

gsh/psh/asx dec 04 qtr

28 January 2005

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

Via ASX Online

No. of pages - 14

Dear Sir,

Re: Report for the quarter ended 31 December 2004

Enclosed please find the quarterly report and duly completed Appendix 5B for Goldsearch Limited for the quarter ended 31 December 2004.

Yours faithfully,



P S Hewson
Secretary

QUARTERLY REPORT (Quarter ended 31 December 2004)

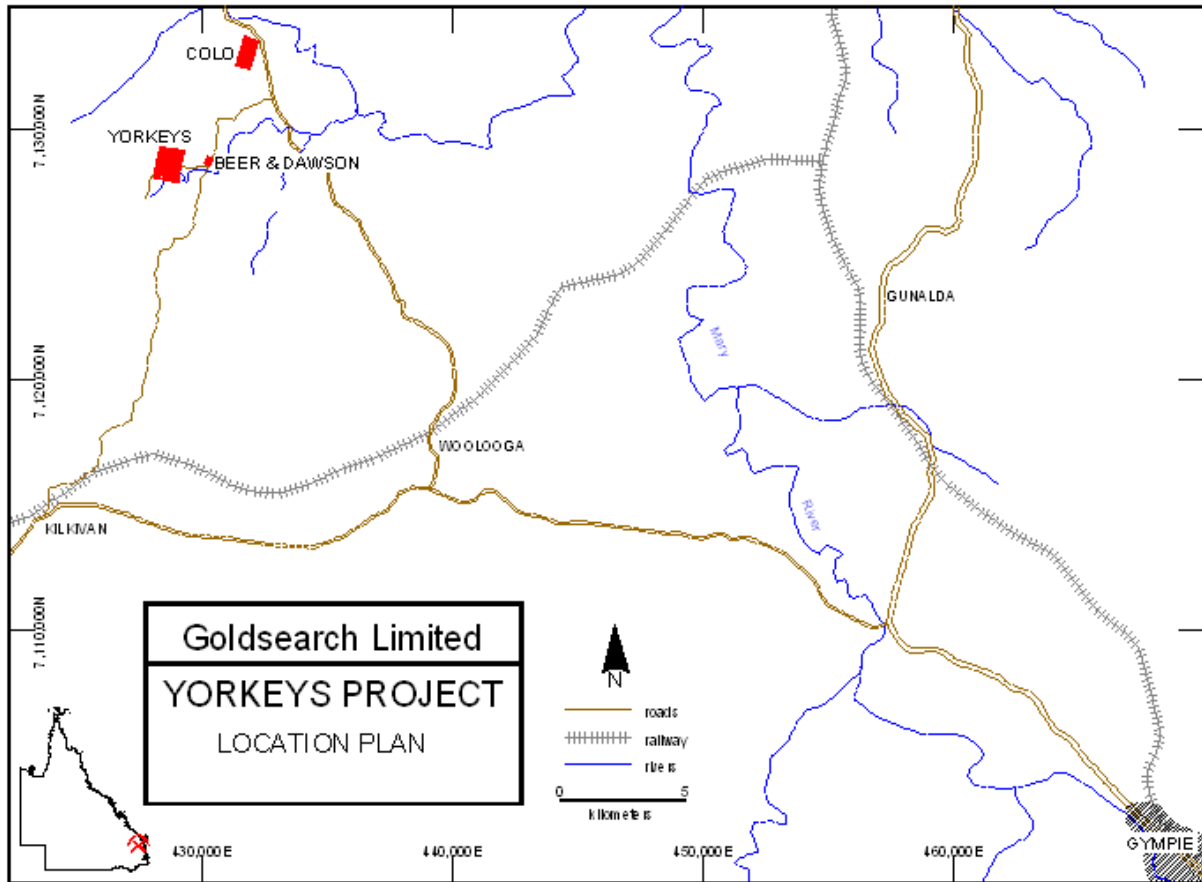
HIGHLIGHTS

- *Drill-hole Y009 at the Beer and Dawson Prospect (near Kilkivan) intersected multiple auriferous zones over 27 metres from 35 metres down-hole. The main zone was intersected between 61 and 63 metres with a grade of 8.6 g/t gold and 77 g/t silver and included 1 metre grading **15.8 g/t gold and 140 g/t silver**.*
- *In the same program, seven of eight holes drilled at the Yorkeys Prospect intersected gold mineralisation. The best intersections were in Y002 and Y004. Y002 intersected multiple zones over 12 metres, each grading in excess of 2 g/t gold, and Y004 intersected 6 metres (down-hole from 7 to 13 metres) grading 3.2 g/t gold, including **1 metre at 15.4 g/t gold**.*
