



Tasman Resources Ltd
ABN 85 009 253 187

and Controlled Entities

Interim Financial Report
for the
Half-Year Ended 31 December 2019

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HIGHLIGHTS

SOUTH AUSTRALIAN EXPLORATION PROJECTS

Pernatty

- Detailed electromagnetic (EM) surveys over priority gravity and magnetic target areas completed
- Geophysical interpretation completed
- Five EM targets identified
- Drill testing for copper sulphides proposed.

Vulcan and Vulcan West

- Farm in and joint venture agreement with Fortescue over Tasman's wholly owned EL6416 now unconditional
- Fortescue currently reviewing all previous exploration data and re logging drill holes with a view to developing a comprehensive tenement wide geological model to aid drill hole targeting
- Gravity survey commenced
- Hyperspectral analysis of three Vulcan core holes completed.

EDEN INNOVATIONS LTD (ASX Code: EDE)

- As at 31 December 2019 Tasman Resources Ltd (TAS) through its wholly owned subsidiary, Noble Energy Pty Ltd, held 624,634,707 fully paid shares in Eden Innovations Ltd ('Eden' or 'EDE') (representing 36.24% of the total issued shares of Eden) and 14,814,815 EDEOB options in Eden. Based on the closing prices on the ASX of EDE (\$0.039) and EDEOB (\$0.018) on 31 December 2019, this investment had a market value of \$24.6 million, which is equivalent to 5 cents for every currently issued TAS share.

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**

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SOLICITORS:

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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)

TASOC (31 August 2020 \$0.06 Options)

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

REVIEW OF OPERATIONS



Figure 1: Tasman Project Locations.

PERNATTY, SOUTH AUSTRALIA (TASMAN 100%)

The Pernatty Project is located approximately 20km SSE of the IOCG (Iron/Oxide-Copper-Gold) deposit at Carrapateena, within Exploration Licence 6137 (refer Figure 2). The area was initially targeted by Tasman for its potential to host IOCG deposits due to available geophysical data, the possibility of reasonable basement depths and its proximity to Carrapateena. Importantly, Tasman’s regional geological studies identified Pernatty as lying within an interpreted prospective “corridor” containing the most commercially favourable IOCG deposits at Olympic Dam, Wirrda and the three deposits in the Carrapateena area (see Figure 2). Recently, BHP has announced the potential discovery of a major new deposit at Oak Dam West, which is also located within this interpreted corridor. There has been no previous drilling within the tenement.

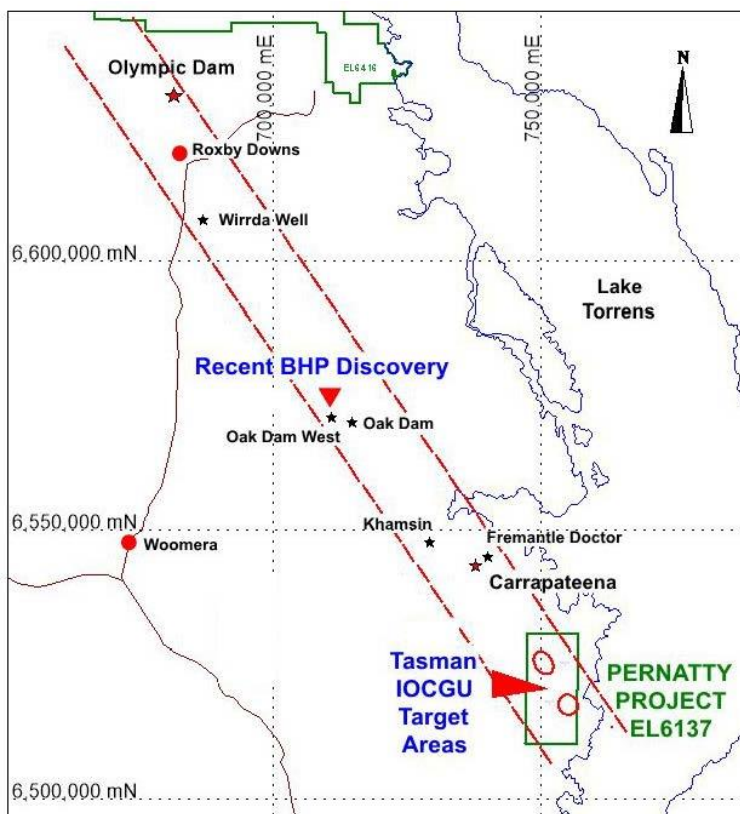


Figure 2: Pernatty Project Location Plan (grid GDA 94, Z53).

Electromagnetic (EM) Surveys

EM surveying over the two most prospective target areas for IOCG mineralisation was completed during the period. A total of 54.7 line kms were surveyed over the two target areas (refer Figures 2 & 3). The aim of the survey was to locate anomalous areas of electrical conductivity in the basement that could be due to IOCG associated copper sulphide mineralisation, as well as give information about depth to basement.

EM Survey Results

Geophysical modelling of the EM data in conjunction with the available gravity and magnetic data was carried out by Tasman's consultant geophysicist.

