



**Tasman Resources Ltd**

**ABN 85 009 253 187**

**and Controlled Entities**

**Interim Financial Report  
for the**

**Half-Year Ended 31 December 2017**

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## **HIGHLIGHTS**

### **EDEN INNOVATIONS LTD (ASX Code: EDE)**

- As at 31 December 2017 Tasman through its wholly owned subsidiary, Noble Energy Pty Ltd, held 493,198,298 fully paid shares in Eden (representing 39% of the total issued capital of Eden) and 101,356,779 EDEO options representing 50% of the issued EDEO options. Based on the closing prices on the ASX of EDE (\$0.115) and EDEO (\$0.08) on 31/12/17, this investment had a market value of \$64.8 million, which is equivalent to 16.4 cents for every currently issued TAS share.
- Highlights of Eden's progress during the period are set out in the review of operations.

### **LAKE TORRENS COPPER-URANIUM-GOLD PROJECT**

- Geophysical modelling of a large area (approx. 50km<sup>2</sup>) west of the Vulcan IOCGU project has highlighted a number of potential satellite targets and the need for a further detailed gravity survey. This survey was conducted after the end of the reporting period, in January 2018. Basement in the area is likely to be shallower than at Vulcan, and hence cheaper to explore and a more attractive target for potential joint venture partners. Interpretation and further modelling of the updated data is currently in progress.
- Tasman has applied for a new Exploration Licence (193km<sup>2</sup>) on the southern Stuart Shelf, approximately 20km southeast from the Carapateena IOCGU deposit. The area is considered attractive due to its proximity to Carapateena, the possibility of reasonable basement depth and its regional setting. Preliminary geophysical assessment and modelling has been undertaken, based on existing data, and this work has indicated that some new gravity data will need to be collected.
- A review by a major mining company took place, but Tasman was later advised that they did not wish to proceed with a possible joint venture.

### **PARKINSON DAM EPITHERMAL GOLD-SILVER PROJECT**

- No further exploration activities were conducted at this project.

**CORPORATE DIRECTORY**

**DIRECTORS:**

Gregory H Solomon **LLB** (Executive Chairman)

Douglas H Solomon **BJuris LLB (Hons)** (Non-Executive)

Guy T Le Page **BA, BSc (Hons), MBA, FINSIA, MAusIMM** (Non-Executive)

**COMPANY SECRETARY:**

Aaron P Gates **B.Com, CA, AGIA**

**REGISTERED OFFICE:**

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Website: [www.tasmanresources.com.au](http://www.tasmanresources.com.au)

**SOLICITORS:**

Solomon Brothers

Level 15

197 St Georges Terrace

Perth WA 6000

Minter Ellison

1 King William Street

Adelaide SA 5000

**AUDITORS:**

Nexia Perth Audit Services Pty Ltd

Level 3

88 William Street

Perth WA 6000

**SHARE REGISTRY:**

Advanced Share Registry Services

110 Stirling Highway

Nedlands WA 6009

**STOCK EXCHANGE LISTING:**

ASX Code: TAS (ordinary shares)

TASO (31 March 2018 \$0.05 Options)

Quotation has been granted for all the ordinary shares and all issued options of the company on all Member Exchanges of the Australian Stock Exchange Limited.

## **REVIEW OF OPERATIONS**

### **DETAILS**

#### **INVESTMENT IN EDEN INNOVATIONS LTD (ASX Code: EDE)**

As at 31 December 2017 Tasman through its wholly owned subsidiary, Noble Energy Pty Ltd, held 493,198,298 fully paid shares in Eden (representing 39% of the total issued shares of Eden) and 101,356,779 EDEO options representing 50% of the issued EDEO options. Based on the closing prices on the ASX of EDE (\$0.115) and EDEO (\$0.08) on 31/12/17, this investment had a market value of \$64.8 million, which is equivalent to 16.4 cents for every currently issued TAS share.

The board of Tasman believes there is potentially significant further upside in its investment in Eden and as a major part of Tasman's investment strategy it intends to continue to hold the Eden shares and options as a long term investment.

