

gsh/psh/gsh880

25 October 2013

The Manager - ASX Market Announcements
Australian Securities Exchange
Level 4
20 Bridge Street
SYDNEY NSW 2000

Via ASX Online

Number of pages – 14

Dear Sir,

Quarterly activity report to 30 September 2013

Enclosed for release to the market is the Company's activity report for the quarter ended 30 September 2013 together with a duly completed Appendix 5B report for the period.

For and on behalf of the directors of
Goldsearch Limited



P S Hewson
Secretary

Quarterly Activity Report
for the quarter ended 30 September 2013

Highlights

Mary Kathleen Joint Venture

(Goldsearch Limited 30%, Chinalco Yunnan Copper Resources Limited 70%)

Mount Frosty

- Phase 2 diamond drill program completed at Blue Caesar

Musgrave Minerals Limited (MGV)

(Goldsearch Limited 7.17% shareholding in MGV)

Deering Hills Project

- New Pallatu Exploration Licence granted



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MARY KATHLEEN JOINT VENTURE

(GSE 30% CYU 70%)

During the quarter, Chinalco Yunnan Copper Resources Limited (CYU) as operator of the Mary Kathleen Joint Venture (MKJV) with Goldsearch Limited (GSE) continued to advance exploration along the Mary Kathleen Shear Zone with the completion of a Phase 2 drill program at the Blue Caesar Prospect in the Mount Isa Inlier, north-west Queensland (Figure 1).

MOUNT FROSTY JOINT VENTURE

(MKJV PARTNERS EARNING IN 75%, XSTRATA COPPER 100%)

Blue Caesar Prospect

The Phase 2 drill program of 1010 metres (m) followed up the successful Phase 1 program of three diamond drill holes (MKBC001 – MKBC003) undertaken at the Blue Caesar Prospect in April – May 2013. That program identified 135m of strike extent of significant copper (+/- gold) mineralisation between holes MKBC002 and MKBC003.

Assay results have now been received for MKBC004 and MKBC005 and are summarised below:

MKBC004 (0.25% copper cut-off grade)

- 40m grading 0.66% copper and 0.04 grams per tonne (g/t) gold from 34m including;
 - 5m grading 1.38% copper and 0.09g/t gold from 37m
- 8m grading 0.53% copper and 0.03g/t gold from 101m
- 8m grading 0.47% copper and 0.02g/t gold from 150m
- 9m grading 0.70% copper and 0.03g/t gold from 180m

MKBC005 (0.25% copper cut-off grade)

- 35m grading 0.77% copper and 0.04g/t gold from 26m
- 3m grading 0.85% copper and 0.06g/t gold from 181m.

MKBC004 tested the down-dip extension of mineralisation from MKBC002, and MKBC005 tested the northerly strike extension of known mineralisation.

Analysis indicates the development of multiple zones and/or widening of the primary sulphide mineralised zone down-dip and a wider intersection north of the previous drilling activities at Blue Caesar. Significantly, although the wider intersections in both drill holes occur at shallow levels, these two drill holes contain varying concentrations of sulphide mineralisation throughout.

CYU has developed a new exploration model to assist in identifying the source of mineralisation in the vicinity of the 12 kilometre long Mary Kathleen Shear Zone. The model explains the metal association and has enabled targeting of the 27.7million tonne Elaine copper-gold JORC Inferred Resource. The main focus of CYU and GSE's activity is to identify and develop commercial copper and gold resources within the Mary Kathleen Joint Venture and Mount Frosty Joint Venture areas.