- *At Duck Creek (EPM 13336 Queensland) drill-hole DC03 intersected **3 metres grading 1.6% copper** at the 75 metre horizon. Drill-holes DC01, 02 and 04 also intersected anomalous copper near surface over a strike length of 400 metres.*
- *Encouraging results were received from widespread reconnaissance geochemical sampling in the Bloods Range of the Northern Territory.*

QUEENSLAND

YORKEYS PROJECT

Yorkeys ML50098



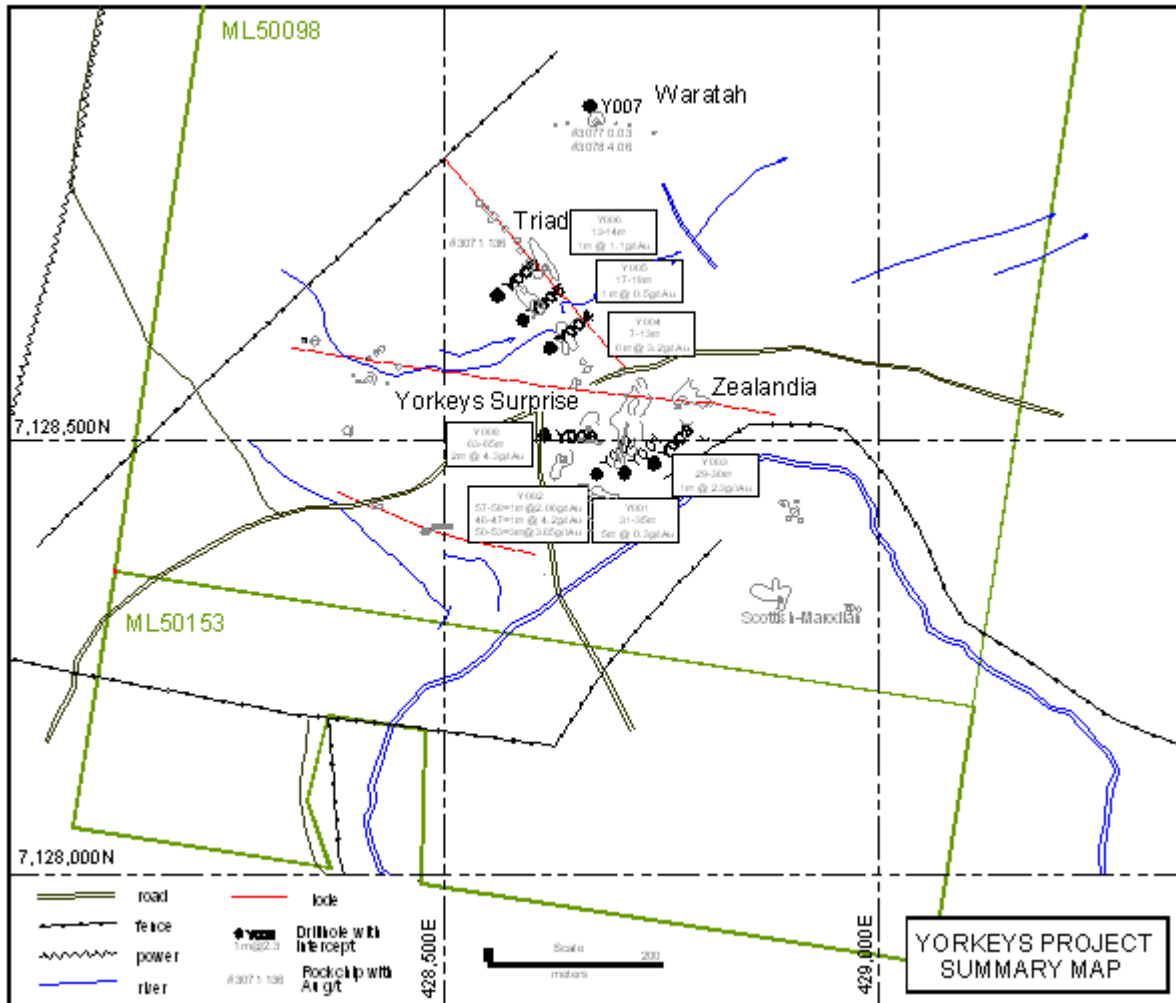
Significant results were returned from a 507 metre reverse circulation drilling program conducted at the Yorkeys Prospect during the quarter. The Yorkeys Prospect consists of a number of shallow dipping quartz veins on the margins of a diorite stock. Drill-holes Y001, Y002 and Y008 were drilled down-dip of the known Yorkeys Surprise Workings over a strike length of 120 metres and intersected mineralisation with an average grade of 3 g/t gold. In drill-hole Y002 multiple zones were intersected over 12 metres.