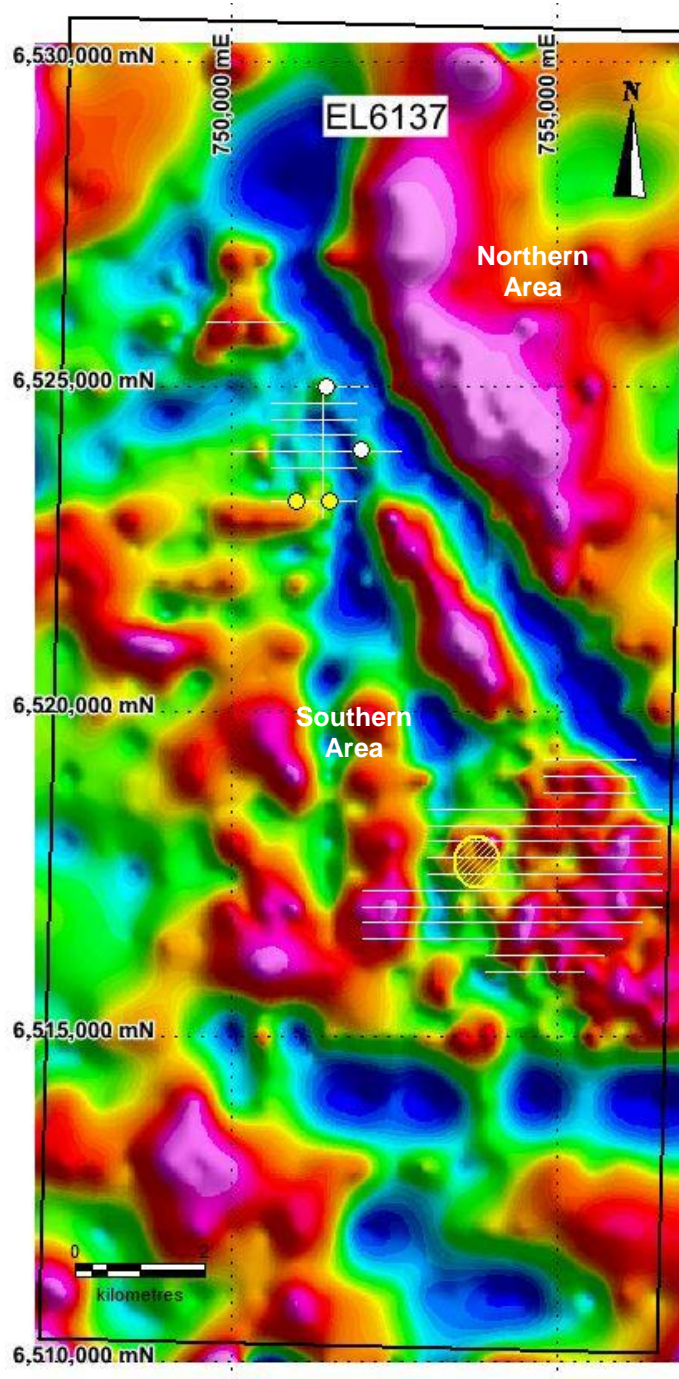


Figure 3: EL 6137. Residual gravity image showing EM survey lines (white) and location of modelled EM conductor in southern area (yellow hatch). Yellow circles in north area are approximate locations of modelled steeply dipping conductive plates. White circles are locations of small coincident gravity-magnetic-EM anomalies. Overall dimensions of EM anomalies in the north area is unknown. Grid GDA 94 Z53.

Southern Area

Geophysical modelling has highlighted an EM conductor in the southern area coincident with a gravity and magnetic anomaly (Figures 3 and 4) bounded by interpreted N and NE trending lineaments (Figure 4). Although all components of the coincident magnetic-gravity-conductivity anomaly are weak, the modelling suggests that elevated concentrations of sulphides may occur between about 250 and 500m depth.

Conductivity depth images (CDI's, Figure 5a) suggest that conductive rocks occur at around 300m and are separate from shallow highly conductive material, probably saline aquifers, in the cover. The EM conductor is shown as Plate 07 in the EM model (Figure 5b). Modelled dimensions are around 800m long and 700m wide, similar to that of the gravity anomaly. The gravity and magnetic components of the coincident anomaly are interpreted to represent felsic rocks with about 5% dense non-magnetic minerals such as hematite and sulphides with less than 0.1% magnetite. The data suggests that it is not likely to be an iron rich IOCG system however the intersecting deeply-weathered regional lineaments suggest a possible zone of dilation, giving it a potentially interesting address.

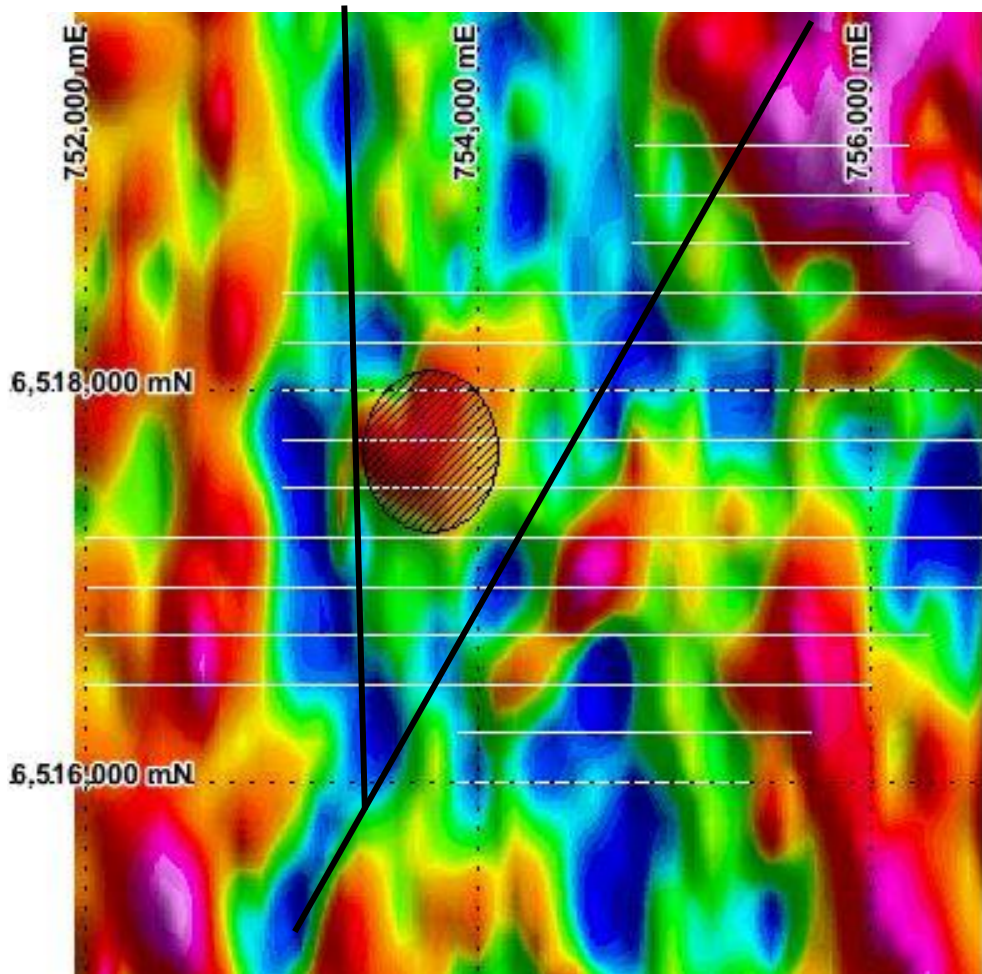


Figure 4: Southern Area. Modelled EM conductor (black hatch) and EM survey lines over residual magnetic image and interpreted lineaments (black lines).