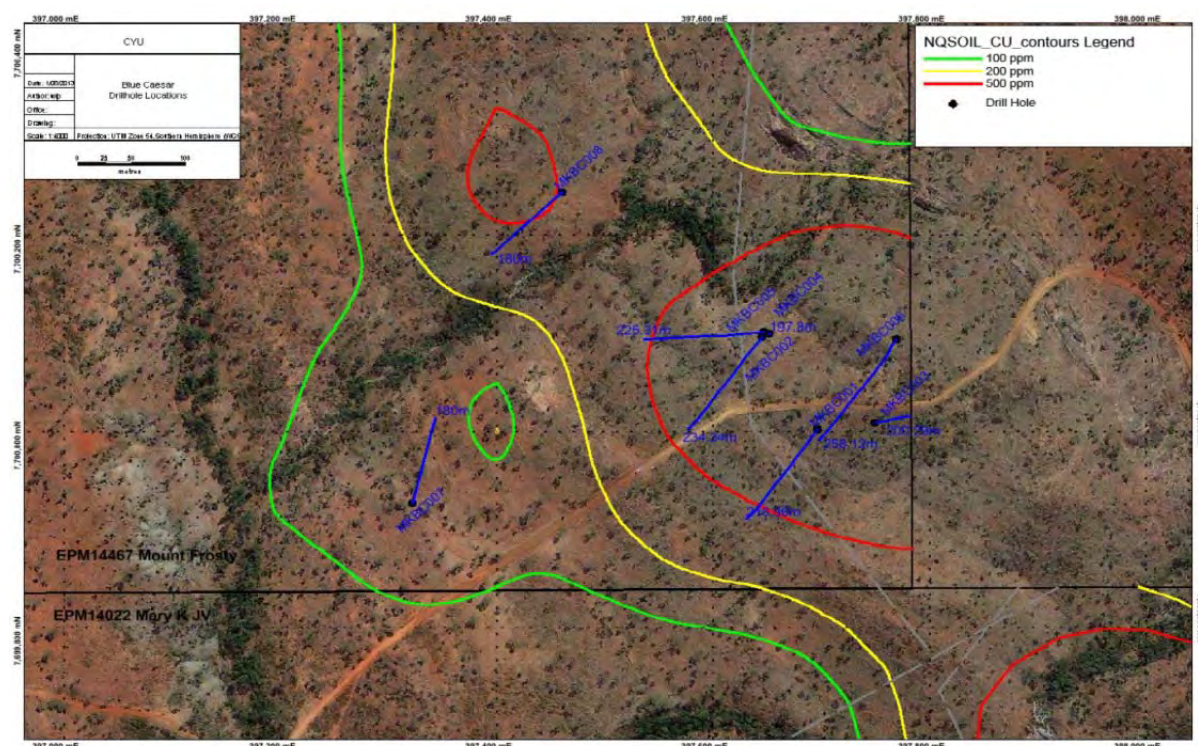


Figure 1: Blue Caesar phase 1 & 2 drill hole locations

MUSGRAVE MINERALS (ASX:MGV)

(GSE 7.17% Shareholding in MGV)

Goldsearch Limited holds a significant shareholding in Musgrave Minerals Limited (MGV).

MGV has continued to make advances in its base metal, gold and silver focussed exploration projects in the Musgrave Geological Province and Gawler Craton regions of South Australia.

Deering Hills Project

On 14 August 2013 Musgrave Minerals announced the grant of the Pallatu Exploration Licence as part of the Deering Hills Project in the Musgrave Geological Province, South Australia.

Musgrave Minerals holds a 100% interest in the new licence (EL5317) and the surrounding Deering Hills licence (EL5173).

The new licence covers a very prospective area of known Giles Complex intrusives adjacent to a number of high priority Versatile Time Domain Electromagnetic (VTEM) conductors modelled under shallow sand cover. Giles Complex intrusives are known to host nickel sulphide mineralisation elsewhere in the Musgrave Province. A VTEM survey flown by Musgrave Minerals in 2011 to detect massive sulphide mineralisation highlighted a cluster of 10 priority conductive targets at Pallatu for follow-up.

The VTEM targets at Pallatu are along strike from the anomalous nickel-copper-platinum group element (PGE) geochemical anomalies identified from shallow vacuum drilling at Caliban and Minbar (Figure 2) and are coincident with a large gravity anomaly and magnetic response (Figure 3). This is consistent with the geophysical response from other known magmatic nickel sulphide deposits of this model type.

Musgrave Minerals will undertake a heritage survey before commencing ground EM and defining drill hole locations for the targets.