Drill-hole Y003 intersected 1 metre at 2.3 g/t gold down-dip of the Zealandia workings.

Drill-holes Y004, 05 and 06 tested the down-dip potential of the Triad workings along a strike extent of 120 metres. Mineralisation was intersected in all holes with the best result in Y004 being 6 metres (down-hole from 7 to 13 metres) grading 3.2 g/t gold, including 1 metre at 15.4 g/t gold.

Drill-hole Y007, drilled into the Waratah Prospect to the north of Yorkeys, was unmineralised.

Prospect	Hole	From	To	Intercept	Au g/t	Ag g/t
Yorkeys Surprise	Y001	33	34	1	1.39	0.3
Yorkeys Surprise	Y002	46	47	1	4.20	1.1
		50	53	3	3.65	1.1
		57	58	1	2.06	2.2
Zealandia	Y003	29	30	1	2.27	BLD
Triad	Y004	7	13	6	3.17	1.0
	Incl.	10	11	1	15.4	2.6
Triad	Y005	17	18	1	0.51	0.6
Triad	Y006	13	14	1	1.06	0.3
Waratah	Y007	unmineralised				
Yorkeys Surprise	Y008	63	65	2	4.30	BLD
Beer & Dawson	Y009	35	36	1	0.85	0.5
		58	59	1	0.79	1.6
		61	63	2	8.62	76.9
	Incl.	61	62	1	15.8	140



Beer and Dawson ML 3759

Drill-hole Y009 was drilled into the Beer and Dawson prospect, located 1 kilometre to the east of Yorkeys. This hole intersected multiple auriferous zones over 27 metres from 35 metres down-hole. The main zone was intersected between 61 and 63 metres with a grade of 8.6 g/t gold and 77 g/t silver and included 1 metre grading 15.8 g/t gold and 140 g/t silver. It is important to note that these high silver grades have not been recognised in the field previously. Drill-hole Y009 was drilled 50 metres east and 50 metres above the previous high grade intersection made by Posiedon Limited in 1984 which intersected 3 metres (true width) grading 8 g/t gold and 23 g/t silver.

Goldsearch has subsequently exercised its option and acquired ML 3759, which covers the Beer and Dawson Prospect. Final paperwork for the Lease assignment is in progress.

Colo Prospect ML 3738

An option to purchase agreement has been entered into with Kings Minerals on the Colo Prospect (ML3738) located 5 kilometres to the north of Yorkeys. Goldsearch has a commitment to spend \$20,000 on evaluation in the next six months.