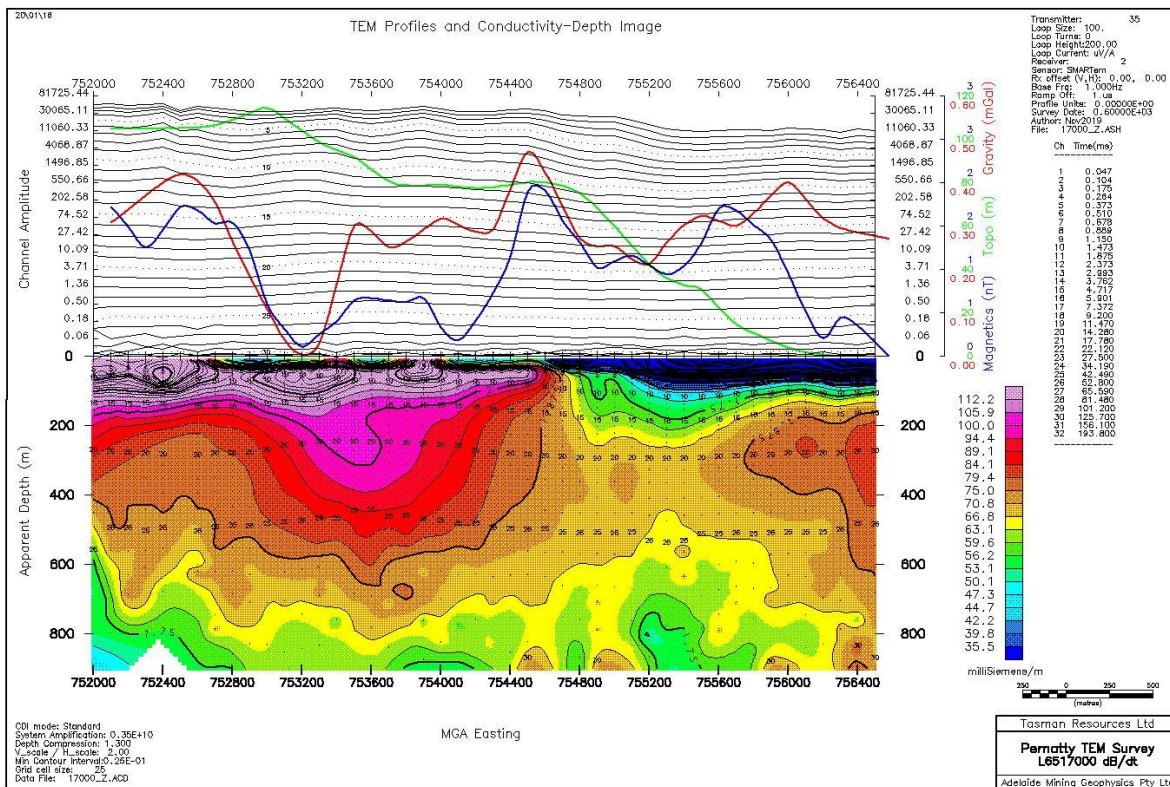


Figure 5a: Southern Area Line 6517000N. EM, residual gravity (red) and magnetic (blue) profiles and conductivity depth image.

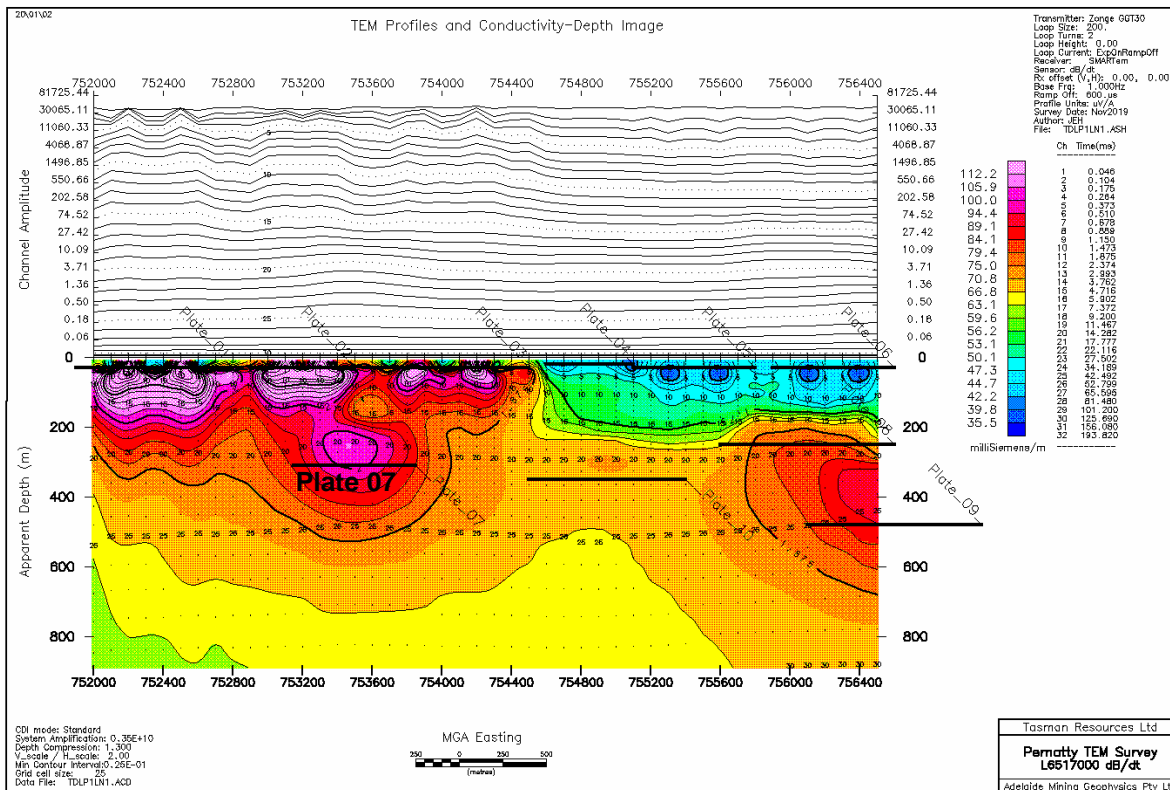


Figure 5b: Southern Area Line 6517000N. Response (profiles) and CDI generated from the response of a model comprising a half-space model (58 mS/m) with ten horizontal conductive plates.

Northern Area

Two steeply dipping conductive sheets (Figures 3, 6 a & b) have been interpreted on the southern most line in the northern area. Their high conductances suggest that they might represent sulphides in steeply dipping faults or fractures, presumably within the cover rocks, however graphite as a source of the conductivity cannot be ruled out. The top centre of Plate 1 in the model is at (751010E, 6523250N) at 53m depth and is very close to vertical. The top of Plate 2 in the model is at (751540E, 6523250N) and 103 metres depth. While these EM anomalies appear on either flank of a north-south gravity high there are no gravity data points within 200m of this southernmost EM line. The gravity high is inferred by interpolation.

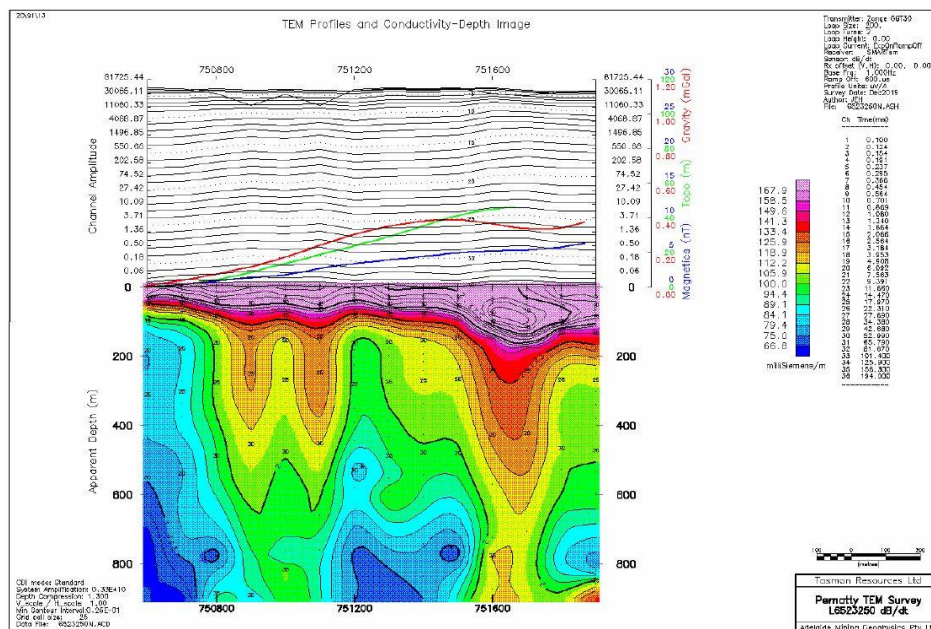


Figure 6a: Northern Area Line 6523250N. EM, magnetic (blue) and gravity (red) profiles and conductivity depth image.