Further information on Musgrave Minerals Limited and its exploration activities can be found on its website:

www.musgraveminerals.com.au

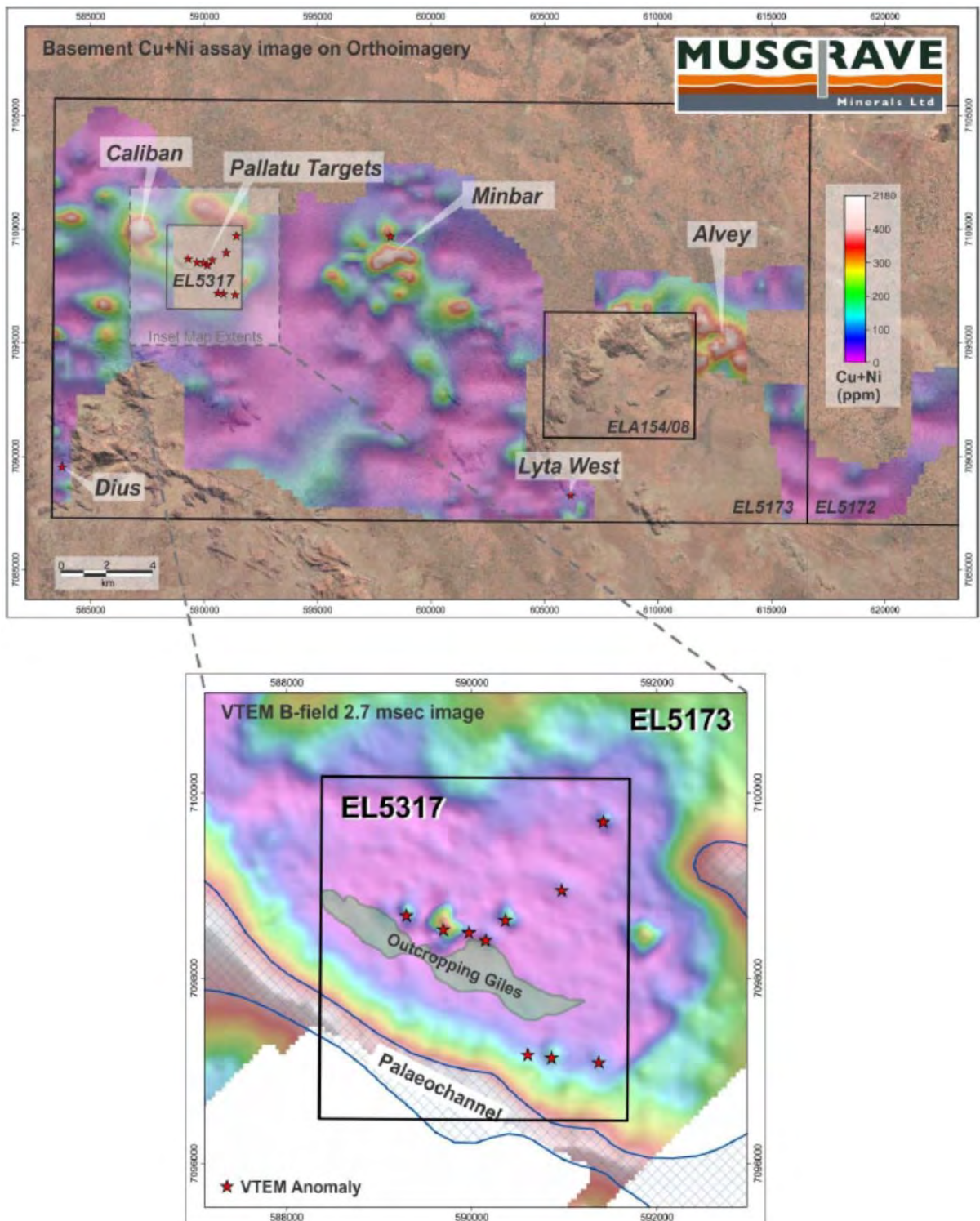


Figure 2: Image showing new Pallatu licence with Ni-Cu vacuum geochemical drilling results on ortho-image and VTEM B-field image as insert.