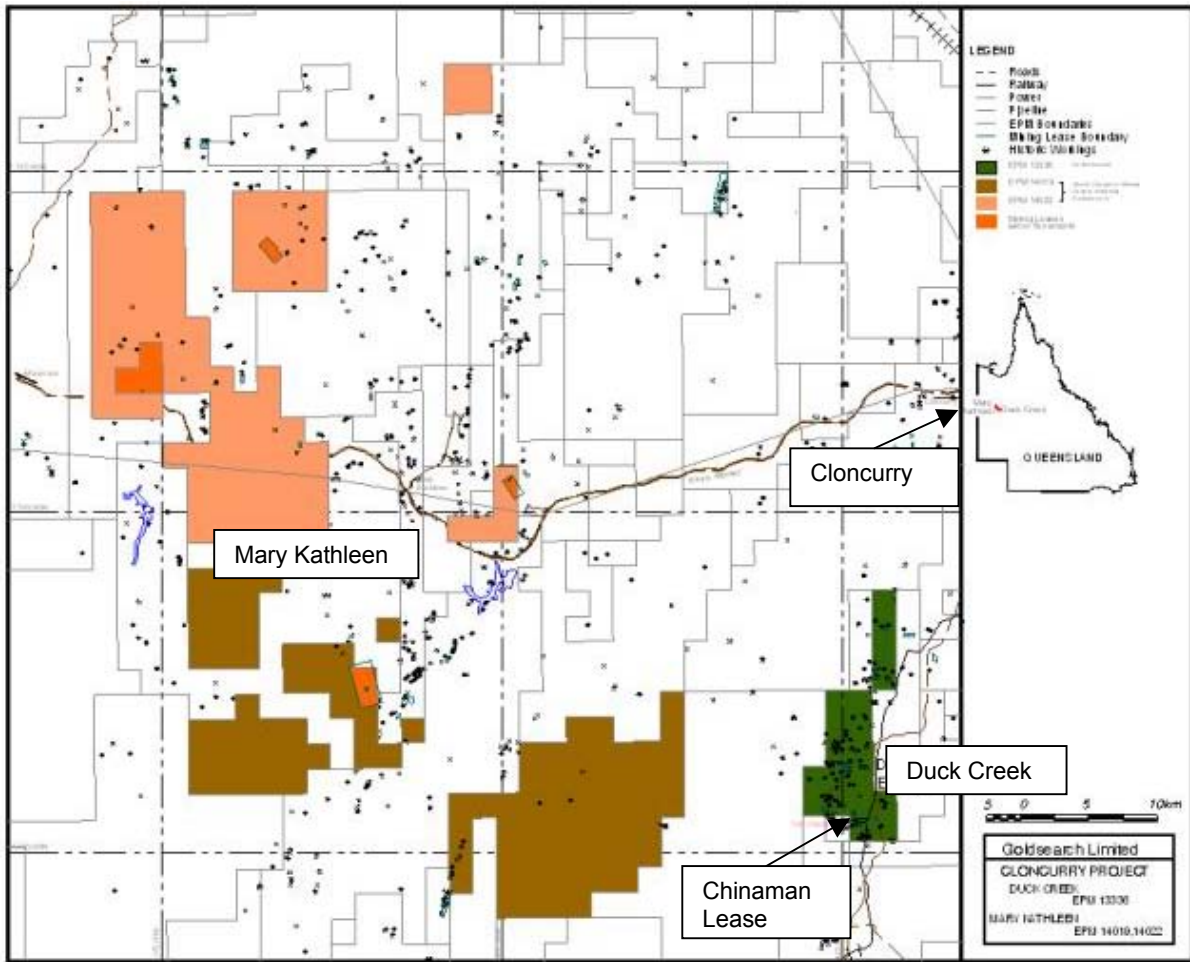
Further drilling is planned at Yorkeys, Beer and Dawson and Colo as soon as a drilling rig is available.

CLONCURRY PROJECT**Duck Creek EPM 13336**

The Chinaman Lease (ML 90088) is located in the southern portion of EPM13336. It has been worked intermittently for the last 20 years as a gouger show extracting high grade copper oxide and chalcocite ore for local sale. Goldsearch has an option to purchase arrangement with the lease-holder.

Phase 1 drilling of the Chinaman Lease was completed in late December prior to the summer rains. Four holes, totalling 276 metres tested the known mineralised shear zone over 400 metres. All holes intersected anomalous copper, with the best intersection, 3 metres grading 1.6% copper, being made in drill-hole DC03, which tested the 75 metre horizon. Drill-holes DC01, 02 and 04 all tested shallow extensions of the surface workings and may have intersected leached zones where copper grades are highly variable.

Phase 2 drilling of the Chinaman Lease, which will further target the 75 metre and 100 metre horizons will recommence as soon as the summer rains cease and access is possible.