**The Highlights of progress made by Eden during the period are as follows:**

#### **EdenCrete®**

- Progress in Georgia.
  - GDOT
    - FHWA approves use of EdenCrete® in GDOT federally funded repair projects.
    - First federally funded repair project in Georgia likely to involve replacement of 11 lane miles (17.7 km) of pavement on I-16 using estimated US\$1.2 million of EdenCrete®.
    - Latest GDOT estimate is for 16 State Funded full depth slab replacement projects for the current year (ending 30 June 2018), with the estimated value of EdenCrete® to be required of approximately US\$1million.
    - At 30 January 2018, 5 of these projects, that will use approximately US\$400,000 worth of EdenCrete®, were currently active, comprising 2 projects in progress, 1 project pending a start, and 2 projects out for tender.
    - Invitations to Bid (ITBs) for the 11 remaining projects are scheduled progressively over the next 3-4 months.
  - Eden received a follow-up order in Georgia to supply approx. 1,400 gallons of EdenCrete® to be used in the replacement of 3,400 square metres of concrete hardstand area that is subject to heavy-duty wear and abrasion.
  - Possible projects with MARTA using EdenCrete® are under consideration.
- Progress in Texas
  - Existing contract with TxDOT approved, pre-stressed concrete beam manufacturer was extended to include supplying EdenCrete® to 2 additional plants owned by same customer.
  - Trials with other TxDOT manufacturers anticipated.
- New Product Development
  - Product development completed for:
    - High concentration, lower cost EdenCrete®HC, and
    - EdenCrete®Pz for use in concrete made with pozzolanic cements, which represents up to 30% on the total concrete market.
  - Encouraging performance achieved in extensive in-house testing.
  - Eight independent laboratory trials using regional cements and commercial mixes have commenced, testing up to eight performance characteristics, to assist in US marketing.
  - Strong interest in EdenCrete®HC and EdenCrete®Pz received at commercial release during World of Concrete convention in Las Vegas in January 2018.
  - Up to 30 commercial trials of a wide range of performance characteristics planned for next 3 - 6 months with sales expected to increase progressively over the coming year.
  - ASTM trials of EdenCrete®Pz have commenced with encouraging preliminary results.
  - NTPEP trials of EdenCrete®HC and EdenCrete®Pz now scheduled to start in March 2018.
- Denver Public Works undertook follow-up evaluation trials of EdenCrete® when exposed to heavy dosages of de-icing salts and road chemicals.
- EdenCrete® trials for bridge trials with Virginia DOT and North Carolina DOT are under discussion.
- EdenCrete® was approved for use by the Colorado DOT, West Virginia DOT and Alaska DOT and in January received conditional approval from Oregon DOT.
- Testing of EdenCrete®HC and EdenCrete®Pz with Korean cements at Eden's Colorado plant are underway.

**Optiblend® Dual Fuel**

- Orders received in USA and India during the period for US\$180,000.

Please refer to Eden Innovations Ltd (ASX Code: EDE) Quarterly Report published on 29 January 2018 for further details.