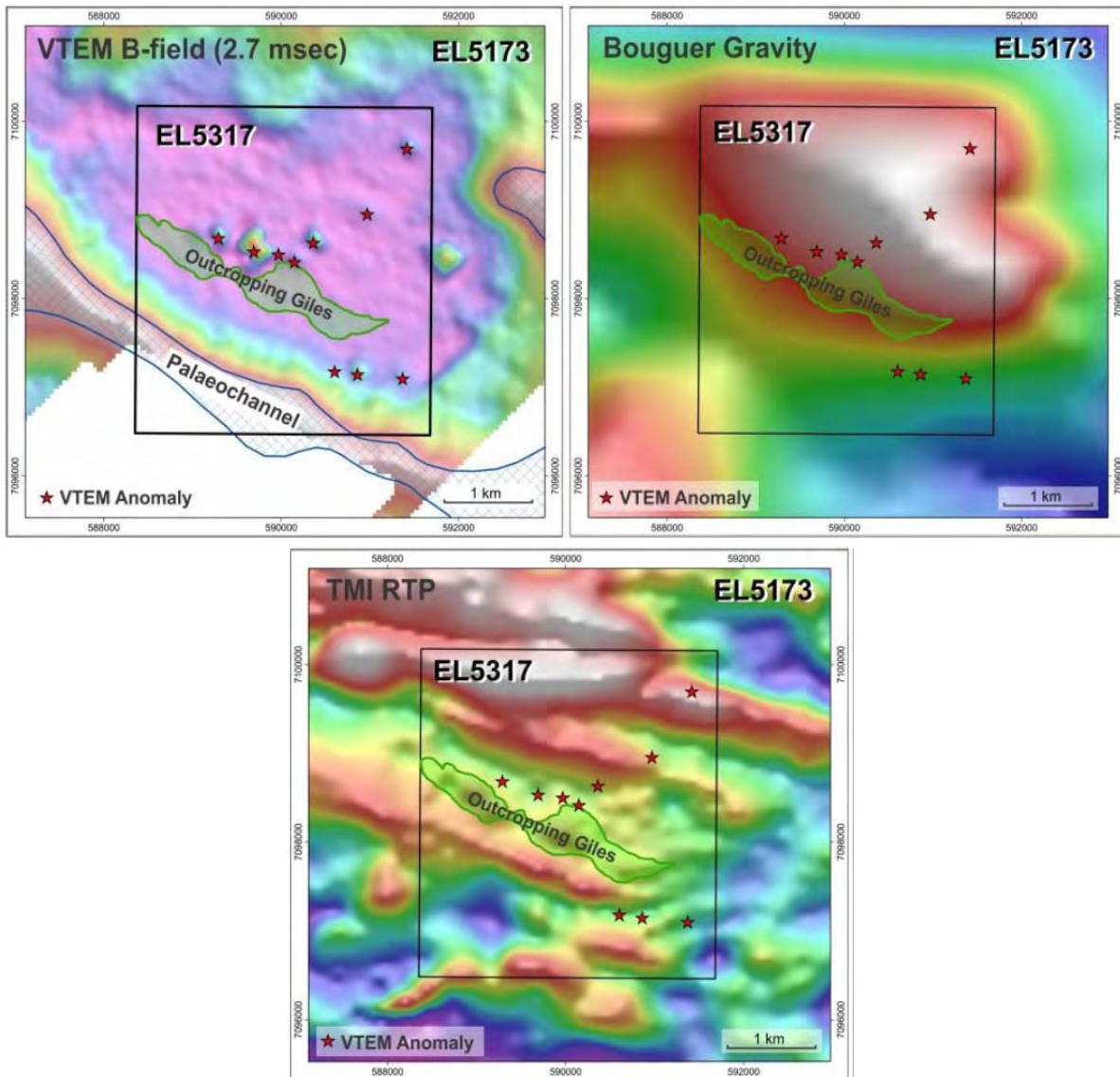


Figure 3: Image showing new Pallatu licence with VTEM targets, coincident bouguer gravity anomaly and magnetic anomalies in relation to the known Giles Complex mafic/ultramafic intrusives. The remainder of the licence is under shallow sand cover.

DUCK CREEK JOINT VENTURE

(QMN earning in up to 75%, GSE diluting to 25%)

Queensland Mining Corporation (ASX:QMN) is continuing to review its Queensland projects. Goldsearch is encouraged by the results to date on the Duck Creek Joint Venture tenements.