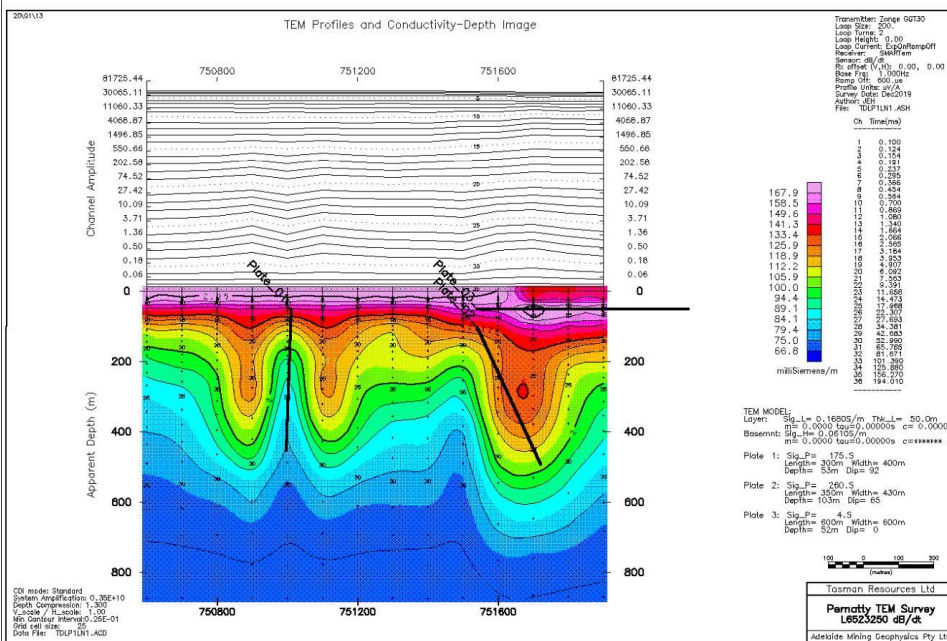


Figure 6b: Northern Area Line 6523250N. Plate-in-host model simulation for data in Figure 6a showing steeply dipping modelled conductive plates 01 and 02.

Two small coincident magnetic-gravity-EM highs have also been identified in the northern area at approximately 370 and 400m depth:

Body 1

Just enough of this feature is seen at the north end of north-south EM line 751400E to permit construction of a plate-in-host EM model whose profiles and CDI response, shown in Figure 7a & b, suggest that the maximum conductivity occurs at about 370m depth (Plate 01). This is associated with weak but coincident magnetic (2 nT) and gravity (0.2 mGal) highs. Modelling suggests less than 0.1% magnetite and 15% of a dense non-magnetic component such as hematite and sulphides. Due to the associated electrical conductivity the 15 percent estimate for the hematite and sulphide component may represent more sulphides than hematite.

Body 2

A residual gravity high at (752000E, 6524000N) coincides with a residual magnetic high, and both anomalies occur barely 150m west of a conductivity anomaly seen in the eastern end of the CDI for line 6524000N (Figure 8). The residual magnetic and gravity high can be simulated using a body with the properties of felsic rock with 5.5% percent hematite and sulphides and less than 1% magnetite.

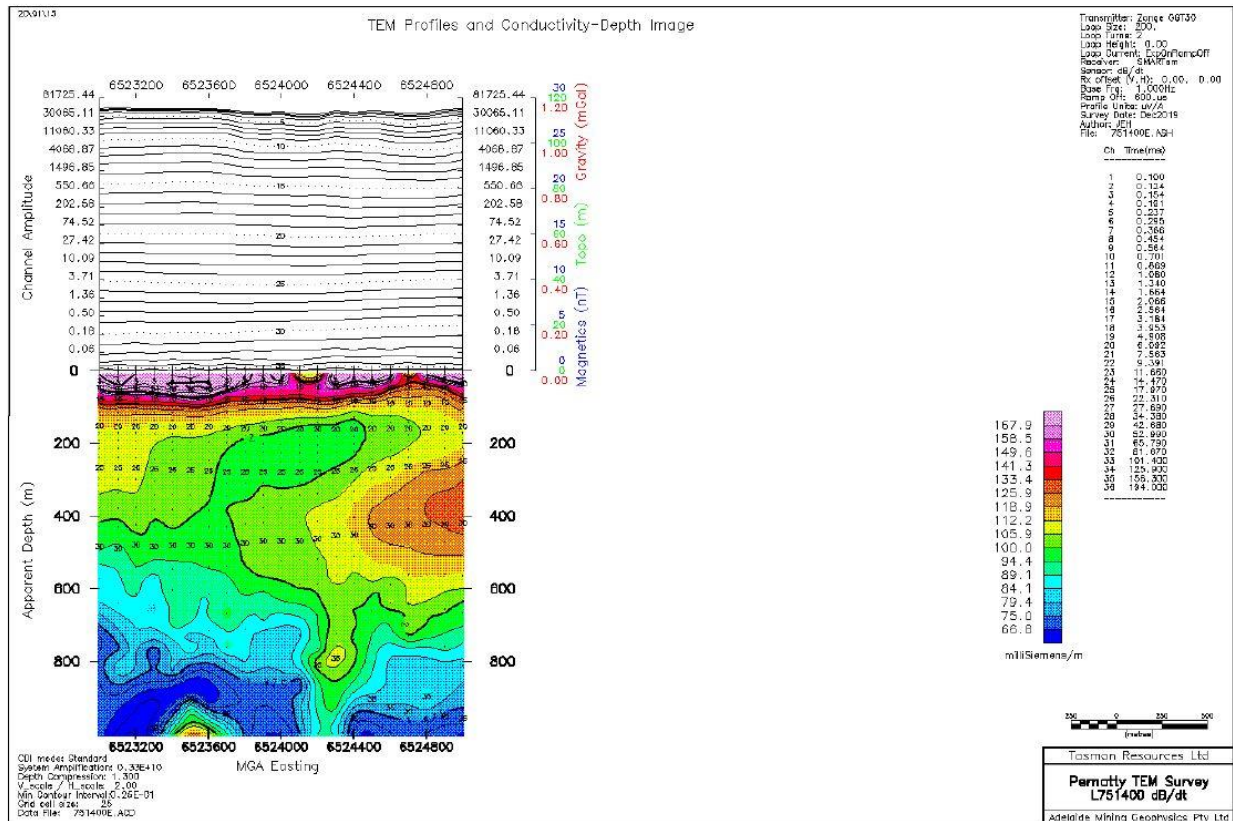


Figure 7a: Northern Area Line 751400E. EM profiles and conductivity depth image.

