



ANNUAL REPORT

for the Year Ended 20 June 2009

Tasman Resources Ltd
& Controlled Entities
ABN: 85 009 253 187



Tasman
RESOURCES LTD

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HIGHLIGHTS FOR THE YEAR TO 30 JUNE 2009

- ❖ In the Lake Torrens Project, the joint venture agreement with WCP Resources was terminated, and Tasman has resumed 100% ownership and management of the project, with WCP paying Tasman \$175,000 in compensation for expenditure shortfall. Tasman is now preparing for the drilling of an exciting iron-oxide copper gold uranium target at Vulcan prospect, 30km north of Olympic Dam.
- ❖ At Parkinson Dam, follow up drilling of the high grade gold-silver intersection reported previously (PD 63: 21m down hole assaying 21g/t Au and 83g/t Ag, including 9m at 31g/t Au and 152g/t Ag) continued. A westerly extension to the structure hosting the high grade mineralisation was confirmed with drilling, but no significant or high grade assay results were returned. A lead-zinc target was identified for diamond drilling.
- ❖ Joint Venture partner Flinders Mining has conducted follow up drilling of helimag targets for diamonds within certain of Tasman's central Gawler Craton tenements.
- ❖ Areas considered prospective for palaeochannel-hosted uranium mineralisation were applied for in an area east and south-east of Streaky Bay in South Australia.
- ❖ Tasman has a 30.6% interest (fully diluted) in Fission Energy Ltd, which, under an agreement, can explore for uranium within most of Tasman's South Australian tenements. Fission has discovered new palaeochannel-hosted uranium mineralisation at Wynbring on the Gawler Craton and owns 50% of the Mt Thirsty nickel-cobalt-manganese deposit in Western Australia. Nickel sulphide potential was identified at Mt Thirsty during the year, and is currently being pursued with EM geophysical surveys and drilling.
- ❖ Tasman has a 19.4% interest in alternative energy company Eden Energy Limited, which is involved in production, development and marketing of hydrogen-based fuels, and interests in coal seam gas, conventional hydrocarbons and geothermal energy.

CORPORATE DIRECTORY

DIRECTORS:

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

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

Guy T Le Page **B.A., B.Sc. (Hons), M.B.A., F.FIN., MAusIMM** (Non-Executive)

COMPANY SECRETARY:

Aaron P Gates **BCom CA**

REGISTERED OFFICE:

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Perth

Western Australia 6000

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SOLICITORS:

Solomon Brothers

Level 40, Exchange Plaza

2 The Esplanade

Perth WA 6000

Minter Ellison

1 King William Street

Adelaide SA 5000

AUDITORS:

Grant Thornton (WA) Partnership

Chartered Accountants

Level 1

10 Kings Park Road

West Perth WA 6005

SHARE REGISTRY:

Advance Share Registry Services

110 Stirling Highway

Nedlands WA 6009

STOCK EXCHANGE LISTING:

ASX Code: TAS (ordinary shares)

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

REVIEW OF OPERATIONS

The Company has exploration licences and applications located in South Australia and Queensland, covering a range of commodities – gold, silver, copper, zinc, lead, and nickel/cobalt, for which the company's tenements are considered prospective. Potential for oil shale has been identified.

The uranium potential of Tasman's tenements is being investigated by Fission Energy Ltd, which was spun out of Tasman in 2007. Tasman has a 28.96% fully diluted interest in Fission.

Tasman Resources Ltd holds a 100% interest in the following exploration projects:

- The "Lake Torrens IOCGU - Base Metal Project" comprising Exploration Licences 4206 and 4300, and EL Applications 2008/434, 2008/436 and 2009/053.
- The "Parkinson Dam Epithermal Gold-Silver Project" (ELs 3307, 3453, 3739 and 4168).
- The "Central Gawler Gold - Nickel Project" (ELs 3306, 3341, 3342, 3343, 3344, 3345, 3423, 3532 and 3712).
- The Streaky Bay Uranium Project (EL Applications 2009/140 and 2009/185)
- The "Mirrica Gold - Base Metal Project" (EPMs 15642, 15645 and EPM Application 18226 in Queensland.
- The Julia Creek Oil Shale Project in Queensland (EPM Applications 18066, 18067, 18259, 18260, 18261 and 18263)

EXPLORATION RESULTS

During the year, the Company spent \$0.45 million on various exploration activities. Details of the results of the exploration are outlined below.

Lake Torrens Iron-oxide, Copper-Gold Uranium (IOCGU) Project (100% Tasman)

The Company's Lake Torrens Project, is located immediately to the west, north and northeast of BHP Billiton Limited's Olympic Dam Deposit, and within the IOCGU Potential Rank 1 and 2 areas defined by Geoscience Australia. Rank 1 is seen as having the highest potential for IOCGU mineralisation on the Gawler Craton. It includes Olympic Dam, Prominent Hill and the Carapateena discovery.

A number of prospective targets have been identified within the Lake Torrens Project, including a large IOCGU-style system at Titan prospect. Other targets have been identified based on their geophysical signatures and include Vulcan, Todds Dam, Billy Barnes, Parakylia, Zeus and Atlas.

Geological and geophysical investigation conducted during the year highlighted that Vulcan, located 30km north of Olympic Dam is an extremely exciting IOCGU target. Vulcan was first identified by WMC shortly after the discovery of Olympic Dam in the 1970's, and WMC drilled a single exploration hole in 1981. New detailed gravity, magnetic and seismic data show that Vulcan is a much more interesting anomaly than previously believed, and that the earlier WMC hole (which did not hit mineralisation) was drilled off the main anomaly.

Two proposed drill sites, approximately 3.8km apart have been identified at Vulcan, but to date, only one of these sites has received aboriginal heritage clearance. Tasman will endeavour to secure approval to drill the second site over the next few months, but if this is not obtained, Tasman intends to test the alternative site.

WCP Joint Venture

Tasman's joint venture with WCP Resources Ltd was terminated on 15th May 2009 following a dispute relating to the farm-in. The dispute was settled on the following basis:

- The Farmin/Joint venture agreement was terminated,
- WCP acknowledged that it had not earned any interest in the tenements, and that Tasman retains 100% ownership of all the tenements and
- WCP agreed to pay to Tasman \$175,000 compensation for the exploration expenditure shortfall.

This result means that ownership and exploration management of the project has reverted fully to Tasman.

Parkinson Dam Gold-Silver (-Lead-Zinc) Project (100% Tasman)

Tasman's 100% owned Parkinson Dam Project is located approximately 60km west of Port Augusta in South Australia. Tasman commenced exploration at Parkinson Dam in mid-2005, discovering previously unknown epithermal gold-silver mineralisation in outcrop. Subsequent SA Government supported drilling (PACE) by Tasman intersected gold and silver mineralisation up to 3.4g/t Au and 80g/t Ag over 3m down hole in RC percussion drilling. Significant, associated epithermal lead and zinc mineralisation was also intersected over wide intervals (e.g. 96m down hole at 0.2% Pb down hole and 27m at 0.4% Zn).

In 2008, Tasman completed the first phase of follow up drilling, testing the high-grade gold and silver mineralisation intersected in vertical hole PD 63 (21m at 21g/t Au and 83g/t Ag, including 9m down hole at 31g/t

Au and 152g/t Ag). This drilling confirmed the continuity and orientation of the main structure targeted, obtaining narrow intersections of epithermal mineralisation equivalent to the high-grade veins in PD 63. Gold and silver assays were generally low to moderate grade over narrow widths (e.g. 1.7g/t Au and 3.2g/t Ag over 1m down hole in PD 71). Thick, low-grade base metal (lead-zinc) mineralisation similar to that reported previously was also intersected (e.g. PD 71 returned an intersection of 55m down hole at 0.6% Zn and 0.4% Pb, including 8m at 1.3% Zn and 1.1% Pb).

Subsequently, it was recognised that this high grade structure may extend for a much greater distance outside the relatively small area already tested around PD 63, and an area of potential was identified stretching for at least 1.6 km to the west northwest. In addition, a large zone of highly anomalous epithermal quartz veining, up to about 3m wide outcrops on a hilltop along this trend, about 1.4 km west northwest of PD 63, and may be the surface expression of this mineralised structure. Drill testing of this possible west northwest extension with shallow RC percussion drilling was conducted in August 2009, and although the structure continues for some distance outside the area previously drilled, assay results were disappointing.