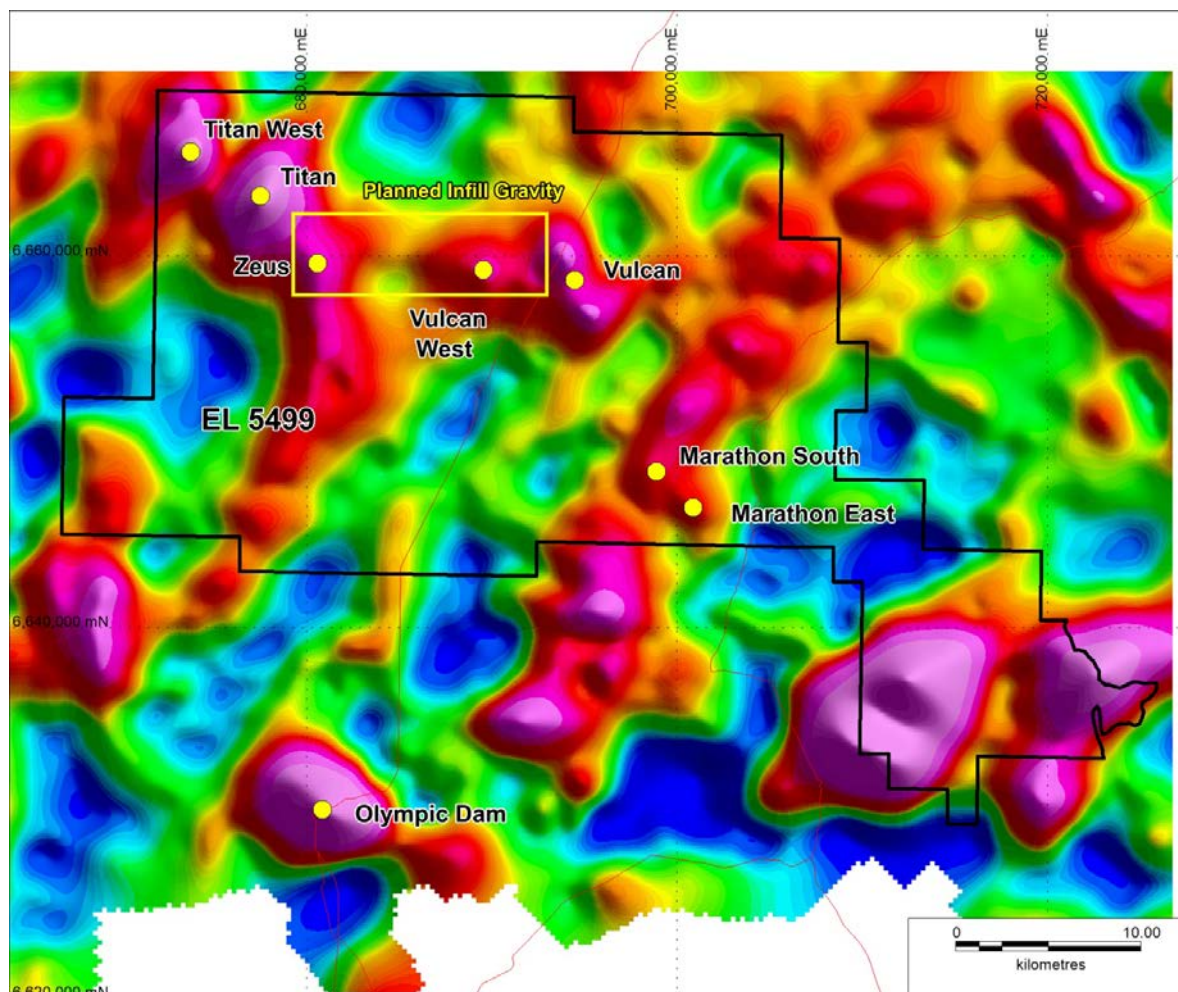
**MINERAL EXPLORATION**

**LAKE TORRENS PROJECT, SOUTH AUSTRALIA (TASMAN 100%)**

Geophysical modelling of a large area (approx. 50km<sup>2</sup>) west of the Vulcan IOCGU project highlighted a number of potential satellite targets and the need for a further detailed (infill) gravity survey (see Figure 1). This survey was conducted after the end of the reporting period, in January 2018. Interpretation and modelling of the updated data is currently in progress.

Geophysical modelling and other information suggests that basement in the area is likely to be shallower than at Vulcan, and hence cheaper to explore. Any significant gravity anomaly arising from this latest survey could be a very attractive drill target for a potential joint venture partner.

A review of data by a major mining company took place, but Tasman was later advised that they did not wish to proceed with a possible joint venture. Tasman is continuing to actively seek a suitable joint venture partner to continue the exploration on this project.