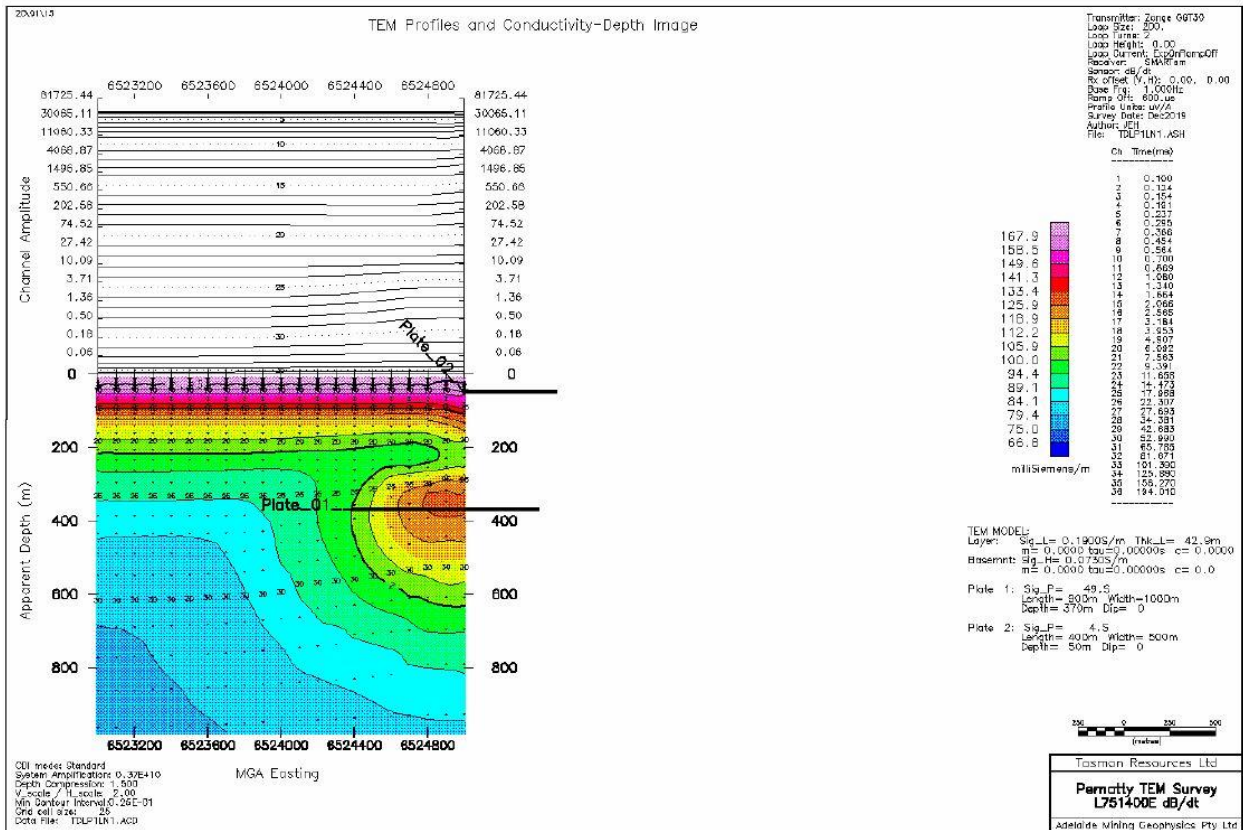


Figure 7b: Northern Area Line 751400E. Plate-in-host model simulation for the north-south CDI in Figure 6a. Maximum conductivity is interpreted to be near 370m depth.

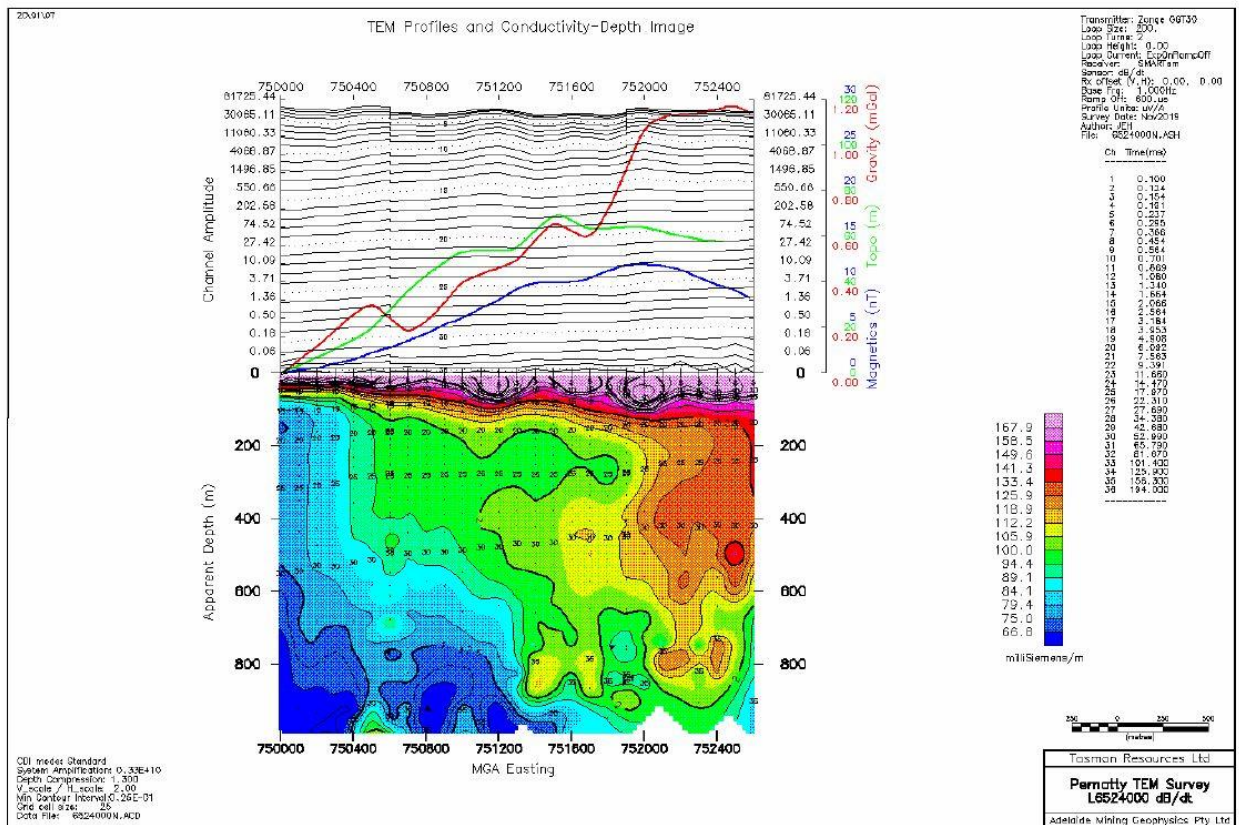


Figure 8: Northern Area Line 6524000N. EM, magnetics (blue) and gravity (red) profiles and conductivity depth image.