Most of Tasman's drilling completed elsewhere in the project to date has probably not effectively tested for steep, potentially high-grade structures such as that intersected in PD 63, being focussed on testing around outcropping veins over a relatively wide area, and evaluating the shallowly dipping veins identified prior to hole PD 63. Further consideration is being given to testing for other, previously unrecognised steep possibly high grade structures over the 2.5 km² area known to be mineralised from surface outcrops of altered, veined and mineralised epithermal quartz veins. It is also planned to follow up encouraging zones of thick lead-zinc mineralisation hit in previous drilling with at least one deep diamond drill hole.

Mirrica Gold and Base Metal Project (100% Tasman)

The Company's 100% owned Mirrica Project is located on the eastern edge of the Simpson Desert approximately 350km south-southwest of Mt Isa in Queensland. The principal exploration target is Mesoproterozoic gold and/or base metal mineralisation under relatively thin cover rocks of the Eromanga Basin and Simpson Desert sands. The prospectivity of the region for uranium and diamonds is also open to further investigation.

A 4,268m shallow RAB drilling programme was completed successfully during the year. No strong gold or base metal anomalism was located in the area tested, and previous gold and base metal soil anomalism remains unexplained.

Tasman is currently reviewing the scope for further work on the project, and notes the discovery of highly anomalous gold, copper and bismuth results from surface rock chip sampling and outcropping copper mineralization on tenements to the north by Krucible Metals Ltd. The anomalism occurs along the Toomba Fault, which continues within Tasman's tenements.

Central Gawler Gold-Nickel Project (100% Tasman)

No further gold drilling was completed at Eyre, Skye or Birdie prospects in the Central Gawler Craton, South Australia. Previous drilling in these areas, including work by Tasman has confirmed the potential for small, structurally-controlled, Challenger-style gold, however more work is needed.

At Skye, previous drilling by Tasman intersected up to 2.95 g/t Au over 6m down hole from 54 to 60m, including 8.3g/t Au over 1m from 56 to 56m. This result is considered encouraging for Challenger-style mineralisation, and further work is planned. The best result at Birdie included 1.5g/t Au in a 4m composite from 40 to 44m down hole.

Several hundred metres to the south of Tasman's tenements at Golf Bore prospect, Southern Gold has reported encouraging results from shallow drilling. This area is several hundred metres directly along strike from Tasman's Golf Bore North prospect, where drilling by a previous explorer had intersected anomalous gold values.

Streaky Bay Uranium Project (100% Tasman)

Exploration Licence Applications have been lodged over two areas considered prospective for uranium, east and south-east of Streaky Bay in South Australia. The areas are known to be traversed by several palaeochannels containing prospective Tertiary-age sediments, and have received relatively little exploration for sediment-hosted uranium. The historical Yaninee uranium discovery is located within an adjoining tenement close to one of the EL Applications.

Julia Creek Oil Shale Project (100% Tasman)

Tasman currently has six applications for exploration permits for minerals (EPMs) in the Julia Creek area west of Townsville in north Queensland. The permits cover a large area considered prospective for oil shale and associated elements such as vanadium, molybdenum and uranium within the Toolebuc Formation.

Tasman is currently awaiting grant of these EPMs before commencing exploration and evaluation.

EXPLORATION AGREEMENTS AND JOINT VENTURES

Diamond Exploration Agreement with Flinders Mining Ltd (formerly Flinders Diamonds)

Flinders Mines has a diamonds only joint venture with Tasman over all of Tasman's tenements in South Australia, except for the Parkinson Dam Project. Under the joint venture, Flinders may earn 70% of the diamond rights by expenditure of \$750,000 over a four-year period.

Several diamonds and diamond indicator minerals are known from the project areas and surrounds. At least 28 diamonds up to one carat in weight have been discovered from 11 localities on the Gawler Craton.

Following detailed helimag surveys, soil sampling and limited drilling in 2008, Flinders Mines drilled a further 40 holes into helimag-generated targets on the central Gawler Craton early in 2009. Results and future strategy is being considered by Flinders.

Fission Energy Ltd

Fission Energy Ltd was listed on the ASX on 18th June 2007 as a uranium-focussed mineral explorer, and Tasman has a 30.6% in Fission on a fully diluted basis. Under an agreement with Tasman, Fission has the rights to explore for uranium on a significant portion of Tasman's South Australian tenements.

In 2008 Fission announced assay results from drilling at its Wynbring uranium discovery on the Gawler Craton in South Australia, which included up to 5m at 0.085% or 850ppm U₃O₈ (including 1m at 0.32% or 3,200ppm U₃O₈). Fission has conducted some follow up drilling, and the next stage in the exploration programme is being considered.

At Parkinson Dam, two potential styles of uranium are recognised; within potential palaeochannels in the northwest of the project, and unconformity-style uranium associated with the base of the Corunna Conglomerate. During the year several holes evaluating potential palaeochannels were completed without intersecting uranium, but the potential for unconformity-style uranium requires further evaluation.

Fission has a joint venture with Mega-Hindmarsh Ltd, a wholly owned subsidiary of Mega Uranium Ltd of Canada to explore part of the Parkinson Dam Project for uranium. The area is considered prospective for unconformity-associated uranium deposits close to the contact between the Mesoproterozoic Corunna Conglomerate and the underlying Palaeoproterozoic sedimentary rocks. Mega Hindmarsh's work has included aerial geophysical and hyperspectral surveys.

INVESTMENTS

Investment in Fission Energy Ltd (Tasman has a 30.6% interest in Fission Energy on a fully diluted basis)

Fission is exploring for uranium in South Australia under agreement with Tasman, as discussed above.

In addition Fission Energy owns 50% of the Mt Thirsty Nickel-Cobalt Project in WA, with the other 50% held by Barra Resources Limited (ASX: BAR).

Mt Thirsty Oxide Deposit

Mt Thirsty has a current JORC compliant Inferred Resource of 14.8 million tonnes at 0.14% Cobalt, 0.59% Nickel and 0.99% Manganese and an Indicated Resource of 14.2 million tonnes at 0.11% Cobalt, 0.52% Nickel and 0.77% Manganese over an apparent strike of 1.3 kilometres and a width of around 800 metres.

Mt Thirsty is an unusual deposit, being totally oxidized, fine grained and friable, and the cobalt content is high. The deposit is shallow with a 1.4:1 strip ratio.

Consultants from Independent Metallurgical Operations Pty Ltd (IMO) have been engaged during the year to review the previous metallurgical test work and flow sheet development. IMO have also commenced further detailed test work and evaluation, and a program to facilitate timely preparation of a feasibility study.

Mt Thirsty – Nickel Sulphides

A ground electromagnetic (EM) survey was conducted to test for potential nickel-copper sulphides, following the discovery of possible nickel gossans late in 2008. A large EM anomaly was defined by the survey (see Fission (FIS) ASX Announcement dated 9 June 2009), and a single diamond drill hole (MTDD008) was drilled to test this anomaly.

On 1 July Fission and Barra announced to the ASX the discovery of significant sulphide mineralisation in this first hole. On 27 July Fission and Barra announced the intersection of further sulphide mineralisation (including nickel sulphides) deeper in the same drill hole, within a very thick sequence (at least 700m) of originally olivine-rich cumulate-textured ultramafic rocks.

Further EM surveying and drilling is planned.

Investment in Eden Energy Ltd (Tasman has a 23.6% interest in Eden Energy on a fully diluted basis)

Tasman, through its wholly owned subsidiary, Noble Energy Ltd, has a current share and option holding in alternative energy company Eden Energy Ltd (ASX: EDE), which is presently valued at approximately \$2.5 million or \$0.015 per Tasman share. Tasman holds 33,979,888 fully paid shares and 32,497,065 options in Eden, which on a fully diluted basis represents a 23.6% share holding.

During the year Eden has made considerable progress in its core businesses, in particular the commercial development of its patented hydrogen-based fuel Hythane® in India. Eden sold a major share of its coal seam methane business in Wales, although it retained a strategic interest. Eden has a 100% in certain geothermal properties in South Australia.

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.

The information in this annual report, insofar as it relates to Mineral Exploration activities, is based on information compiled by Robert N. Smith and Michael J. Glasson, who are members of the Australian Institute of Geoscientists, and who have more than five years experience in the field of activity being reported on. Mr Smith and Mr Glasson are full-time employees of the company. Mr Smith and Mr Glasson have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. 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.