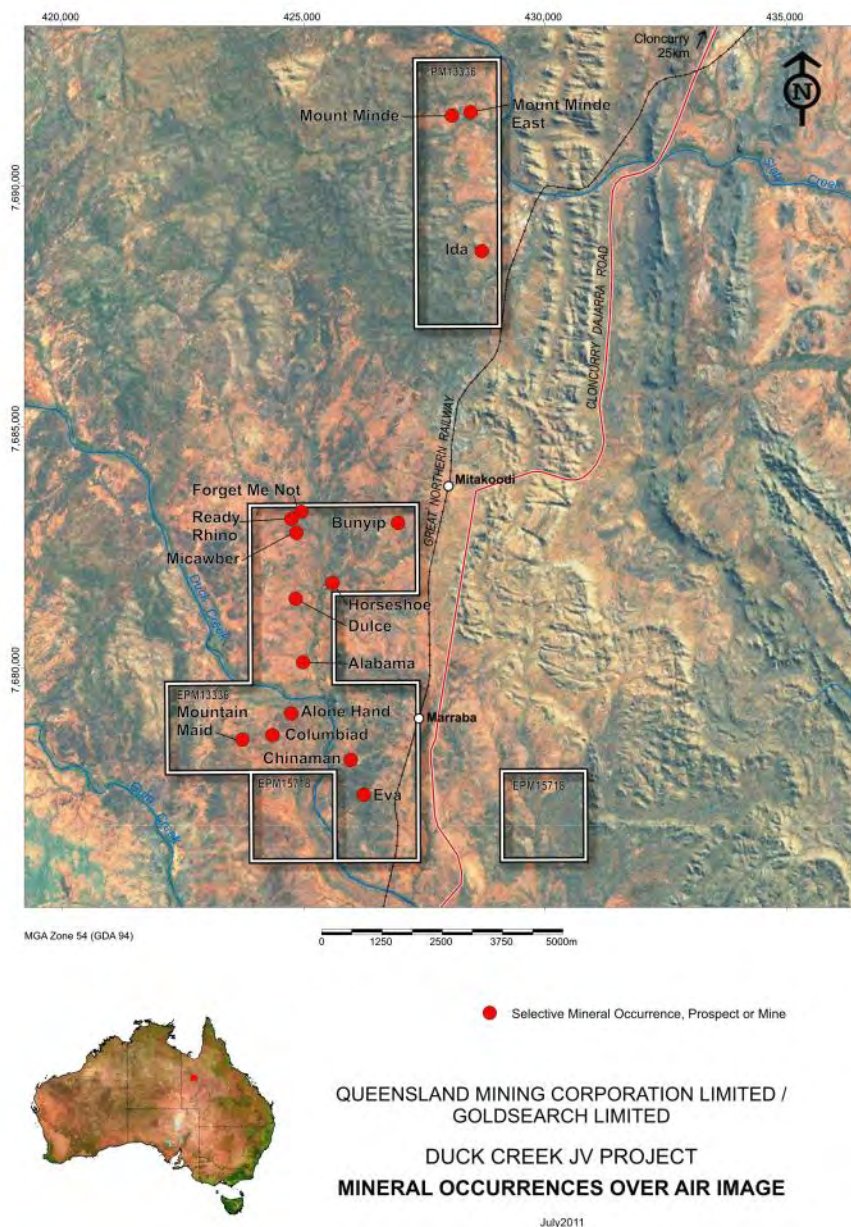


Figure 4: Duck Creek Project location map

MOUNT WELLINGTON PROJECT

(GSE 100%)

No further work was carried out during the quarter however Goldsearch expects to further review its Victoria project in the third quarter 2013.