Follow Up Work

A number of drill holes are proposed to test the coincident gravity-magnetic-EM anomalies in both areas and the steeply dipping conductors in the northern area for any economic sulphide accumulations at depth. Although none of the conductors identified can be readily attributed to classic IOCG mineralization due to their relatively low gravity modelled iron contents they still have the potential to host economic copper sulphide mineralization in the cover rocks and/or basement. The applicable mineralisation models for the Pernatty anomalies are however uncertain at this stage.

The eastern Gawler Craton is a significant copper province and economic copper mineralization occurs in cover rocks at Mt Gunson, 40km to the west and in the basement at the Carrapateena IOCG deposit 20km to the northwest. As there has been no drilling in the area the local depth to basement is unknown, and the conductivity contrast between the cover rocks and basement is insufficient to determine a clear interface in the CDIs.

LAKE TORRENS PROJECT, SOUTH AUSTRALIA

Vulcan, Vulcan West and Titan Projects – EL 6416 (Tasman 100%, Fortescue earning 51%).

EL 6416 hosts the Vulcan, Vulcan West and Titan iron oxide-copper-gold (“IOCG”) prospects, approximately 30km north of BHP’s Olympic Dam mine in South Australia (refer Figure 9).

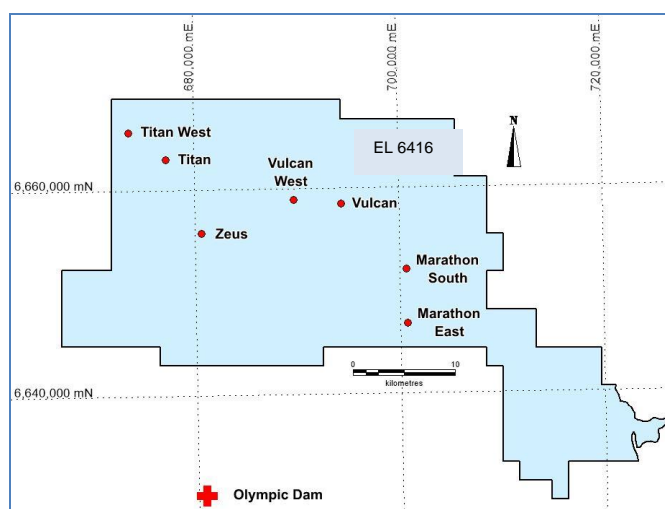


Figure 9: EL6416 showing Tasman’s IOCG prospects and its location relative to Olympic Dam.

Fortescue Agreement

Tasman Resources Ltd (“Tasman”) and FMG Resources Pty Ltd, a subsidiary of Fortescue Metals Group Limited (ASX:FMG “Fortescue”) executed a conditional, formal Farm-in and Joint Venture Agreement (“Agreement”) over Tasman’s wholly owned Exploration Licence 6416 (previously EL5499) in June 2019 (Refer to TAS:ASX Announcement dated 14 June 2019). South Australian ministerial approval was received in late August 2019 and as a result, the Agreement is now unconditional.

Work Carried Out by Fortescue

Historical Exploration Data Review

Fortescue commenced a detailed review of historic exploration activities covering EL 6416 (previously EL 5499) including an evaluation of drilling, geochemical, and geophysical data. Collation of data, including digitisation of non-digital data is ongoing. Fortescue re-logged tendrill holes from the Titan Prospect (TI009, TI010, TI011, TI012, TI013, TI014). Drill core from the Vulcan Prospect is in the process of being transported to Fortescue’s Adelaide facilities for re-logging. Preparation of drill core from the Vulcan prospect for re-logging and HyLogger scanning is nearing completion.

Geophysical Data Review

During the period, efforts were concentrated on compiling and cataloguing all geophysical data provided by Tasman as well as any additional data from open file envelopes. The primary focus at present is to QAQC all available ground gravity data which will aid in the planning of follow up ground gravity survey work. Additional work has concentrated on cataloguing the distribution of magnetic susceptibility and specific gravity data from existing drill core.

Geophysics

Detailed magnetic susceptibility, specific gravity and conductivity data was collected from the re-logged Titan core and is being compiled into a database to aid in the development of constrained geophysical inversion models.

A detailed ground gravity survey commenced on 1st December 2019. The survey is expected to include approximately 19,000 gravity stations, comprising full tenement gravity coverage of 400m x 400m, 200m x 200m spacing over areas of interest, through to high resolution 100m x 100m spacing over selected areas.

Drill Sample Assays

Fortescue has commenced planning of a geochemical vectoring program aimed at developing a methodology for quantifying the relative abundances and distribution of magnetite and hematite throughout the Vulcan IOCG mineral system. A representative suite of drill core samples sourced from previously crushed material will be submitted for analysis in Q1 2020 comprising FTIR, SatMagan, DTR, XRF and QXRD methods. This dataset will then be incorporated into a machine learning environment to validate the use of FTIR and/or SatMagan techniques as rapid and cost effective vectoring methods moving forward. The samples will also be scanned using the HyLogger and analysed for fluorine, which is a useful pathfinder element for IOCG systems.

Spectral Analysis

During the period, the Geological Survey of South Australia completed HyLogger spectral scanning of Tasman drill holes VUD001, VUD009 and VUD015. These holes were selected to provide a cross-section of the northern limb of the Vulcan prospect. The spectral analysis will provide additional detail on the range of alteration and mineralization as well as high resolution imagery. The results and report from these scans are expected in Q1 2020.

INVESTMENT IN EDEN INNOVATIONS LTD (ASX Code: EDE)

As at 31 December 2019 Tasman through its wholly owned subsidiary, Noble Energy Pty Ltd, held 624,634,707 fully paid shares in Eden (representing 36.24% of the total issued shares of Eden) and 14,814,815 EDEOB options in Eden. Based on the closing prices on the ASX for EDE (\$0.039) and EDEO (\$0.018) on 31 December 2019, this investment had a market value of \$24.6 million, which is equivalent to 5 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 as a long term investment. Please refer to Eden Innovations Ltd (ASX Code: EDE) Quarterly Report published on 29 January 2020 for further details.

INVESTMENT IN CONICO LTD (ASX CODE: CNJ)

Tasman has a 13.2% interest in potential nickel-cobalt producer Conico Ltd.