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

CORPORATE GOVERNANCE STATEMENT

The Board of Directors

The Company's constitution provides that the number of directors shall not be less than three and not more than ten. There is no requirement for any share holding qualification.

As and if the Company's activities increase in size, nature and scope the size of the board will be reviewed periodically, and as circumstances demand.

The membership of the board, its activities and composition, is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the board shall include quality of the individual, background of experience and achievement, compatibility with other board members, credibility within the Company's scope of activities, intellectual ability to contribute to board's duties and physical ability to undertake board's duties and responsibilities.

Directors are initially appointed by the full board subject to election by shareholders at the next general meeting. Under the Company's constitution the tenure of a director (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the Corporation Act 2001, the board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, may revoke the appointment.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

Role of the Board

The Board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for oversight of management and the overall corporate governance statement of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

Independent Professional Advice

The Board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient to enable the directors to determine appropriate operating and financial strategies for time to time in light of changing circumstances and economic conditions. The directors recognise that mineral exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

ASX Principles of Good Corporate Governance

The board has reviewed its current practices in light of the ASX Principles of Good Corporate Governance and Best Practice Guidelines with a view to making amendments where applicable after considering the Company's size and the resources it has available.

As the Company's activities develop in size, nature and scope, the size of the board and the implementation of any additional formal corporate governance committees will be given further consideration.

The following table sets out the Company's present position with regard to adoption of these Principles.

CORPORATE GOVERNANCE STATEMENT

	ASX Principle	Reference/comment
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Principle 1: Lay solid foundations for management and oversight

1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	The Company has not adopted this recommendation to formalise and disclose the functions reserved to the board and those delegated to management. The roles and functions within the Company must remain flexible in order for it to best function within its level of available resources.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	The Company does not have any senior executives and as such has not developed a process for evaluating the performance of senior executives.
1.3	Companies should provide the information indicated in the Guide to Reporting on Principle 1.	See above.

Principle 2: Structure the board to add value

2.1	A majority of board should be independent directors.	Due to the Company's size, nature and extent of operations, the company has departed from this principle
2.2	The chair should be an independent director.	Due to the Company's size, nature and extent of operations, the company has departed from this principle
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	The Company does not have a Chief Executive Officer.
2.4	The board should establish a nomination committee.	Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for, screening and appointing new directors. In view of the size and resources available to the Company, it is not considered that a separate nomination committee is warranted.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	Acting in its ordinary capacity, the board from time to time carries out the process of considering and determining performance issues. Whenever relevant, any such matters are reported to the ASX.
2.6	Companies should provide the information indicated in Guide to Reporting on Principle 2.	The skills and experience of directors are set out in the Company's Annual Report and on its website.

Principle 3: Promote ethical and responsible decision-making

3.1	<p>Companies should establish a code of conduct and disclose the code or summary of the code as to:</p> <ul style="list-style-type: none"> • the practices necessary to maintain confidence in the Company's integrity • the practices necessary to take into account their legal obligations and the responsible expectations of their stakeholders • the responsibility and accountability of individuals reporting or investigating reports of unethical practices. 	The Company has a Code of Conduct which can be viewed on the Company's website.
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3.2	Companies should establish a policy concerning trading in company securities by directors, officers and employees, and disclose the policy or a summary of that policy.	The Board has adopted a policy and procedure on dealing in the Company's securities by directors, officers and employees which prohibits dealing in the Company's securities when those persons possess inside information. It also requires the Company Secretary to be notified when trading of securities in the Company occurs. A copy of this policy can be viewed on the Company's website.
3.3	Companies should provide the information indicated in Guide to Reporting on Principle 3.	The Code of Conduct can be viewed on the Company's website.

Principle 4: Safeguard integrity in financial reporting

4.1	The board should establish an audit committee.	Due to the Company's size, nature and extent of operations, the company has departed from this principle. The Board itself is the forum that deals with this function.
4.2	<p>The audit committee should be structured so that it:</p> <ul style="list-style-type: none"> • consists only non-executive directors • consists of a majority of independent directors • is chaired by an independent chair, who is not the chair of the board • At least three members 	See 4.1
4.3	The audit committee should have a formal charter.	See 4.1
4.4	Companies should provide the information indicated in Guide to Reporting on Principle 4.	See 4.1

Principle 5: Make timely and balanced disclosure

5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance and disclose those policies or a summary of those policies.	The Company has a Continuous Disclosure Policy which can be viewed on the Company's website.
5.2	Companies should provide the information indicated in Guide to Reporting on Principle 5.	See above.

Principle 6: Respect the rights of shareholders

6.1	Companies should design and disclose a communications policy for promoting effective communication with shareholders and encourage their participation at general meetings and disclose their policy or a summary of that policy.	The Company has a Communications Policy which can be viewed on the Company's website.
6.2	Companies should provide the information indicated in Guide to Reporting on Principle 6.	The Company has a Communications Policy which can be viewed on the Company's website.

Principle 7: Recognise and manage risk

7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Due to the size and nature of the Company, the Company does not have formalised policies on risk management. The Board recognises its responsibility for identifying areas of material business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at board meetings and risk management culture is encouraged amongst employees and contractors.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	See above
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	The Executive Chairman and the Chief Financial Officer make this assurance to the board.
7.4	Provide information indicated in Guide to Reporting on Principle 7.	See above.

Principle 8: Remunerate fairly and responsibly

8.1	The board should establish a remuneration committee.	Due to the size and nature of the Company, the Company does not have a remuneration committee. The Company's Constitution allows for a maximum amount per annum to be paid to non-executive directors, to be allocated at the discretion of the directors. Any change to the annual amount must be approved at a General Meeting of members of the Company.
8.2	Companies should clearly distinguish the structure of non-executive directors remuneration from that of executives.	See 8.1
8.3	Companies should provide information indicated in ASX Guide to Reporting on Principle 8.	No schemes exist for retirement benefits for non-executive directors other than statutory superannuation.

DIRECTORS' REPORT

Your directors present their report on the company and its controlled entities for the financial year ended 30 June 2009.

Directors

The names of directors in office at any time during or since the end of the year are:

Gregory H Solomon

Douglas H Solomon

Guy T Le Page

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mr Aaron P Gates has worked for Tasman Resources Ltd for the past 15 months. He is a Chartered Accountant, has completed a Bachelor of Commerce (Curtin University) with majors in accounting and business law and completed a Diploma of Corporate Governance. Prior to joining Tasman he worked in public practice in audit and corporate finance roles.

Principal Activities

The principal activity of the economic entity during the financial year ended 30 June 2009 was mineral exploration.

Operating Results

The consolidated loss of the economic entity after providing for income tax amounted to \$459,971 (2008: \$1,306,966).

Dividends Paid or Recommended

No dividends were paid or declared for payment during the year.

Mineral Exploration Operations

Tasman's primary focus during the year has been mineral exploration for a range of commodities within the Company's tenements in South Australia and Queensland. The principal exploration projects are the Parkinson Dam epithermal gold-silver (lead-zinc) project, the Lake Torrens IOCGU-base metal project and central Gawler Craton gold-nickel-cobalt project in South Australia, and the Mirrica gold-base metal project in Queensland.

All Tasman's tenements in South Australia (except for Parkinson Dam) are subject to a farm-in agreement with Flinders Mining Ltd, covering diamonds. Tasman also has an agreement with Fission Energy covering uranium.

A review of the operations of the Group during the year ended 30 June 2009 is set out in the Review of Operations on Page 4.

Financial Position

The net assets of the consolidated group have decreased by \$11,176,550 from 30 June 2008 to \$11,716,043 in 2009. This decrease has largely resulted from the decrease in value of shares in Eden Energy Ltd.

Significant Changes in State of Affairs

In the opinion of the directors, other than disclosed elsewhere in this report, there were no significant changes in the state of affairs of the Company that occurred during the year.

After Balance Date Events

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Future Developments, Prospects and Business Strategies

The Company proposes to continue with its exploration program as detailed in the Review of Operations.

Environmental Issues

The company is the subject of environmental regulation with respect to mining exploration and will comply fully with all requirements with respect to rehabilitation of exploration sites.

Information on Directors

Gregory H Solomon

Executive Chairman

Qualifications

LLB

Experience

Appointed chairman 1987. Board member since 1987. A solicitor with more than 30 years Australian and international experience in a wide range of areas including mining law, commercial negotiation (including numerous mining and exploration joint ventures) and corporate law. He is a partner in the Western Australian legal firm, Solomon Brothers and has previously held directorships of various public companies since 1984 including two mining/exploration companies.