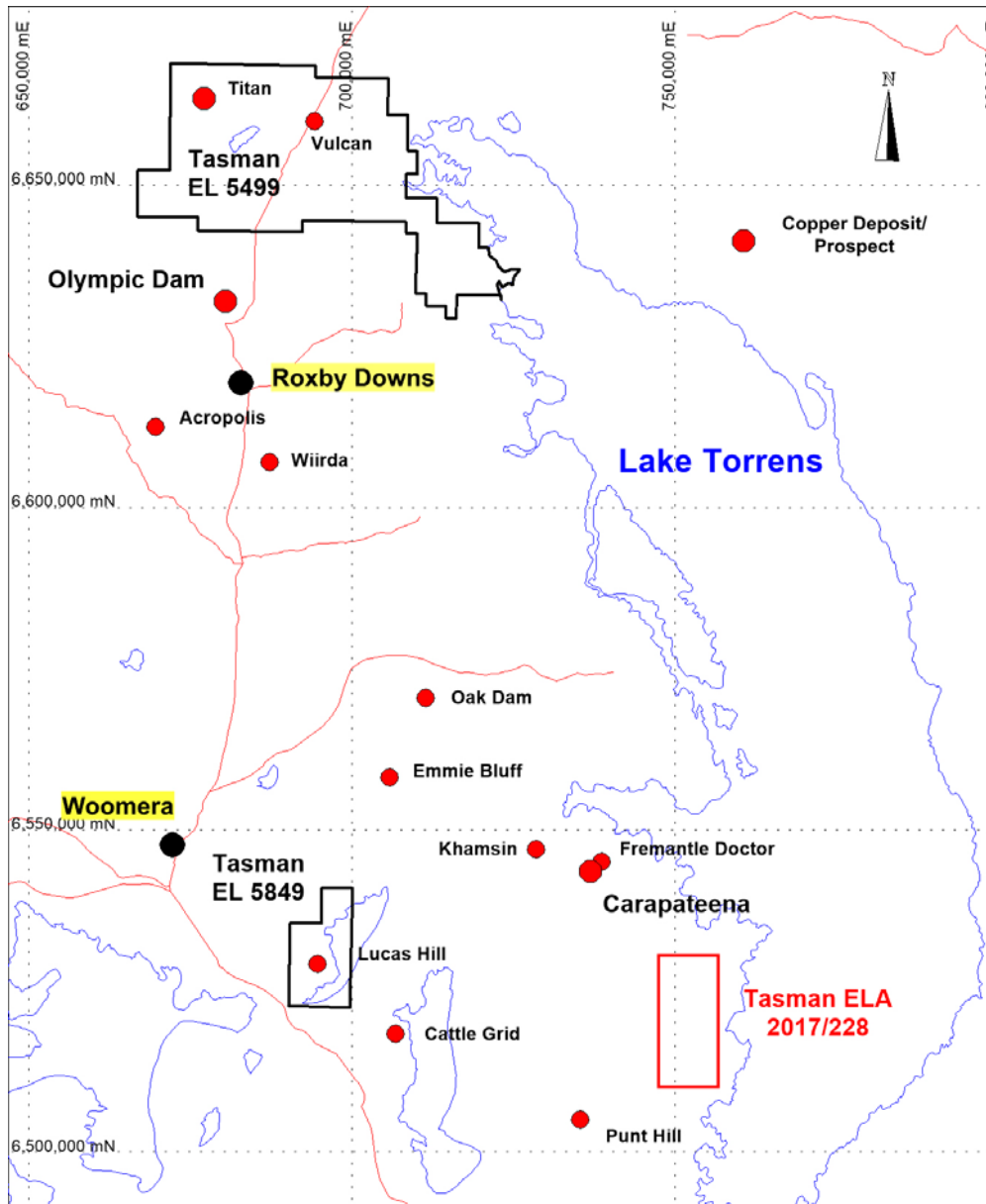


**Figure 1: Residual gravity image covering Tasman’s Exploration Licence 5499, with IOCGU prospects/deposits shown as yellow dots and the area of the recently completed (January 2018) gravity infill survey (yellow rectangle).**

**ELA 2017/228, SOUTH AUSTRALIA (TASMAN 100%)**

Tasman has applied for a new Exploration Licence (193km<sup>2</sup>) on the southern Stuart Shelf, approximately 20km southeast from the Carapateena IOCGU deposit. Figure 2 shows the location of this EL Application, and significant copper deposits and prospects elsewhere on the Stuart Shelf geological province.

The area is considered attractive due to its proximity to Carapateena, the possibility of reasonable basement depth based on available geophysical modelling and its regional geological setting. Preliminary geophysical assessment and modelling of this area has been undertaken, based on existing data, and this work has indicated that some new gravity data will be need to be collected, once the tenement is granted.



**Figure 2: Map showing the location of Tasman’s new EL Application ELA 2017/228, Tasman’s current Exploration Licences together with copper deposits and prospects on the Stuart Shelf in South Australia.**