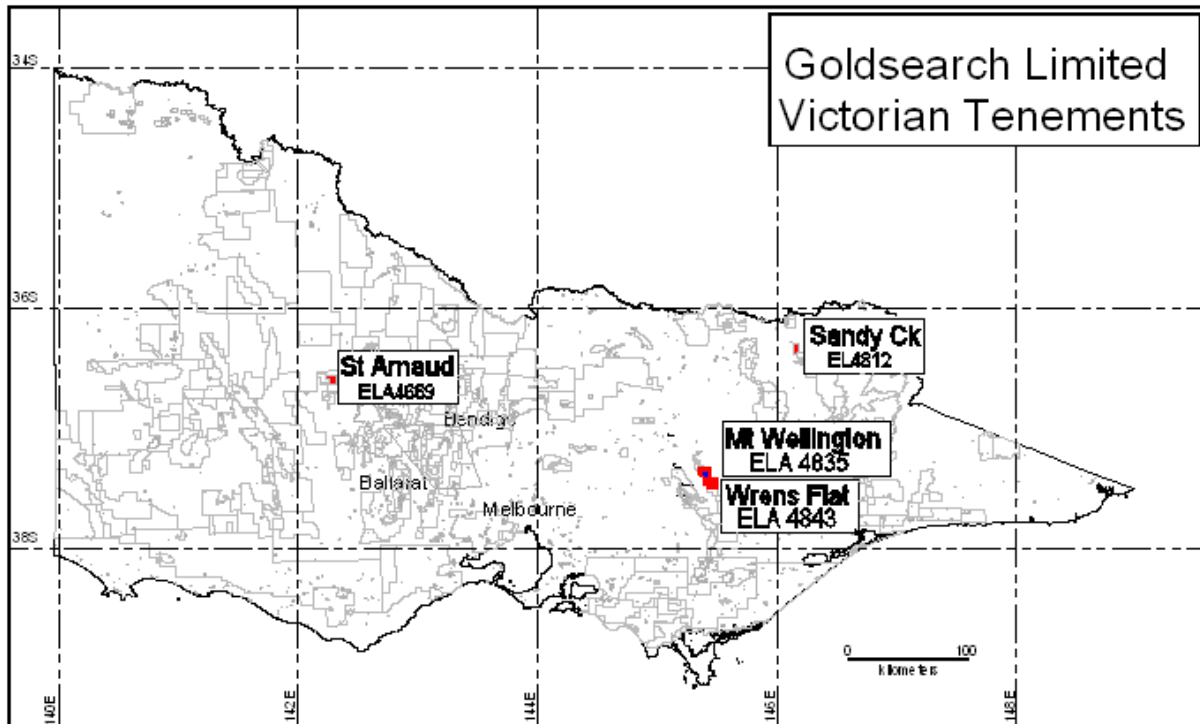


Hole	Easting	Northing	RL	from-to	Intercept (m)	Cu %
DC01	426041	7677943	271	38-39	1	0.13
DC02	425668	7677794	268	15-25	10	0.20
DC03	425976	7677850	274	97-103	6	0.47
				Include.	3	1.60
DC04	426128	7677982	275	33-34	1	1.44

Mary Kathleen EPMs 14019 and 14022

Detailed airborne magnetic and radiometric data from the Mount Isa Mines 1990 regional survey has been acquired to cover the Mary Kathleen Project. This data is currently being processed and interpreted.

VICTORIA



SANDY CREEK EL 4812

The Odells Adit was de-watered to allow detailed mapping and sampling. Unfortunately the poor condition of the timber supports precluded this work being completed for safety concerns.

A work program has been submitted to the Victorian Department of Primary Industries for consent to undertake a surface soil sampling program over the 2,000 metre strike of the known mineral occurrences.

ST ARNAUD ELA 4669

Ground magnetics and geochemical sampling are planned for the Garibaldi and Prince of Wales lines of lode as soon as the tenement is granted.