Interest in Shares and Options

28,171,975 Ordinary Shares
11,556,548 Options

Directorships held in other listed entities

Fission Energy Limited (ASX:FIS)
Eden Energy Limited (ASX:EDE)

Douglas H Solomon

Non-Executive

Qualifications

BJuris LLB (Hons)

Experience

Board member since 3 April 2003. A Barrister and Solicitor with more than 20 years experience in the areas of mining, corporate, commercial and property law. He is a partner in the legal firm, Solomon Brothers.

Interest in Shares and Options

27,851,500 Ordinary Shares
11,347,347 Options

Directorships held in other listed entities

Fission Energy Limited (ASX:FIS)
Eden Energy Limited (ASX:EDE)

Guy T Le Page

Non-Executive

Qualifications

B.A., B.Sc. (Hons), M.B.A., F.FIN., MAusIMM Bachelor of Arts, Bachelor of Science, Masters Degree in Business Administration, Bachelor of Applied Science (Hons), Graduate Diploma in Applied Finance and Investment

Experience

Board member since February 2001. Currently a corporate adviser specialising in resources. He is actively involved in a range of corporate initiatives from mergers and acquisitions, initial public offerings to valuations, consulting and corporate advisory roles. He previously spent 10 years as an exploration and mining geologist in Australia, Canada and the United States. His experience spans gold and base metal exploration and mining geology and he has acted as a consultant to private and public companies.

Interest in Shares and Options

1,784,821 Ordinary shares
181,112 Options

Directorships held in other listed entities

Tasman Resources Limited (ASX:TAS)
Fission Energy Limited (ASX:FIS)
Red Sky Energy Limited (ASX:ROG)
Palace Resources Limited (ASX:PXR)
Enerji Limited (AX:ERJ)

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director of Tasman Resources Ltd, and for the executives receiving the highest remuneration.

Remuneration Policy

The remuneration policy of Tasman Resources Ltd has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The board of Tasman Resources Ltd believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for board members and senior executives of the economic entity is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the board based on industry reports.
- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and options.

Executives are also entitled to participate in the employee share and option arrangement.

All directors and executives receive a superannuation guarantee contribution where required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Any shares which may be issued to executives would be valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General meeting. Fees for non-executive directors are not linked to the performance of the economic entity. However, to align directors interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

Performance based Remuneration

No performance based remuneration was paid during the year.

Shares Issued on Exercise of Compensation Options

No options were exercised during the year that were granted as compensation in prior periods.

Options Granted as Remuneration

Key Management Person	Vested No.	Granted No.	Grant Date	Value per option at grant date	Exercise Price	First Exercise date	Last Exercise Date
				\$	\$		
Aaron P Gates	200,000	500,000	16/10/2008	0.03	0.12	16/10/2008	26/5/2013
Michael J Glasson	787,402	787,402	17/4/2009	0.01	0.10	17/4/2009	16/4/2012
Robert N Smith	787,402	787,402	17/4/2009	0.01	0.10	17/4/2009	16/4/2012
	<u>1,774,804</u>	<u>2,074,804</u>					

All options were granted for nil consideration.

DIRECTORS' REPORT

Details of Remuneration for Year Ended 30 June 2009

The remuneration for each director and each of the executive officers of the consolidated entity during the year was as follows:

Key Management Personnel Remuneration - 2009

Key Management Person	Short-term Benefits				Post-employment benefits Super-annuation	Other long-term benefits Other	Share-based payments		Total	Performance Related
	Salary and Fees	Cash profit share	Non-cash benefit	Other			Equity	Options		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Gregory H Solomon	120,000	-	-	-	10,800	-	-	-	130,800	-
Douglas H Solomon	24,000	-	-	-	2,160	-	-	-	26,160	-
Guy T Le Page	24,000	-	-	-	2,160	-	-	-	26,160	-
Raymond F Buscall	(i)	-	-	-	-	-	-	-	-	-
Aaron P Gates	(i)	-	-	-	-	-	-	1,540	1,540	-
Robert N Smith	107,077	-	-	-	96,837	-	-	10,000	213,914	-
Michael J Glasson	98,827	-	-	-	99,721	-	-	10,000	208,548	-
	373,904	-	-	-	211,678	-	-	21,540	607,122	-

Key Management Personnel Remuneration - 2008

Key Management Person	Short-term Benefits				Post-employment benefits Super-annuation	Other long-term benefits Other	Share-based payments		Total	Performance Related
	Salary and Fees	Cash profit share	Non-cash benefit	Other			Equity	Options		
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Gregory H Solomon	120,000	-	-	-	10,800	-	-	-	130,800	-
Douglas H Solomon	24,000	-	-	-	2,160	-	-	-	26,160	-
Guy T Le Page	24,000	-	-	-	2,160	-	-	-	26,160	-
Raymond F Buscall	(i)	-	-	-	-	-	-	-	-	-
Aaron P Gates	(i)	-	-	-	-	-	-	-	-	-
Graham M Jeffress	139,196	-	-	-	17,192	-	-	-	156,388	-
Robert N Smith	99,615	-	-	-	96,465	-	-	-	196,080	-
Michael J Glasson	94,615	-	-	-	95,716	-	-	-	190,331	-
	501,426	-	-	-	224,493	-	-	-	725,919	-

(i) These management personnel are remunerated by Princebrook Pty Ltd under the Princebrook Management Services Contract.

DIRECTORS' REPORT

Directors Meetings

During the financial year, 3 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Gregory H Solomon	3	3
Douglas H Solomon	3	3
Guy T Le Page	3	3

Indemnifying Officers or Auditor

During or since the end of the financial year the company has paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The total premium paid was \$19,772.

Options

At the date of this report, the unissued ordinary shares of Tasman Resources Ltd under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
14 August 2006	30 August 2009	\$0.20	2,000,000
21 November 2006	31 December 2009	\$0.20	6,000,000
23 March 2007	31 December 2009	\$0.20	6,813,825
13 November 2007	31 December 2009	\$0.20	9,985,254
26 November 2008	31 December 2009	\$0.20	7,399,054
Options Exercised	31 December 2009	\$0.20	(66,358)
16 October 2008	26 May 2013	\$0.12	500,000
7 April 2009	16 April 2012	\$0.10	1,574,804
23 June 2009	30 June 2012	\$0.10	20,532,421
			54,739,000

During the year ended 30 June 2009, no ordinary shares of Tasman Resources Ltd were issued on the exercise of options granted under the Tasman Resources Ltd Employee Option Plan. No shares have been issued since that date.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

DIRECTORS' REPORT

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Non-audit Services

The Board of directors, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

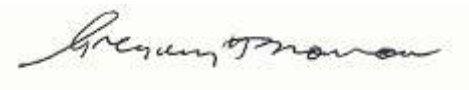
- all non-audit services are reviewed and approved prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The no fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2009.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 19.

Signed in accordance with a resolution of the Board of Directors.

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

Gregory H Solomon

Dated this 25th day of September 2009

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**Auditor's Independence Declaration
To The Directors of Tasman Resources Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Tasman Resources Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants



M J HILLGROVE
Partner

Perth, 25 September 2009

INCOME STATEMENT FOR YEAR ENDED 30 JUNE 2009

	Note	Economic Entity		Parent Entity	
		2009 \$	2008 \$	2009 \$	2008 \$
Other income	2a	414,792	427,448	414,792	427,448
Audit and accounting		(21,538)	(35,730)	(21,538)	(35,730)
Depreciation and amortisation expense		(4,944)	(7,654)	(4,944)	(7,654)
Employee benefits expense		(496,794)	(620,962)	(496,794)	(620,962)
Exploration expenditure written off		(8,751)	(3,413)	(8,751)	(3,413)
Finance costs		(5,391)	-	(5,361)	-
Insurance		(31,773)	(49,054)	(31,773)	(49,054)
Legal and other consultants		(3,990)	(24,522)	(3,990)	(24,522)
Listing and share registry		(42,785)	(73,197)	(42,785)	(73,197)
Management fees		(226,170)	(164,523)	(226,170)	(164,523)
Share of losses of associates accounted for using the equity method		-	(674,857)	-	(125,250)
Other expenses		(32,627)	(80,532)	(31,307)	(79,017)
Loss before income tax	3	(459,971)	(1,306,996)	(458,621)	(755,874)
Income tax expense	4	-	-	-	-
Loss for the year		(459,971)	(1,306,996)	(458,621)	(755,874)
Loss attributable to minority equity interest		-	-	-	-
Loss attributable to members of the parent entity		(459,971)	(1,306,996)	(458,621)	(755,874)
Basic earnings per share (cents per share)	7	(0.3347)	(1.0137)		

The accompanying notes form part of these financial statements.