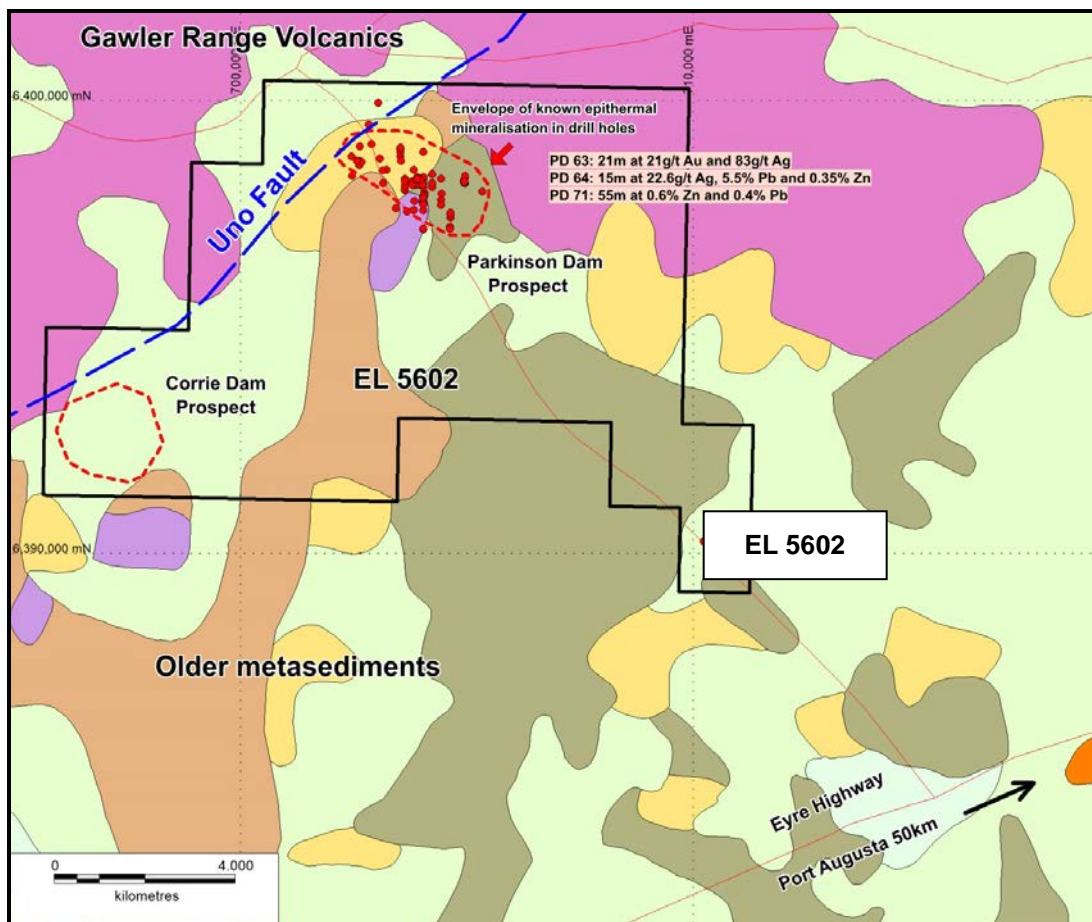


**PARKINSON DAM GOLD-SILVER EPITHERMAL PROJECT, SOUTH AUSTRALIA, EL 5602 (TASMAN 100%)**

**Corrie Dam Prospect**

No further field exploration or drilling was conducted at Corrie Dam Prospect during the six months (Figure 3). Previous air core drilling at the prospect has intersected anomalous lead, silver and copper mineralisation at shallow depths, including 25m downhole from 60m averaging 0.36% Pb and 1.4g/t Ag in hole CDAC015 and 15m down hole from 55m at 6.6g/t Ag, 0.17% Cu and 0.11% Pb in drill hole CDAC 030 (true widths are not known). These results were previously reported to the ASX.

In light of the current modest upturn in commodity prices, further exploration including a possible IP geophysical survey over the area containing the earlier gold-silver discoveries at Parkinson Dam, including drill hole PD 63 (see Figure 1), and /or drilling at Corrie Dam including possible deeper RC holes, is being considered.



**Figure 3: Plan of Tasman’s Parkinson Dam Project (EL 5602) showing area of previously defined mineralisation (Parkinson Dam Prospect) and Corrie Dam Prospect, adjacent to the Gawler Range Volcanics (GDA 94; Zone 53).**



**CORPORATE**

**Investment in Conico Ltd (ASX Code: CNJ)**

Tasman has a 12.8% interest in potential nickel-cobalt producer Conico Ltd.

***Mt Thirsty Nickel-Cobalt Project***

During the six months a Scoping Study was completed and returned outstanding financial metrics (base case NPV A\$290M) for simple atmospheric SO<sub>2</sub> flowsheet over 21-year mine life. Planning is underway for 2018 PFS to test additional flowsheet options with the potential to significantly increase metal recovery and further improve the project economics. Further details are available in Conico Ltd reports available at [www.conico.com.au](http://www.conico.com.au).

Please refer to Conico Ltd (ASX: CNJ) Quarterly Report published on 30 January 2018 for further details.

***Background***

*Conico Ltd owns 50% of the Mt Thirsty Nickel-Cobalt Project in WA, with the other 50% held by Barra Resources Limited (ASX: BAR). Mt Thirsty is located 20 kilometres north-northwest of Norseman, Western Australia. Mt Thirsty has a JORC (2004) compliant Indicated Resource of 16.6 million tonnes at 0.14% Co, 0.60% Ni and 0.98% Mn and a JORC (2004) compliant Inferred Resource of 15.3 million tonnes at 0.11% Co, 0.51% Ni and 0.73% Mn over an apparent strike of 1.3 kilometres and a width of around 800 metres.*

*(This resource information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, refer ASX Announcement 8th March 2011: "Resource Upgrade", available to view on [www.conico.com.au](http://www.conico.com.au).)*

***Disclaimer***

*The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.*

*It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.*

***Competent Persons Statement***

*The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Robert N. Smith and Michael J. Glasson, Competent Persons who are members of the Australian Institute of Geoscientists.*

*Mr Smith and Mr Glasson are employees of the company. Mr Smith and Mr Glasson are share and option holders.*

*Mr Smith and Mr Glasson have sufficient experience that 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith and Mr Glasson consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.*

## **DIRECTORS' REPORT**

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2017.

### **Directors**

The names of directors who held office during or since the end of the half-year:

Mr Gregory H Solomon

Mr Douglas H Solomon

Mr Guy T Le Page

### **Review of Operations**

The net loss after income tax for the half year was \$5,807,447 (2016: \$3,640,078).

A review of the operations of the Group during the half-year ended 31 December 2017 is set out in the Review of Operations on page 5.

### **Subsequent Events**

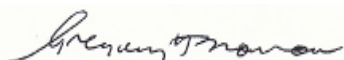
Events after the reporting period are set out in Note 7 on page 18.

### **Auditor's Declaration**

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 11 for the half-year ended 31 December 2017.

This report is signed in accordance with a resolution of the Board of Directors.

Director

A handwritten signature in black ink, appearing to read 'Gregory H Solomon', written over a light yellow rectangular background.