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 (2012) compliant Indicated Resource of 22.8 million tonnes at 0.12% Co and 0.53% Ni and a JORC (2012) compliant Inferred Resource of 4.0 million tonnes at 0.10% Co and 0.49% Ni and (refer ASX Announcement 9 September 2019: "Mt Thirsty Mineral Resource Upgrade", available to view on www.conico.com.au). Please refer to Conico Ltd (ASX: CNJ) Quarterly Report published on 28 January 2020 for further details.

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 Michael J. Glasson, Competent Person who is a member of the Australian Institute of Geoscientists.

Mr Glasson is an employee of the company. Mr Glasson is a share and option holder. Mr Glasson has 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 Glasson consents 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 2019.

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 \$4,426,787 (2018: \$4,491,878).

A review of the operations of the Group during the half-year ended 31 December 2019 is set out in the Review of Operations on page 5.

Subsequent Events

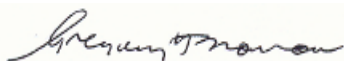
Events after the reporting period are set out in Note 7 on page 22.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 15 for the half-year ended 31 December 2019.

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

Chairman



Gregory H Solomon

Dated this 11th day of March 2020

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 2019, 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.

**Nexia Perth Audit Services Pty Ltd**

M. Janse Van Nieuwenhuizen
Director

Perth
11 March 2020

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Note	Consolidated Group	
		31 Dec 2019	31 Dec 2018
		\$	\$
Revenue		1,188,566	1,471,193
Other Income		15,636	62,596
Changes in inventories		(44,498)	63,327
Consultants		(391,034)	(332,233)
Depreciation and amortisation expense		(628,250)	(526,819)
Employee benefits expense		(2,724,582)	(3,004,835)
Other financial items		(14,637)	(47,174)
Foreign exchange gain/(loss)		35,701	24,918
Management fees		(252,000)	(252,000)
Other expenses		(1,056,442)	(1,322,169)
Raw materials and consumables used		(252,063)	(328,544)
Research expenditure		(45,708)	(8,464)
Share of loss of associate		(20,911)	-
Travel and accommodation		(236,565)	(291,674)
Loss before income tax		(4,426,787)	(4,491,878)
Income tax benefit		-	-
Loss for the period		(4,426,787)	(4,491,878)
Other Comprehensive (Loss) / Income, net of income tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchanges differences on translating foreign operations		(6,516)	555,172
Other comprehensive (loss) / income, net of income tax		(6,516)	555,172
Total Comprehensive Income / (Loss)		(4,433,303)	(3,936,706)
Loss attributable to:			
Owners of the parent		(1,846,937)	(1,977,205)
Non-controlling interests		(2,579,850)	(2,514,673)
		(4,426,787)	(4,491,878)
Total comprehensive loss attributable to:			
Owners of the parent		(1,849,345)	(1,758,574)
Non-controlling interests		(2,583,958)	(2,178,132)
		(4,433,303)	(3,936,706)
Basic/diluted loss per share (cents per share)		(0.3499)	(0.4143)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Note	Consolidated Group	
		31 Dec 2019	30 Jun 2019
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		1,100,944	4,212,722
Inventories		689,155	735,290
Other assets		224,887	58,307
Trade and other receivables		435,774	329,725
TOTAL CURRENT ASSETS		2,450,760	5,336,044
NON-CURRENT ASSETS			
Exploration and evaluation expenditure		14,571,065	14,327,223
Intangible asset		7,562,242	6,524,192
Investment		111,284	92,195
Property, plant and equipment		12,194,162	12,501,964
TOTAL NON-CURRENT ASSETS		34,438,753	33,445,574
TOTAL ASSETS		36,889,513	38,781,618
CURRENT LIABILITIES			
Trade and other payables		821,949	1,146,450
Interest bearing liabilities		315,355	247,422
Provisions		154,141	192,629
TOTAL CURRENT LIABILITIES		1,291,445	1,586,501
NON-CURRENT LIABILITIES			
Interest bearing liabilities		521,064	772,355
Other liabilities		22,553	28,757
Provisions		-	5,433
TOTAL NON-CURRENT LIABILITIES		543,617	806,545
TOTAL LIABILITIES		1,835,062	2,393,046
NET ASSETS		35,054,451	36,388,572
EQUITY			
Issued capital	2	35,115,944	35,112,532
Reserves		16,106,306	15,564,198
Accumulated losses		(28,952,607)	(27,105,670)
Parent interest		22,269,643	23,571,060
Non-controlling interest		12,784,808	12,817,512
TOTAL EQUITY		35,054,451	36,388,572

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	Attributable to owners of the Company						Total
	Ordinary Shares	Option Reserve	Foreign Currency Trans- lation Reserve	Other Equity	Accumulated Losses	Non- controlling Interests	
	\$	\$	\$	\$	\$	\$	
Balance at 1 July 2018	31,472,719	1,591,754	204,697	12,530,983	(22,849,193)	11,074,307	34,025,267
Issue of shares	2,029,312	-	-	-	-	-	2,029,312
Issue of shares in subsidiary	-	-	-	-	-	1,936,566	1,936,566
Issue of options in subsidiary	-	-	-	-	-	212,375	212,375
Change in ownership of subsidiary	-	-	-	(245,331)	-	245,331	-
Loss for the period	-	-	-	-	(1,977,205)	(2,514,673)	(4,491,878)
Other comprehensive loss	-	-	218,631	-	-	336,541	555,172
Balance at 31 December 2018	33,502,031	1,591,754	423,328	12,285,652	(24,826,398)	11,290,447	34,266,814
Balance at 1 July 2019	35,112,532	1,591,754	442,314	13,530,130	(27,105,670)	12,817,512	36,388,572
Issue of shares	3,412	-	-	-	-	-	3,412
Issue of shares in subsidiary	-	-	-	-	-	2,852,076	2,852,076
Issue of options in subsidiary	-	-	-	-	-	243,694	243,694
Change in ownership of subsidiary	-	-	-	544,516	-	(544,516)	-
Loss for the period	-	-	-	-	(1,846,937)	(2,579,850)	(4,426,787)
Other comprehensive loss	-	-	(2,408)	-	-	(4,108)	(6,516)
Balance at 31 December 2019	35,115,944	1,591,754	439,906	14,074,646	(28,952,607)	12,784,808	35,054,451

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Consolidated Group	
	31 Dec 2019	31 Dec 2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,080,802	1,546,225
Payments to suppliers and employees	(5,190,715)	(5,085,630)
Interest paid	(24,026)	(27,011)
Interest received	4,035	4,667
Net cash used in operating activities	<u>(4,129,904)</u>	<u>(3,561,749)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(243,842)	(88,527)
Payments for development of intangible assets	(1,278,778)	(969,485)
Payments for investments in associates	(40,000)	(155,536)
Payments for property, plant & equipment	(77,132)	(1,837,351)
Net cash used in investing activities	<u>(1,639,752)</u>	<u>(3,050,899)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares, net of issue costs	2,831,885	3,955,386
Proceeds from borrowings	110,874	-
Repayment of borrowings	(301,361)	(301,752)
Net cash provided by financing activities	<u>2,641,398</u>	<u>3,653,634</u>
Net increase / (decrease) in cash held	(3,128,258)	(2,959,014)
Cash at beginning of period	4,217,722	5,659,750
Foreign currency exchange rate changes on cash and cash equivalents	11,480	55,541
Cash at end of period	<u><u>1,100,944</u></u>	<u><u>2,756,277</u></u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

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 2019 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 the continuity of normal business activities and 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 \$4,426,787 (2018: \$4,491,878) and a cash outflow from operating activities of \$4,129,904 (2018: \$3,561,749).