BALANCE SHEET AS AT 30 JUNE 2009

	Note	Economic Entity		Parent Entity	
		2009 \$	2008 \$	2009 \$	2008 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	8	516,166	725,119	516,109	724,954
Trade and other receivables	9	-	175,865	-	175,865
TOTAL CURRENT ASSETS		516,166	900,984	516,109	900,819
NON-CURRENT ASSETS					
Trade and other receivables	9	-	-	1,804,819	1,685,219
Financial assets	11	2,201,298	13,504,677	28,986	82,001
Property, plant and equipment	13	14,406	19,350	14,406	19,350
Exploration and Evaluation expenditure	14	9,111,335	8,666,268	9,111,334	8,666,268
TOTAL NON-CURRENT ASSETS		11,327,039	22,190,295	10,959,545	10,452,838
TOTAL ASSETS		11,843,205	23,091,279	11,475,654	11,353,657
CURRENT LIABILITIES					
Trade and other payables	15	127,162	198,686	127,162	198,686
TOTAL CURRENT LIABILITIES		127,162	198,686	127,162	198,686
TOTAL LIABILITIES		127,162	198,686	127,162	198,686
NET ASSETS		11,716,043	22,892,593	11,348,492	11,154,971
EQUITY					
Issued capital	17	16,193,088	15,511,377	16,193,088	15,511,377
Reserves		2,419,718	13,818,009	534,466	564,035
Retained earnings/(accumulated) losses		(6,896,763)	(6,436,793)	(5,379,062)	(4,920,441)
TOTAL EQUITY		11,716,043	22,892,593	11,348,492	11,154,971

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2009

	Share Capital		Financial Asset Reserve	Accumulated Losses	Total
	Ordinary	Option Reserve			
	\$	\$	\$	\$	\$
Consolidated Group					
Balance at 1 July 2007	13,528,275	650,035	-	(5,129,797)	9,048,513
Shares issued during the year	2,000,391	-	-	-	2,000,391
Transaction costs	(17,289)	-	-	-	(17,289)
Revaluation increment	-	-	13,167,974	-	13,167,974
Loss attributable to members	-	-	-	(1,306,996)	(1,306,996)
Balance at 30 June 2008	15,511,377	650,035	13,167,974	(6,436,793)	22,892,593
Shares issued during the year	714,833	-	-	-	714,833
Transaction costs	(33,122)	-	-	-	(33,122)
Options issued during the year	-	21,540	-	-	21,540
Revaluation decrement	-	-	(11,419,831)	-	(11,419,831)
Profit/(loss) attributable to members of parent entity	-	-	-	(459,970)	(459,970)
Balance at 30 June 2009	16,193,088	671,575	1,748,143	(6,896,763)	11,716,043
Parent Entity					
Balance at 1 July 2007	13,528,275	650,035	-	(4,164,567)	10,013,743
Shares issued during the year	2,000,391	-	-	-	2,000,391
Transaction costs	(17,289)	-	-	-	(17,289)
Revaluation increment	-	-	(86,000)	-	(86,000)
Profit/(loss) attributable to members of parent entity	-	-	-	(755,874)	(755,874)
Balance at 30 June 2008	15,511,377	650,035	(86,000)	(4,920,441)	11,154,971
Shares issued during the year	714,833	-	-	-	714,833
Transaction costs	(33,122)	-	-	-	(33,122)
Options issued during the year	-	21,540	-	-	21,540
Revaluation increment	-	-	(51,109)	-	(51,109)
Loss attributable to members	-	-	-	(458,621)	(458,621)
Balance at 30 June 2009	16,193,088	671,575	(137,109)	(5,379,062)	11,348,492

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT FOR YEAR ENDED 30 JUNE 2009

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		586,165	242,953	586,165	242,953
Payments to suppliers and employees		(953,290)	(1,166,788)	(951,690)	(1,165,273)
Interest received		18,223	85,760	18,223	85,760
Goods and Services Tax refunds		39,729	158,227	39,729	158,227
Net cash used in operating activities	24a	(309,173)	(679,848)	(307,573)	(678,333)
CASH FLOWS FROM INVESTING ACTIVITIES					
Exploration expenditure		(466,606)	(1,440,532)	(466,606)	(1,440,532)
Purchase of property, plant and equipment		-	(427)	-	(427)
Investment in associated entities		(118,108)	(843,561)	-	(125,000)
Loans to controlled entities		-	-	(119,600)	(720,240)
Loans to associated entities		1,317	(683)	1,317	(683)
Proceeds on sale of shares		1,906	-	1,906	-
Net cash used in investing activities		(581,491)	(2,285,203)	(582,983)	(2,286,882)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		681,711	1,983,102	681,711	1,983,102
Net cash provided by financing activities		681,711	1,983,102	681,711	1,983,102
Net increase (decrease) in cash held		(208,953)	(981,949)	(208,845)	982,113
Cash at beginning of financial year		725,119	1,707,068	724,954	1,707,067
Cash at end of financial year	8	516,166	725,119	516,109	724,954

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the consolidated group of Tasman Resources Ltd and controlled entities, and Tasman Resources Ltd as an individual parent entity. Tasman Resources Ltd is a listed public company, incorporated and domiciled in Australia.

The financial report of Tasman Resources Ltd and controlled entities, and Tasman Resources Ltd as an individual parent entity complies with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Going Concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and the settlement of liabilities in the normal course of business. In order to continue as a going concern and to pay its debts as and when they fall due, the Group will need to raise sufficient funds through a capital raising within the next six months. In addition the Group actively manages the level of discretionary exploration expenditure in line with the funds available to the Group. Joint venture parties earning their interest in various tenements may effectively meet a significant portion of the exploration commitments. These commitments can also be reduced by selective relinquishment of exploration tenure or application for expenditure exemptions.

Accounting Policies**a. Principles of Consolidation**

A controlled entity is any entity Tasman Resources Ltd has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 12 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

b. Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

b. **Income Tax Continued**

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Tasman Resources Ltd and Noble Resources Limited, its wholly-owned Australian subsidiary, have formed an income tax consolidated group under the tax consolidation regime. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2005. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

c. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	15–50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. **Exploration and Evaluation Expenditure**

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

e. **Financial Instruments****Recognition**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

f. **Impairment of Assets**

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g. **Investments in Associates**

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognised the group's share of post-acquisition reserves of its associates.

h. **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Equity-settled compensation

The Group operates a number of share-based compensation plans. These include both a share option arrangement and an employee share scheme. The bonus element over the exercise price of the employee services rendered in exchange for the grant of shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

i. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

k. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

l. Borrowing Costs

All other borrowing costs are recognised in income in the period in which they are incurred.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

n. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

o. New accounting standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the Company in the period of initial application. They are available for early adoption at 30 June 2009, but have not been applied in preparing this financial report.

- Revised AASB 101: *Presentation of Financial Statements* introduces the 'statement of comprehensive income'. The revised standard does not change the recognition, measurement or disclosure of transactions or events that are required by other accounting standards. The revised AASB 101 will become mandatory for the Company's 30 June 2010 financial statements. The company has not yet determined the potential effect of the revised standard on the Company's disclosures.
- AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8. AASB 8 replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's Board for the purpose of decision making. While the impact of this statement cannot be assessed at this stage, there is potential for more segments to be identified. Given the lower economic levels at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments. Management does not presently believe impairment will result however.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Key Estimates — Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The financial report was authorised for issue on 25 September 2009 by the board of directors.