\_\_\_\_\_  
Gregory H Solomon

Dated this 9<sup>th</sup> day of March 2018

**Auditor's independence declaration under section 307C of the Corporations Act 2001**

To the directors of Tasman Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the period ended 31 December 2017, there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

NPAS

**Nexia Perth Audit Services Pty Ltd**

Amar Nathwani

**Amar Nathwani**  
Director

Perth  
9 March 2018

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	Note	Consolidated Group	
		31 Dec 2017	31 Dec 2016
		\$	\$
Revenue		855,834	467,578
Other Income		35,551	45,056
Advertising and marketing		(208,408)	(33,306)
Changes in inventories		(6,769)	168,485
Consultants		(497,953)	(285,005)
Depreciation and amortisation expense		(496,777)	(193,749)
Employee benefits expense		(3,962,487)	(2,665,948)
Finance costs		(12,871)	(49)
Foreign exchange gain		(136,204)	554,199
Management fees		(252,000)	(258,000)
Other expenses		(881,888)	(766,325)
Raw materials and consumables used		(119,649)	(295,180)
Research expenditure		(53,357)	(183,144)
Travel and accommodation		(252,792)	(194,690)
Loss before income tax		(5,989,770)	(3,640,078)
Income tax benefit		182,323	-
Loss for the period		(5,807,447)	(3,640,078)
<b>Other Comprehensive (Loss) / Income, net of income tax</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchanges differences on translating foreign operations		114,821	304,047
Other comprehensive (loss) / income, net of income tax		114,821	304,047
<b>Total Comprehensive Income / (Loss)</b>		(5,692,626)	(3,336,031)
Loss attributable to:			
Owners of the parent		(2,437,687)	(1,676,087)
Non-controlling interests		(3,369,760)	(1,963,991)
		(5,807,447)	(3,640,078)
Total comprehensive loss attributable to:			
Owners of the parent		(2,217,134)	(1,551,689)
Non-controlling interests		(3,475,492)	(1,784,342)
		(5,692,626)	(3,336,031)
Basic/diluted loss per share (cents per share)		(0.6154)	(0.4401)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	Note	Consolidated Group	
		31 Dec 2017	30 Jun 2017
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,604,187	8,932,545
Inventories		606,423	613,192
Other assets		177,190	104,844
Trade and other receivables		553,511	121,819
<b>TOTAL CURRENT ASSETS</b>		<b>2,941,311</b>	<b>9,772,400</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and Evaluation expenditure		16,764,788	16,700,384
Intangibles		4,199,145	3,711,401
Property, plant and equipment		10,432,348	10,511,308
<b>TOTAL NON-CURRENT ASSETS</b>		<b>31,396,281</b>	<b>30,923,093</b>
<b>TOTAL ASSETS</b>		<b>34,337,592</b>	<b>40,695,493</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,276,545	2,050,003
Provisions		175,849	217,452
Interest bearing liabilities		218,393	165,908
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,670,787</b>	<b>2,433,363</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		6,064	5,456
Interest bearing liabilities		918,135	1,154,260
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>924,199</b>	<b>1,159,716</b>
<b>TOTAL LIABILITIES</b>		<b>2,594,986</b>	<b>3,593,079</b>
<b>NET ASSETS</b>		<b>31,742,606</b>	<b>37,102,414</b>
<b>EQUITY</b>			
Issued capital	3	28,622,432	28,614,082
Reserves		12,081,945	11,932,007
Accumulated losses		(17,801,468)	(15,363,781)
Parent interest		22,902,909	25,182,308
Non-controlling interest		8,839,697	11,920,106
<b>TOTAL EQUITY</b>		<b>31,742,606</b>	<b>37,102,414</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2017**

	Attributable to owners of the Company						
	Ordinary Shares	Option Reserve	Foreign Currency Trans- lation Reserve	Other Equity	Accumulated Losses	Non- controlling Interests	Total
	\$	\$	\$		\$	\$	\$
<b>Balance at 1 July 2016</b>	27,786,696	1,591,754	55,273	4,502,080	(9,256,038)	8,667,920	33,347,685
Issue of shares	95,455	-	-	-	-	-	95,455
Issue of shares in subsidiary	-	-	-	-	-	14,277,711	14,277,711
Issue of options in subsidiary	-	-	-	-	-	404,415	404,415
Change in ownership of subsidiary	-	-	-	5,356,060	-	(5,356,060)	-
Loss for the period	-	-	-	-	(1,676,087)	(1,963,991)	(3,640,078)
Other comprehensive loss	-	-	124,398	-	-	179,649	304,047
<b>Balance at 31 December 2016</b>	<b>27,882,151</b>	<b>1,591,754</b>	<b>179,671</b>	<b>9,858,140</b>	<b>(10,932,125)</b>	<b>16,209,644</b>	<b>44,789,235</b>
<b>Balance at 1 July 2017</b>	<b>28,614,082</b>	<b>1,591,754</b>	<b>43,127</b>	<b>10,297,126</b>	<b>(15,363,781)</b>	<b>11,920,106</b>	<b>37,102,414</b>
Issue of shares	8,350	-	-	-	-	-	8,350
Issue of shares in subsidiary	-	-	-	-	-	124,315	124,315
Issue of options in subsidiary	-	-	-	-	-	429,395	429,395
Change in ownership of subsidiary	-	-	-	194,502	-	(194,502)	-
Loss for the period	-	-	-	-	(2,437,687)	(3,369,760)	(5,807,447)
Other comprehensive loss	-	-	(44,564)	-	-	(69,857)	(114,421)
<b>Balance at 31 December 2017</b>	<b>28,622,432</b>	<b>1,591,754</b>	<b>(1,437)</b>	<b>10,491,628</b>	<b>(17,801,468)</b>	<b>8,839,697</b>	<b>31,742,606</b>

The accompanying notes form part of these financial statements.