MOUNT WELLINGTON ELAs 4835 and 4843

Following the Company's application for EL 4835 Mount Wellington, to cover the Jamieson mineral field in eastern Victoria, further prospective ground has been acquired under ELA 4843, Wrens Flat. The combined tenements cover 183 square kilometres and contain two Cambrian "greenstone" belts which are composed principally of acid-intermediate volcanics and volcaniclastic sediments deposited in an island arc environment. There are three known mineral occurrences in the northern greenstone – Hill 800, Prickle Spur, Rhyolite Creek of which Hill 800 and Rhyolite Creek have been subjected to preliminary drill testing.

NORTHERN TERRITORY

PETERMANN RANGE ELs 5702 and 9443

Exploration Licences 5702 and 9443 in the Petermann Range were handed back to the original tenement owners (Allender, Hosking and Le Brun) in December 2004 following a review of the exploration data compiled by Independence Group in the period 2002-2004.

BLOODS RANGE ELs 5701 and 5703

Encouraging results were received from widespread reconnaissance geochemical sampling of portions of ELs 5701 and 5703 considered prospective for gold mineralisation. Follow-up check sampling was completed by the Company's joint venture manager, Independence Group, in the December quarter. Final results are awaited.

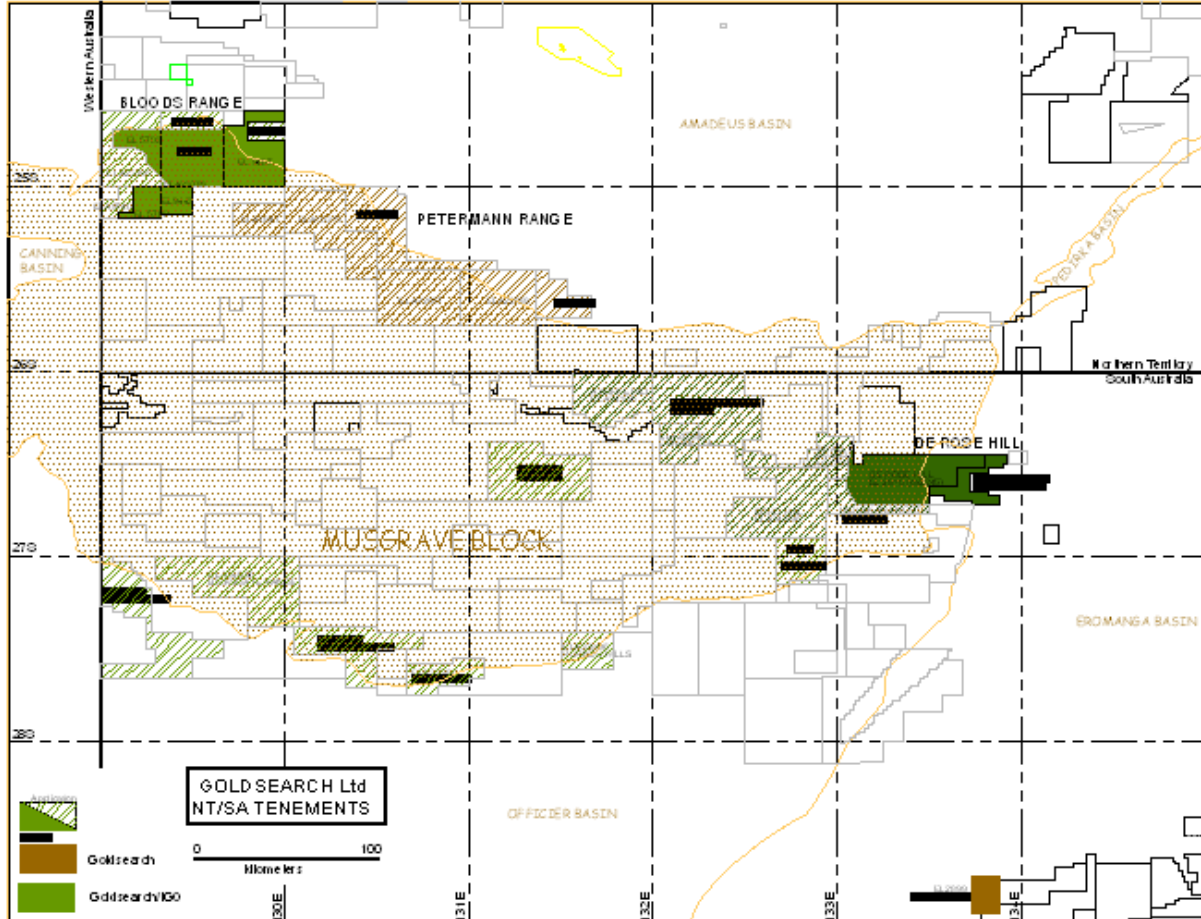
SOUTH AUSTRALIA

DE ROSE HILL EL2910

Assay results were received for the bedrock drilling program conducted at De Rose Hill in the September quarter. The copper / nickel surface geochemical anomalies and Transient Electro-Magnetic (TEM) anomalies that were being tested by the program have been shown to be related to lithological features.

GAWLER CRATON EL 2899 – Hawks Nest

No work was completed by our joint venture partner during the period.



OTHER ACTIVITIES

Investments

Independence Group NL

During the quarter the Company exercised its holding of 500,000 Independence Group NL options at a cost of \$100,000. On 21 December 2004 the Company received a dividend of \$35,000 on its holding of 700,000 Independence Group NL shares.

CopperCo Ltd

The Company's holding of 5,966,667 shares in CopperCo Limited remains unchanged.

STATEMENT

Technical information contained in this announcement was prepared by Trevor A Leahey, Exploration Manager Goldsearch Limited, and accurately reflects the information compiled by him. Mr Leahey has in excess of 20 years relevant experience in mineral exploration and mine development.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98. 30/9/2001

Name of entity

Goldsearch Limited

ABN

73 006 645 754

Quarter ended ("current quarter")

31 December 2004

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(121)	(231)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(151)	(258)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	6	13