Based on the Group's cash flow forecast it is likely that the Group will need to access additional working capital in the next 12 months to advance its exploration projects and to ensure the realisation of assets on an orderly basis and the extinguishment of liabilities as and when they fall due.

The directors are confident that the Group will be successful in raising additional funds through the issue of new equity, or alternative methods, should the need arise. The directors are also aware that the Group has the option, if necessary, to defer expenditure and reduce administration costs in order to minimise additional funding requirements.

Based on these facts, the directors consider the going concern basis of preparation to be appropriate for this financial report. Should the Company be unsuccessful in securing additional funding, there is a material uncertainty which may cast significant doubt whether the entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

Accounting Policies

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2019 financial report except for the adoption of new and revised Accounting Standards.

New and amended standards adopted by the Group

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, including AASB 16. The new and revised Standards and amendments thereof and Interpretations do not have any material impact on the disclosures or on the amounts recognised in the Group's condensed consolidated financial statements.

AASB 16 Leases – The Group has adopted the practical expedients, in relation to short-term leases and leases of low –value assets for property and equipment. Payments are recognised on a straight-line basis as an expense in profit or loss.

	31 Dec 2019	30 June 2019
	\$	\$
NOTE 2: ISSUED CAPITAL		
527,864,046 (30 June 2019: 527,807,170) fully paid ordinary shares	35,115,944	35,112,532
	<u>35,115,944</u>	<u>35,112,532</u>
a. Ordinary shares	No.	No.
At the beginning of reporting period	527,807,170	453,223,420
Shares issued during the period	56,876	74,583,750
At reporting date	<u>527,864,046</u>	<u>527,807,170</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 3: 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.

	Consolidated Group	
	31 Dec 2019	31 Dec 2018
	\$	\$
a. Key Management Personnel		
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	252,000
Legal and professional fees paid to Solomon Brothers, a firm in which Mr GH Solomon and Mr DH Solomon are partners.	12,227	32,393
b. Associated Companies		
Reimbursement from Conico Ltd (in which Tasman has a 13.3% interest) for employee costs on an hourly basis, for Tasman staff utilised by Conico.	6,189	27,773

NOTE 4: EDEN INNOVATIONS LTD INVESTMENT MARKET VALUE

Tasman Resources Ltd has an investment in ASX listed Eden Innovations Ltd (ASX: EDE), 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's shares as at 31 December 2019.

Type of Security	Number Held	Last traded price	Market Value
	#	\$	\$
Eden Innovations Ltd Shares (ASX: EDE)	624,634,707	0.039	24,360,754
Eden Innovations Ltd Options (ASX: EDEOB)	14,814,815	0.018	266,667

The net assets balance of the Eden Innovations Ltd group included in the consolidated balance sheet of Tasman Resources Ltd as at 31 December 2019 was \$20,051,456.

NOTE 5: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are not aware of any contingent assets or contingent liabilities as at 31 December 2019.

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 next 12 months will be approximately \$20,000 of tenement rentals (2018: tenement rentals of \$20,000 and exploration expenditure of \$1,960,000). In October 2019, the Company entered into a commitment to spend a minimum of \$4 million on exploration expenditure over the following 3 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

On 24 January 2020 Eden Innovations Ltd announced that, to fund ongoing working capital, Eden secured US\$1.85 million in debt financing by way of a 2-year, interest only loan from a publicly listed US real estate financing institution, which is secured against Eden's two freehold properties in Colorado, U.S. (owned by Eden's 100% owned U.S. subsidiary Eden Innovations LLC).

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 and allocating resources.

Activities of the Group are managed on a Group structure basis by the chief decisions makers and operating segments are 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
	\$	\$	\$	\$
31 December 2019				
Total external revenue	-	1,188,566	-	1,188,566
Inter-segment revenue	-	-	-	-
Total segment revenue	-	1,188,566	-	1,188,566
Segment profit / (loss) result	(334,255)	(4,077,895)	-	(4,412,150)
Unallocated expenses				-
Result from operating activities				(4,412,150)
Interest income				4,382
Finance costs				(19,019)
Income tax (expense)/benefit				-
Loss after income tax				(4,426,787)
Segment assets	26,497,209	21,754,939	(11,362,635)	36,889,513
Unallocated assets				-
Total assets				36,889,513
Segment liabilities	131,579	1,703,483	-	1,835,062
Unallocated liabilities				-
Total liabilities				1,835,062
Capital expenditure	243,842	1,134,582	-	1,378,424
Depreciation and amortisation	3,037	625,213	-	628,250
Share-based payments expense	-	243,694	-	243,694

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 8: SEGMENT INFORMATION CONTINUED

	Tasman Resources Ltd	Eden Innovations Ltd	Eliminations	Consolidated Entity
	\$	\$	\$	\$
31 December 2018				
Total external revenue	-	1,471,193	-	1,471,193
Inter-segment revenue	-	-	-	-
Total segment revenue	-	1,471,193	-	1,471,193
Segment profit / (loss) result	(346,427)	(4,125,200)	-	(4,471,627)
Unallocated expenses				-
Result from operating activities				(4,471,627)
Interest income				4,667
Finance costs				(24,918)
Income tax (expense)/benefit				-
Loss after income tax				(4,491,878)
Segment assets	25,620,512	20,902,079	(9,748,574)	36,774,017
Unallocated assets				-
Total assets				36,774,017
Segment liabilities	138,206	2,368,997	-	2,507,203
Unallocated liabilities				-
Total liabilities				2,507,203
Capital expenditure	92,027	2,803,336	-	2,895,363
Depreciation and amortisation	6,378	520,441	-	526,819
Share-based payments expense	-	212,376	-	212,376

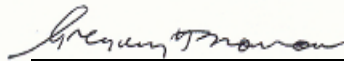
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 16 to 23:
 - 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 Group's financial position as at 31 December 2019 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.

Chairman

A handwritten signature in black ink, appearing to read 'Gregory H Solomon', written over a horizontal line.

Gregory H Solomon

Dated this 11th day of March 2020

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 2019, 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 2019 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*.

Emphasis of Matter - Material Uncertainty Related to Going Concern

Without modifying our review conclusion, we draw attention to Note 1 of the interim financial report, which indicates that the Group will require further funding in the next twelve months from the date of this report to fund its planned operating costs. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

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 2019 and its performance for the period ended on that date; and complying with Australian 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 Review Report



Nexia Perth Audit Services Pty Ltd



M. Janse Van Nieuwenhuizen

Director

Perth

11 March 2020