**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	<b>Consolidated Group</b>	
	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	597,873	299,400
Payments to suppliers and employees	(5,759,730)	(4,312,532)
Interest received	3,289	6,074
Net cash used in operating activities	<u>(5,158,568)</u>	<u>(4,007,058)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Exploration expenditure	(66,327)	(75,179)
Payments for development of intangibles	(664,088)	(428,302)
Payments for property, plant & equipment	(1,164,942)	(2,122,835)
Net cash used in investing activities	<u>(1,895,357)</u>	<u>(2,626,316)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares, net of issue costs	136,864	14,360,002
Repayment of borrowings	(221,740)	-
Net cash provided by financing activities	<u>(84,876)</u>	<u>14,360,002</u>
Net increase / (decrease) in cash held	(7,138,801)	7,726,628
Net increase / (decrease) due to foreign exchange movements	(189,557)	765,351
Cash at beginning of period	8,932,545	12,166,347
Cash at end of period	<u>1,604,187</u>	<u>20,658,326</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

**NOTE 1: BASIS OF PREPARATION**

The financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134: Interim Financial Reporting ensures compliance with IAS 34: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2017 and any public announcements made by Tasman Resources Ltd and its controlled entities during the half-year. The half-year report does not include full disclosures of the type normally included in an annual financial report.

*Going Concern*

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The Group has reported a net loss for the period of \$5,807,447 (2016: \$3,640,078) and a cash outflow from operating activities of \$5,158,568 (2016: \$4,007,058).

Subsequent to the end of the period 16,374,594 TASO options were exercised raising \$818,729 and 27,572,812 EDEO options were exercised raising \$827,184.36 (excluding EDEO options by Noble Energy Pty Ltd, a 100% subsidiary of Tasman) and Eden made a placement to institutional and sophisticated investors to raising A\$6.3 million (before the costs of the issue).

Based on the above events and the cash flow forecast for the next 12 months, the directors are confident that the going concern basis is appropriate.

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities the realisation of assets and extinguishment of liabilities in the ordinary course of business.

*Accounting Policies*

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2017 financial report except for the adoption of new and revised Accounting Standards. The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half-year.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 July 2017, and have not been applied in preparing these consolidated financial statements. The Group does not plan to adopt these standards early. The new standards include AASB 9 – Financial Instruments, AASB 15 – Revenue from contracts with customers and AASB 16 - Leases. Based on the current operations of the Group, management are of the view that these standards and amendments will not have a significant impact on the financials.

**NOTE 2: RELATED PARTY TRANSACTIONS**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>a. Key Management Personnel</b>		
Management fees and administration fees paid to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest.	252,000	258,000
Legal and professional fees paid to Solomon Brothers, a firm in which Mr GH Solomon and Mr DH Solomon are partners.	10,320	20,116
The Group reimbursed Mr R Marmaro for moving costs incurred in the amount of US\$41,161 and recorded an accrual for additional moving expenses in the amount of US\$31,609.	93,254	-
<b>b. Associated Companies</b>		
Reimbursement from Conico Ltd (in which Tasman has a 14% interest) for employee costs on an hourly basis, for Tasman staff utilised by Conico.	32,263	38,983

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

	<b>31 Dec 2017</b>	<b>30 June 2017</b>
	<b>\$</b>	<b>\$</b>
NOTE 3: ISSUED CAPITAL		
396,217,691 (30 June 2017: 396,050,684) fully paid ordinary shares	28,622,432	28,614,082
	<u>28,622,432</u>	<u>28,614,082</u>

<b>a. Ordinary shares</b>	<b>No.</b>	<b>No.</b>
At the beginning of reporting period	396,050,684	379,502,960
Shares issued – prior year	-	16,547,724
Shares issued - Options Exercised	167,007	-
At reporting date	<u>396,217,691</u>	<u>396,050,684</u>

**NOTE 4: EDEN INNOVATIONS LTD INVESTMENT MARKET VALUE**

Tasman Resources Ltd has an investment in ASX listed Eden Innovations Ltd (ASX: EDE & EDEO), through its subsidiary Noble Energy Pty Ltd, which is consolidated for accounting purposes. The below is a summary of the market value of that investment based on the last traded price of Eden Innovations Ltd shares and options as at 31 December 2017.

<b>Type of Security</b>	<b>Number Held</b>	<b>Last traded price</b>	<b>Market Value</b>
	<b>#</b>	<b>\$</b>	<b>\$</b>
Eden Innovations Ltd Shares (ASX: EDE)	493,198,298	0.115	56,717,804
Eden Innovations Ltd Options (ASX: EDEO)	101,356,779	0.08	8,108,542
			<u>64,826,346</u>

The net assets balance of the Eden Innovations Ltd group included in the consolidated balance sheet of Tasman Resources Ltd as at 31 December 2017 was \$14,478,838.

