 1800 metre long by 300 metre wide, coherent scintillometer anomaly associated with a thick carbonaceous shale unit of the White Blow Formation. This carbonaceous shale is exposed along the eastern limb of a small synclinal fold structure. The location of the two first-pass holes was limited to the central and northern part of the anomaly due to rugged topography at the southern, fold closure end of the structure.

Both drill holes intercepted carbonaceous shale to final depth at 100 metres, based on scintillometer sampling, both holes intercepted elevated eU values over essentially the entire depth of drilling. Subsequent limited assaying of highest eU readings returned peak assays over one metre from MacGregor of 52ppm uranium (U), 24ppm molybdenum (Mo) and 462ppm vanadium (V).

### MacGregor Target drilling results

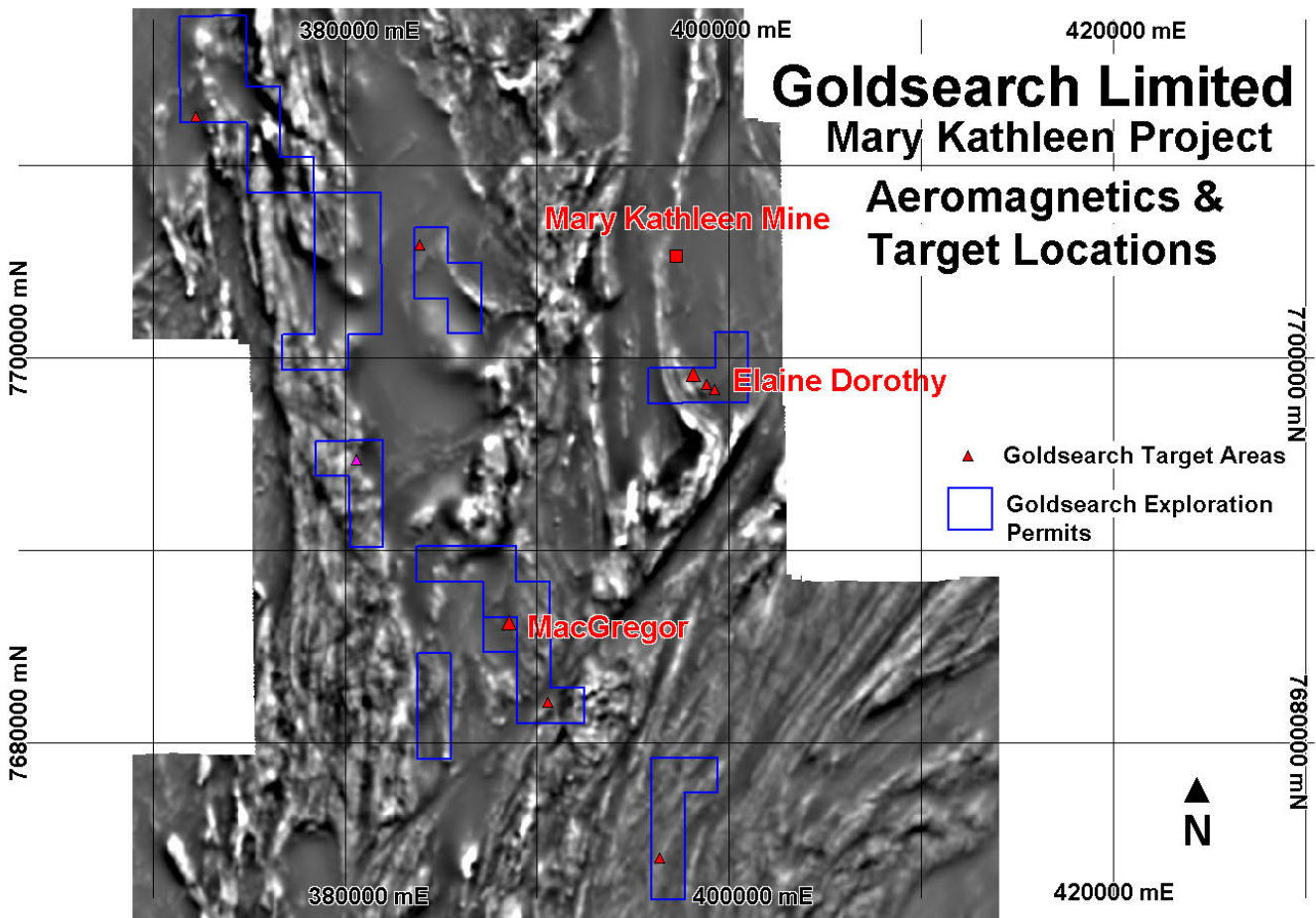
Target	Hole	From metres	To metres	Intercept metres	Uranium	Uranium
					eU*	eU3O8*
					ppm	%
MacGregor	MKRC06	0	100	100	37	0.004
MacGregor	MKRC07	0	100	100	31	0.004

\*eU is the estimated uranium values based on scintillometer sampling, the eU3O8 value is a calculated value based on element to oxide conversion factor of 1.179 for uranium. Limited assay determined uranium values are consistent with eU values.

The very wide zones of low grade uranium mineralisation intercepted by the first-pass drilling at MacGregor is encouraging and suggests the area may represent a potential stratabound hydrothermal alteration system. An apparent zoning towards higher uranium values at the southern end of the target has also been recognised along with minor occurrences of copper mineralisation identified during surface sampling at the southern end of the target which is yet to be drill tested.

This type of system could potentially be correlated to the U,REE system at the Mary Kathleen Mine or the recent Cu, Au, Mo, U, REE system discovered by Kings Minerals at Kalman 16 kilometres south of MacGregor. Such systems also have a potential genetic relationship to the Fe-oxide Cu, Au, U systems in the Mount Isa province, including Ernest Henry and Osborne among others.

Goldsearch is currently working towards establishing vehicle access to the southern end of the MacGregor target in order to allow further evaluation and drilling.



***Regional targets***

Based on the encouraging results from Elaine Dorothy and MacGregor first-pass exploration will commence at a number of other regional targets over the coming months.

**Heath Hellewell**

Exploration Manager

**STATEMENT**

*This report has been compiled by Mr Heath Hellewell, who is the Company's Exploration Manager. Heath Hellewell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 consents to release of the report in the form and context in which it appears.*