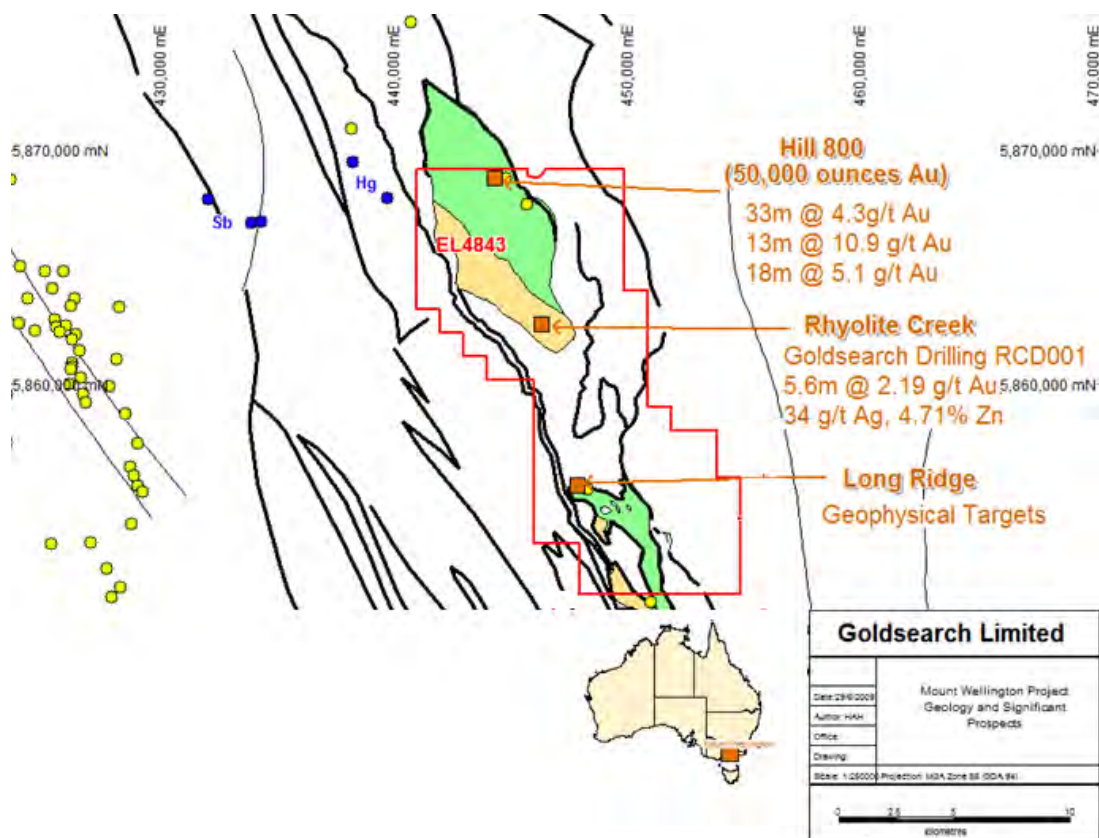


Figure 5: Mount Wellington Project location showing previously reported and historical drill intercepts

COMPETENT PERSONS STATEMENT

Aspects of this report that relate to Mineralisation, Mineral Resources or Ore Reserves of Goldsearch Limited, both directly and through its joint ventures and investments, are based on information compiled by persons who are Fellows or Members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists, and have sufficient relevant experience of the activity undertaken and of the mineralisation style and type of deposit described. They qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code of Reporting of Identified Mineral Resources and Ore Reserves" (JORC Code). The above statements fairly reflect the reports prepared by these Competent Persons and has been overviewed by Mr T V Willsteed, BE (Min) Hons, BA, FAusIMM as a Competent Person for Goldsearch Limited. Mr Willsteed consents to the inclusion in this report of these matters based on their information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Goldsearch Limited

ABN

73 006 645 754

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(54)	(54)
(b) development	-	-
(c) production	-	-
(d) administration	(195)	(195)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	(245)	(245)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(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	-	-
1.13 Total operating and investing cash flows (carried forward)	(245)	(245)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(245)	(245)
	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 – share issue cost	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(245)	(245)
1.20	Cash at beginning of quarter/year to date	653	653
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter (see Note 1 below)	408	408

Note 1: In addition to the cash on hand the Company has access to further working capital through realisation of its investments in listed securities. At the end of the current quarter, the Company's investments in listed securities had a market value of \$503,034.

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	78
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	72,263
- Directors' superannuation	5,852

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 Market value of listed securities as at 30 September 2013.	503	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	80
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	230

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	380	625
5.2 Deposits at call	28	28
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (see note to item 1.22)	408	653

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	N/A	N/A	N/A	N/A
6.2 Interests in mining tenements acquired or increased	N/A	N/A	N/A	N/A

+ 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	693,638,542	693,638,542	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	Nil	N/A	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	N/A	N/A	N/A	N/A
(b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A
7.7 Options			Exercise price	Expiry date
Listed options	160,362,025	160,362,025	2.5 cents	30 June 2014
Unlisted options	21,250,000	Nil	5 cents	1 December 2014
7.8 Issued during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.9 Exercised during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.10 Expired during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	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		

Compliance statement

+ See chapter 19 for defined terms.

- 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: 25 October 2013

Print name: Paul 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.

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