**NOTE 5: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Under a resale price commitment agreement between the Group and an employee currently in the process of being finalized, the Group has tentatively agreed to reimburse the employee for an amount yet to be determined (ranging from US\$200,000 to US\$400,000) in lost home value if the employee were to sell their home at a loss on or before June 30, 2027, subject to certain exceptions.

The Directors are not aware of any contingent assets or any other contingent liabilities as at 31 December 2017.

**NOTE 6: COMMITMENTS**

**Exploration commitments:**

In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the requirements specified by various State governments. It is anticipated that minimum expenditure commitments for the twelve months will be tenement rentals of approximately \$20,000 (2016: \$20,000) and exploration expenditure of approximately \$180,000 (2016: \$800,000).

**Other commitments:**

Under an employee salary guarantee, the Group must pay US\$22,500 during the period January 2018 through June 2018.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

**NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE**

Between 31 December 2017 and the date of this report, 16,374,594 Taso options were exercised and 16,374,594 ordinary fully paid shares in Tasman Resources Ltd were issued raising \$818,730.

Between 31 December 2017 and the date of this report, 55,072,812 EDEO options were exercised and 55,072,812 ordinary fully paid shares in Eden Innovations Ltd were issued raising \$1,652,184. This included 27,500,000 EDEO options exercised by Noble Energy Pty Ltd at a cost of \$825,000.

On 1 March 2018 Eden completed a placement to professional and sophisticated investors at \$0.11 raising \$6.3 million (before costs of the issue).

Other than as referred to above, no matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

**NOTE 8: SEGMENT INFORMATION**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance.

Activities of the Group are managed on a Group structure basis and operating segments are therefore determined on the same basis. In this regard the following list of reportable segments has been identified.

- Tasman Resources Ltd – Mineral exploration in South Australia
- Eden Innovations Ltd – EdenCrete® and OptiBlend® sales, service and manufacturing in India and the USA.

	Tasman Resources Ltd	Eden Innovations Ltd	Eliminations	Consolidated Entity
	\$	\$	\$	\$
<b>31 December 2017</b>				
Total external revenue	-	855,834	-	855,834
Inter-segment revenue	-	-	-	-
Total segment revenue	-	855,834	-	855,834
Segment profit / (loss) result	(283,644)	(5,696,544)	-	(5,980,188)
Unallocated expenses				-
Result from operating activities				(5,980,188)
Interest revenue				3,289
Finance costs				(12,871)
Income tax (expense)/benefit				182,323
Loss after income tax				(5,807,447)
Segment assets	24,115,629	16,929,833	(6,707,870)	34,337,592
Unallocated assets				-
Total assets				34,337,592
Segment liabilities	143,991	2,450,995	-	2,594,986
Unallocated liabilities				-
Total liabilities				2,594,986
Capital expenditure	66,327	1,829,030		1,895,357
Depreciation and amortisation	3,692	493,085		496,777

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

NOTE 8: SEGMENT INFORMATION CONTINUED

	Tasman Resources Ltd	Eden Innovations Ltd	Eliminations	Consolidated Entity
	\$	\$	\$	\$
<b>31 December 2016</b>				
Total external revenue	-	467,578	-	467,578
Inter-segment revenue	-	-	-	-
Total segment revenue	-	467,578	-	467,578
Segment profit / (loss) result	(318,615)	(3,327,488)	-	(3,646,103)
Unallocated expenses				-
Result from operating activities				(3,646,103)
Interest revenue				6,074
Finance costs				(49)
Income tax (expense)/benefit				-
Loss after income tax				(3,640,078)
Segment assets	24,935,332	29,077,224	(6,707,870)	47,304,686
Unallocated assets				-
Total assets				47,304,686
Segment liabilities	141,686	2,373,583	-	2,515,451
Unallocated liabilities				-
Total liabilities				2,515,451
Capital expenditure	75,179	3,953,517	-	4,028,696
Depreciation and amortisation	4,425	189,324	-	193,749

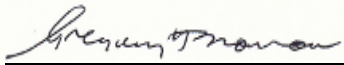
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 to 19:
  - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - b. give a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director

A handwritten signature in black ink, appearing to read "Gregory H Solomon", written over a light yellow rectangular background.

\_\_\_\_\_  
Gregory H Solomon

Dated this 9<sup>th</sup> day of March 2017



## Independent Auditor's Review Report to the members of Tasman Resources Limited

### Report on the Interim Financial Report

#### Conclusion

We have reviewed the accompanying interim financial report of Tasman Resources Limited and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2017, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the period ended on that date, other selected explanatory notes and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the period.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Tasman Resources Limited and its controlled entities is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

#### Directors' Responsibility for the Interim Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such controls as the directors determine are necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2017 and its performance for the period ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Tasman Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Tasman Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

**NPAS**

**Nexia Perth Audit Services Pty Ltd**

**Amar Nathwani**

**Amar Nathwani**  
Director

Perth  
9 March 2018