NOTE 2: OTHER INCOME

	Note	Economic Entity		Parent Entity	
		2009 \$	2008 \$	2009 \$	2008 \$
— interest received		18,223	85,760	18,223	85,760
— other		178,650	75,000	178,650	75,000
— wages recovery from associated entity		217,919	266,688	217,919	266,688
		<u>414,792</u>	<u>427,448</u>	<u>414,792</u>	<u>427,448</u>

NOTE 3: PROFIT FOR THE YEAR

a. Expenses

Depreciation and amortisation expense	4,944	7,654	4,944	7,654
Exploration expenditure written off	8,751	3,413	8,751	3,413

b. Significant Revenue and Expenses

The following significant revenue and expense items are relevant in explaining the financial performance:

Settlement proceeds – farm-in dispute	175,000	-	175,000	-
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NOTE 4: INCOME TAX EXPENSE

a. The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax payable on profit from ordinary activities at 30% (2008: 30%)	(137,991)	(392,099)	(137,586)	(226,762)
	<u>(137,991)</u>	<u>(392,099)</u>	<u>(137,586)</u>	<u>(226,762)</u>

Add tax effect of:

— other non-allowable items	-	148	-	148
— deferred tax assets not brought to account	137,991	391,951	137,586	226,614
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The applicable weighted average effective tax rates are as follows:

b. Unrecognised Deferred Tax Balances:

Unrecognised deferred tax asset- losses	4,552,505	4,248,317	4,551,326	4,247,543
Unrecognised deferred tax asset - other	69,184	61,833	69,184	61,833
Unrecognised deferred tax liabilities	<u>(3,225,353)</u>	<u>(6,472,548)</u>	<u>(3,113,448)</u>	<u>(2,950,027)</u>
Net Unrecognised deferred tax assets	1,396,336	(2,162,398)	1,507,062	1,359,349

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

- a. **Names and positions held of economic and parent entity key management personnel in office at any time during the financial year are:**

Key Management Person	Position
Gregory H Solomon	Executive Director
Douglas H Solomon	Non-Executive Director
Guy T Le Page	Non-Executive Director
Raymond F Buscall	Company Secretary (Resigned Feb 2009)
Aaron P Gates	Company Secretary / CFO (Appointed May 2008)
Robert N Smith	Geologist
Michael Glasson	Geologist

- b. **Options and Rights Holdings**

Number of Options Held by Key Management Personnel

	Balance 1.7.2008	Granted as Comp- ensation	Options Exer- cised	Net Change Other*	Balance 30.6.2009	Total Vested 30.6.2009	Total Exer- cisable 30.6.2009	Total Unexer- cisable 30.6.2009
Gregory H Solomon	2,711,367	-	-	8,845,181	11,556,548	11,556,548	11,556,548	-
Douglas H Solomon	2,691,158	-	-	8,746,189	11,437,347	11,437,347	11,437,347	-
Guy T Le Page	181,622	-	-	-	181,622	181,622	181,622	-
Raymond F Buscall	-	-	-	-	-	-	-	-
Aaron P Gates	-	500,000	-	-	500,000	200,000	200,000	300,000
Robert N Smith	1,008,750	787,402	-	28,360	1,824,512	1,824,512	1,824,512	-
Michael J Glasson	1,013,126	787,402	-	73,505	1,874,033	1,874,033	1,874,033	-
Total	7,606,023	2,074,804	-	17,693,235	27,374,062	27,074,062	27,074,062	300,000

*The Net Change Other reflected above includes those options that have been forfeited by holders as well as options issued during the year under review.

- c. **Shareholdings**

Number of Shares held by Key Management Personnel

	Balance 1.7.2008	Received as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2009
Gregory H Solomon	19,276,794	-	-	8,895,181	28,171,975
Douglas H Solomon	19,055,311	-	-	8,796,189	27,851,500
Guy T Le Page	1,434,821	-	-	350,000	1,784,821
Raymond F Buscall	-	-	-	-	-
Aaron P Gates	-	-	-	-	-
Robert N Smith	61,875	-	-	28,360	90,235
Michael J Glasson	160,373	-	-	73,505	233,878
Total	39,989,174	-	-	18,143,235	58,132,409

* Net Change Other refers to shares purchased or sold during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 6: AUDITORS' REMUNERATION

	Economic Entity		Parent Entity	
	2009	2008	2009	2008
	\$	\$	\$	\$
Remuneration of the auditor of the parent entity for:				
— auditing or reviewing the financial report	23,313	21,645	23,313	21,645
— Other	-	8,585	-	8,585

NOTE 7: EARNINGS PER SHARE

	Economic Entity	
	2009	2008
	\$	\$
a. Reconciliation of earnings to profit or loss		
Profit/(loss)	(459,971)	(1,306,966)
Earnings used to calculate basic EPS	(459,971)	(1,306,966)
	No.	No.
b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	137,432,415	128,934,136

The effect of share options on issue is not potentially dilutive at 30 June 2008 or 30 June 2009.

NOTE 8: CASH AND CASH EQUIVALENTS

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
Cash at bank and in hand		516,166	675,119	516,109	674,954
Short-term bank deposits		-	50,000	-	50,000
		<u>516,166</u>	<u>725,119</u>	<u>516,109</u>	<u>724,954</u>

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	516,166	725,119	516,109	724,954
	<u>516,166</u>	<u>725,119</u>	<u>516,109</u>	<u>725,954</u>

NOTE 9: TRADE AND OTHER RECEIVABLES

CURRENT

Other receivables	-	29,871	-	29,871
Receivable from associated companies	-	145,994	-	145,994
	-	<u>175,865</u>	-	<u>175,865</u>

NON-CURRENT

Receivable from wholly-owned subsidiaries	-	-	1,804,819	1,685,219
	-	-	<u>1,804,819</u>	<u>1,685,219</u>

- Non-Current receivable consist of receivables from wholly owned entities. There are no repayment plans but repayments are made out of surplus profits retained in the subsidiary for these receivables. Hence, the directors consider these receivables to be an investment.
- The directors consider the receivable can be recovered as the fair value of the net assets of the wholly owned subsidiary exceed the carrying amount of the receivable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 10: ASSOCIATED COMPANIES

Interests are held in the following associated companies

Name	Principal Activities	Country of Incorporation	Shares	Ownership Interest		Carry amount of investment	
				2009 %	2008 %	2009 \$	2008 \$

Listed:

Fission Energy Limited	Uranium exploration	Australia	Ord	20.96	38.46	-	-
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	Note	Economic Entity		Parent Entity		
		2009 \$	2008 \$	2009 \$	2008 \$	
a. Movements During the Year in Equity Accounted Investment in Associate						
Balance at beginning of the financial year		-	-	-	-	
Add: New investments during the year		-	674,857	-	125,250	
Share of associated company's profit/(loss) after income tax	11b	-	(674,857)	-	(125,250)	
Balance at end of the financial year		-	-	-	-	
b. Equity accounted profits of associate are broken down as follows:						
Share of profit before income tax		-	(674,857)	-	(125,250)	
Share of income tax expense		-	-	-	-	
Share of profit after income tax		-	(674,857)	-	(125,250)	
c. Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associate						
Current assets		2,332,188	7,564,268	2,332,188	7,564,268	
Non-current assets		13,519,180	1,116,976	13,519,180	1,089,136	
Total assets		15,851,368	8,681,244	15,851,368	8,653,404	
Current liabilities		604,443	142,186	604,443	142,186	
Non-current liabilities		250,000	1,522,840	250,000	1,522,840	
Total liabilities		854,443	1,665,026	854,443	1,665,026	
Net assets		14,996,925	7,016,218	14,996,925	6,988,378	
Revenues		428,780	435,805	428,780	435,805	
Profit after income tax of associate		(547,168)	(251,200)	(547,168)	(251,200)	
d. Ownership interest in Fission Energy Limited at that company's balance date was 20.96% (2008: 38.46%) of ordinary shares. The reporting date of Fission Energy Limited is 30 June 2009. The Company also holds 25,000,000 options in Fission Energy Limited.						
				2009 \$	2008 \$	
e. Market value of listed investment in associate						
— Fission Energy Limited - shares				2,125,000	4,500,000	
— Fission Energy Limited - options				500,000	-	
				<u>2,625,000</u>	<u>4,500,000</u>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 11: FINANCIAL ASSETS

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
Available-for-sale financial assets	12a	2,201,298	13,504,677	28,986	82,001
		2,201,298	13,504,677	28,986	82,001
a. Available-for-sale financial assets					
Listed investments, at fair value					
—	shares in listed entities	2,136,304	9,605,029	28,985	82,000
—	options in listed entities	64,994	3,899,648	-	-
Unlisted investments, at cost					
—	shares in controlled entities	-	-	1	1
Total available-for-sale financial assets		2,201,298	13,504,677	28,986	82,001

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

NOTE 12: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)*	
		2009	2008
Parent Entity:			
Tasman Resources Ltd	Australia		
Subsidiaries of Tasman Resources Ltd:			
Noble Energy Ltd	Australia	100	100

* Percentage of voting power is in proportion to ownership

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
Plant and equipment:					
At cost		96,424	96,424	96,424	96,424
Accumulated depreciation		(82,018)	(77,074)	(82,018)	(77,074)
Total plant and equipment		14,406	19,350	14,406	19,350
Total Property, Plant and Equipment		14,406	19,350	14,406	19,350

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

Plant & Equipment					
Balance at the beginning of year		19,350	26,577	19,350	26,577
Additions		-	427	-	427
Depreciation expense		(4,944)	(7,654)	(4,944)	(7,654)
Carrying amount at the end of year		14,406	19,350	14,406	19,350

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 13: PROPERTY, PLANT AND EQUIPMENT CONTINUED

b. **Impairment losses**

The total impairment loss recognised in the income statement during the current period amounted to \$Nil (2008: Nil).