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net operating cash flows		(266)	(476)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	(100)	(100)
	(c) other fixed assets	(5)	(5)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	274
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(105)	169
1.13	Total operating and investing cash flows (carried forward)	(371)	(307)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(371)	(307)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(371)	(307)
1.20	Cash at beginning of quarter/year to date	756	692
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	385	385

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	66
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	- Directors' fees & expenses	55,180
	- Directors' superannuation	3,886
	- Legal fees paid to Landerer & Company (J Landerer)	6,900

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	N/A
3.2 Credit standby arrangements	Nil	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
Total	100

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	350	721
5.2 Deposits at call	35	35
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	385	756

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL 6027 Moruya	Area reduced from 18 sq kms to 10 sq kms	100%	100%
	MLA 50153 Malachi 2 Qld	Area reduced from 0.30 sq kms to 0.28 sq kms	100%	100%
6.2 Interests in mining tenements acquired or increased	ELA 4843 Wrens Flat, Victoria	Exploration licence application over 10 sq kms at Wrens Flat Victoria located within ELA 4835 Mt Wellington.	0%	100%
	ML 90088 Chinaman Lease Qld	Option to acquire 100%.	0%	0%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (cents) (see note 3)	Amount paid up per security (cents) (see note 3)
7.1 Preference +securities <i>(description)</i>	Nil	N/A	N/A	N/A
7.2 Changes during quarter				
(a) Increases through issues	N/A	N/A	N/A	N/A
(b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	N/A	N/A
7.3 +Ordinary securities	183,209,348	183,209,348	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	Nil	Nil	N/A	N/A
(b) Decreases through returns of capital, buy-backs	Nil	N/A	N/A	N/A
7.5 +Convertible debt securities <i>(description)</i>	Nil	N/A	N/A	N/A
7.6 Changes during quarter				
(a) Increases through issues	Nil	N/A	N/A	N/A
(b) Decreases through securities matured, converted	Nil	N/A	N/A	N/A
7.7 Options <i>(description and conversion factor)</i>	36,491,869	36,491,869	<i>Exercise price</i> 8 cents	<i>Expiry date</i> 30/09/05
7.8 Issued during quarter	Nil	N/A	N/A	N/A
7.9 Exercised during quarter	Nil	N/A	N/A	N/A
7.10 Expired during quarter	Nil	N/A	N/A	N/A
7.11 Debentures <i>(totals only)</i>	Nil	N/A		
7.12 Unsecured notes <i>(totals only)</i>	Nil	N/A		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:


(Company secretary)

Date: 28 January 2005

Print name: P S Hewson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.