NOTE 14: EXPLORATION AND EVALUATION EXPENDITURE

	Note	Economic Entity		Parent Entity	
		2009	2008	2009	2008
		\$	\$	\$	\$
Balance at the beginning of the financial year		8,666,268	7,592,076	8,666,268	7,592,076
Expenditure incurred during the year		453,818	1,077,605	453,817	1,077,605
Written off		(8,751)	(3,413)	(8,751)	(3,413)
Balance at the end of the financial year		<u>9,111,335</u>	<u>8,666,268</u>	<u>9,111,334</u>	<u>8,666,268</u>

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation or sale of respective mining areas.

The company's exploration tenements include areas subject to native title claims. As a result, mining and exploration activities may be subject to exploration and mining restrictions or compensation payments.

Capitalised costs included in cash flows from investing activities in the cash flow statement

	466,606	1,440,532	466,606	1,440,532
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NOTE 15: TRADE AND OTHER PAYABLES

CURRENT - UNSECURED

Trade payables	29,913	48,039	29,913	48,039
Sundry payables and accrued expenses	54,772	86,902	54,772	86,902
Employee entitlements	42,477	63,745	42,477	63,745
	<u>127,162</u>	<u>198,686</u>	<u>127,162</u>	<u>198,686</u>

NOTE 17: ISSUED CAPITAL

160,627,981 (2008: 132,656,953) fully paid ordinary shares

	16,193,088	15,511,377	16,193,088	15,511,377
	<u>16,193,088</u>	<u>15,511,377</u>	<u>16,193,088</u>	<u>15,511,377</u>

a. **Ordinary shares**

At the beginning of reporting period		132,656,953	122,655,045
Shares issued – prior year			10,001,908
Shares issued during the year			
— 26 November 2008		7,399,054	-
— 23 June 2009		20,532,421	-
— Options exercised at various dates		39,553	-
At reporting date		<u>160,627,981</u>	<u>132,656,953</u>

On 26 November 2008 the company issued 7,399,054 ordinary shares at \$0.04 per share with one free attaching option for every share to raise working capital.

On 23 June 2009 the company issued 20,532,421 ordinary shares at \$0.02 per share with one free attaching option for every share to raise working capital.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 17: ISSUED CAPITAL CONTINUED

	2009	2008
	No.	No.
b. Options		
At the beginning of reporting period	25,572,276	15,803,676
Options issued	30,006,277	9,985,254
Options exercised	(39,553)	(16,654)
Options lapsed	(800,000)	(200,000)
	<u>54,739,000</u>	<u>25,572,276</u>

- i. For information relating to the Tasman Resources Ltd employee option plan and options issued to key management personnel during the financial period, refer to Note 25 Share-based Payments.

c. Capital Management

Management controls the working capital of the Group in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in responses to changes in these risks and in the market. These responses include the management of expenditure and debt levels, distributions to shareholders and share and option issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

NOTE 18: RESERVES

a. Option Reserve

The option reserve records items recognised as expenses on valuation of employee share options.

b. Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve.

NOTE 20: COMMITMENTS

a. Capital Expenditure 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. Due to the nature of the company's operations in exploring and evaluating areas of interest, it is very difficult to forecast the nature and amount of future expenditure. It is anticipated that expenditure commitments for the twelve months will be tenement rentals of \$98,000 (2008: \$84,000) and exploration expenditure of \$1,237,000 (2008: \$3,630,000). Joint venture parties earning their interest in various tenements may effectively meet a significant portion of the commitment costs. These obligations can also be reduced by selective relinquishment of exploration tenure or application for expenditure exemptions.

NOTE 21: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Directors are not aware of any contingent assets or contingent liabilities as at 30 June 2009.

NOTE 22: SEGMENT REPORTING

The group operates predominately in one geographical segment and one business being gold and other base metals exploration in South Australia.

NOTE 23: EVENTS AFTER THE BALANCE SHEET DATE

There were no material events occurring after the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 24: CASH FLOW INFORMATION

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
a. Reconciliation of Cash Flow from Operations with Profit after Income Tax				
Loss after income tax	(459,971)	(1,306,996)	(458,621)	(630,624)
Non-cash flows in loss				
Depreciation	4,944	7,654	4,944	7,654
Employment benefits	21,520	-	21,520	-
Write-off of exploration expenditure	8,751	3,413	8,751	3,413
Share of associated companies net loss	-	674,857	-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
(Increase)/decrease in trade and term receivables	175,865	(83,559)	175,865	(83,559)
Increase/(decrease) in trade payables and accruals	(60,282)	24,783	(60,032)	24,783
Cash flow from operations	<u>(309,173)</u>	<u>(679,848)</u>	<u>(307,573)</u>	<u>(678,333)</u>

NOTE 25: SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2009:

Employee Share Option Plan

The purpose of the Plan is to provide Eligible Employees with an incentive to remain with the Company and to improve the longer-term performance of the Company and its return to shareholders. It is intended that the Plan will enable the Company to retain and attract skilled and experienced Eligible Employees and provide them with the motivation to make the Company more successful.

Eligible Employee means a full or part-time employee or director of the Company or of associated bodies corporate of the Company who is determined by the Board to be an Eligible Employee for the purposes of the Plan or any other person who is declared by the Board to be an Eligible Employee for the purposes of the Plan.

The **Exercise Price** is whichever is the greater of the following:

- 125% of the Market Price of a Share determined on the date of grant of an Option;
- 20 cents; or
- any other price determined by the Board at the time of issue.

The **Exercise Period** means, in relation to an Option, the period:

- commencing on the second anniversary; and
- ending on the fifth anniversary

of the date of grant of an Option, subject to any variation under Rule 7 or as otherwise determined by the Company at the time of grant of an Option.

No options have been exercised during the year ended 30 June 2009. The closing share market price of an ordinary share of Tasman Resources Ltd on the Australian Securities Exchange at 30 June 2009 was \$0.027 (30 June 2008 \$0.085). Included under employee benefits expense in the income statement is \$21,520 (2008: \$Nil), and relates, in full, to equity-settled share-based payment transactions.

All options granted to key management personnel are ordinary shares in Tasman Resources Ltd, which confer a right of one ordinary share for every option held.

The options outstanding at 30 June 2009 had a weighted average exercise price of \$0.15 and a weighted average remaining contractual life of 1.8 years. Exercise prices range from \$0.10 to \$0.20 in respect of options outstanding at 30 June 2009.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 25: SHARE-BASED PAYMENTS CONTINUED

	2009		2008	
	Number of Options	Weighted Avg Exercise Price \$	Number of Options	Weighted Avg Exercise Price \$
Outstanding at the beginning of the year	3,000,000	0.20	3,000,000	0.20
Granted	2,074,804	0.10	-	-
Expired	(800,000)	0.20	-	-
Outstanding at year-end	4,274,804	0.15	3,000,000	0.20
Exercisable at year-end	3,974,804	0.15	3,000,000	0.20

NOTE 26: RELATED PARTY TRANSACTIONS

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.				
a. Key Management Personnel				
Management fees paid to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest.	226,170	164,523	226,170	164,523
Legal fees paid to Solomon Brothers, a firm of which Mr GH Solomon and Mr DH Solomon are partners.	3,330	41,820	3,330	41,820

NOTE 27: FINANCIAL INSTRUMENTS

a. Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, accounts payable.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

i. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, as disclosed in the balance sheet and notes to the financial statements.

The economic entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

ii. Liquidity Risk

Responsibility for liquidity risk management rests with the Management and the Board of Directors. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows.

The remaining contractual maturities of the Group and Parent entities financial liabilities are:

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
6 months or less	127,162	198,686	127,162	198,686
6 – 12 months	-	-	-	-
Total	127,162	198,686	127,162	198,686

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 27: FINANCIAL INSTRUMENTS CONTINUED

b Financial Instruments

i. Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
			\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash and cash equivalents	3.00%	7.07%	516,109	725,119	-	-	516,109	725,119
Trade and other receivables	-	-	-	-	-	175,865	-	175,865
Total Financial Assets			516,109	725,119	-	175,865	516,109	900,984
Financial Liabilities:								
Trade and sundry payables	-	-	-	-	127,162	198,686	127,162	198,686
Total Financial Liabilities	-	-	-	-	127,162	198,686	127,162	198,686

ii. Net Fair Values

Aggregate net fair values and carrying amounts of financial assets and financial liabilities.

	2009		2008	
	Carrying Amount \$	Net Fair Value \$	Carrying Amount \$	Net Fair Value \$
Financial Assets				
Cash and cash equivalents	516,109	516,109	725,119	725,119
Loans and receivables	-	-	175,865	175,865
Available-for-sale financial assets at fair value	2,201,298	2,201,298	13,422,677	13,422,677
Investments accounted for using the equity method	-	2,625,000	-	5,025,000
	2,717,407	5,342,407	14,323,661	19,348,661
Financial Liabilities				
Trade and sundry payables	127,162	127,162	196,686	196,686
	127,162	127,162	196,686	196,686

Fair values are materially in line with carrying values except for the economic entity's investment in Fission Energy Limited which is accounted for using the equity method.

iii. Price Sensitivity Analysis

At 30 June 2009, the effect on equity as a result of changes in the price risk, with all other variables remaining constant would be as follows

	Economic Entity		Parent Entity	
	2009 \$	2008 \$	2009 \$	2008 \$
Increase in market value of available-for-sale financial assets at fair value by 10%	220,130	1,342,268	220,130	1,342,268
Decrease in market value of available-for-sale financial assets at fair value by 10%	(220,130)	(1,342,268)	(220,130)	(1,342,268)

At 30 June 2009, there will be no effect on profit as a result of changes in the price risk.

NOTE 29: COMPANY DETAILS

The registered office of the company is:

Tasman Resources Ltd
Level 40, Exchange Plaza
2 The Esplanade
Perth
Western Australia 6000

The principal place of business is:

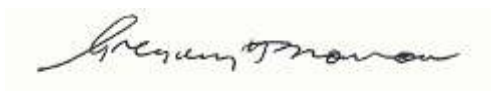
Tasman Resources Ltd
Level 40, Exchange Plaza
2 The Esplanade
Perth
Western Australia 6000

DIRECTORS' DECLARATION

The directors declare that:

1. 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.
2. in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act and Regulations 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company and of the Group for the financial year ended 30 June 2009;
3. the directors have been given the declarations required by S.295A of the Corporations Act 2001.

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

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

Gregory H Solomon
Director

Dated this 25th day of September 2009

**Independent Auditor's Report
To the Members of Tasman Resources Limited**

Report on the Financial Report

We have audited the accompanying financial report of Tasman Resources Limited, (the company) which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting

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policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we complied with applicable independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of Tasman Resources Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 16 of the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the Remuneration Report of Tasman Resources Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants



MJ Hillgrove
Partner
Perth, 25 September 2009

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ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

1. Shareholding as at 15 September 2009

a. Distribution of Shareholders	Number
Category (size of holding)	Ordinary
1 – 1,000	69
1,001 – 5,000	295
5,001 – 10,000	333
10,001 – 100,000	1,023
100,001 – and over	207
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	1,927

b. The number of shareholdings held in less than marketable parcels at 30 June 2009 is 452.

c. The names and relevant interests of the substantial shareholders listed in the company's register as at 15 September 2009 are:

Shareholder	Number Ordinary
Arkenstone Pty Ltd	28,171,975
March Bells Pty Ltd	27,851,500

d. **Voting Rights**

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. **20 Largest Shareholders — Ordinary Shares**

Name	Number of Shares Held	% of Issued Capital
1. Arkenstone Pty Ltd	20,421,355	12.707%
2. March Bells Pty Ltd <DH Solomon Family A/C>	17,562,995	10.929%
3. March Bells Pty Ltd <The Douglas H Solomon S/F>	7,693,384	4.787%
4. Arkenstone Pty Ltd <The Gregory and Lee Solomon Super Fund A/C>	7,444,338	4.632%
5. K & V Lamb Pty Ltd	3,374,497	2.100%
6. Mr Allen Tapp & Ms Maria Polymeneas <Super Account>	2,263,117	1.408%
7. March Bells Pty Ltd	2,175,324	1.354%
8. Boulevade Investments Pty Ltd	2,000,000	1.244%
9. Mr Thomas Fleet Scaife	1,804,688	1.123%
10. Kavel Pty Ltd <Kleemann Family A/c>	1,760,000	1.095%
11. RBC Dexia Investor Services Australia Nominees Pty Ltd <MLCI A/C>	1,629,693	1.014%
12. Peto Pty Ltd <The 1953 Super Fund A/c>	1,361,250	0.847%
13. Mr Kenneth William Lamb & Mrs Valerie Patrena Lamb	1,163,250	0.724%
14. Mr Robert Hastings Smythe	1,100,000	0.684%
15. Mrs Li Ming Yu	951,250	0.592%
16. ANZ Nominees Limited <Cash Income A/c>	922,125	0.574%
17. Mr John Darling & Mrs Lorraine Darling <Darling Super Fund A/c>	906,428	0.564%
18. Mr Wayne Kearney & Mrs Robyn Kearney <Kearney Super A/c>	904,375	0.563%
19. Mr Tom Lomman <Loman Finance Super A/c>	900,000	0.560%
20. Colbern Fiduciary Nominees Pty Ltd	847,688	0.527%
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	77,185,757	48.029%

2. Optionholding as at 15 September 2009 (TASO: \$0.20 Expiring 31 December 2009)

a. Distribution of Optionholders

Category (size of holding)	Number of Optionholders
1 – 1,000	370
1,001 – 5,000	444
5,001 – 10,000	157
10,001 – 100,000	190
100,001 – and over	48
	1,209

b. 20 Largest Optionholders — TASO

Name	Number Options Held	% of Issued Capital
1. Arkenstone Pty Ltd	4,284,051	14.218%
2. March Bells Pty Ltd <DH Solomon Family A/C>	3,102,036	10.295%
3. March Bells Pty Ltd <The Douglas H Solomon S/F>	1,625,270	5.394%
4. Arkenstone Pty Ltd <The Gregory and Lee Solomon Super Fund A/C>	1,572,658	5.219%
5. March Bells Pty Ltd	1,062,237	3.525%
6. Mr Helmut Rocker	1,032,763	3.427%
7. K & V Lamb Pty Ltd	770,625	2.558%
8. Valnera Holdings Pty Ltd	750,560	2.491%
9. Mr Allen Tapp & Ms Maria Polymeneas <Super Account>	500,000	1.659%
10. Bizmark Pty Ltd <Magdolna Fonda A/c>	394,500	1.309%
11. Mr Andrew Walters <Phoenix Holdings A/c>	394,500	1.309%
12. Mr Thomas Fleet Scaife	381,250	1.265%
13. Mr Micheal Whiting and Mrs Tracey Whiting <Whiting Family S/f A/c>	357,539	1.187%
14. Mr Fang Hua Ding	343,995	1.142%
15. Dr Murali Guduguntla & Mrs Laxmi Guduguntla <MLG Superannuation Fund A/c>	331,960	1.102%
16. Mr Kong Kiong Mu	323,758	1.074%
17. Mr Robert Long	300,000	0.996%
18. Synthe Pty Ltd	266,702	0.885%
19. Mr Peter McRitchie	250,600	0.832%
20. Dejul Trading Pty Ltd <Eddington Trading A/c>	245,000	0.813%
	18,290,004	60.700%

3. Optionholding as at 15 September 2009 (TASOB: \$0.10 Expiring 30 June 2012)
a. Distribution of Optionholders

Category (size of holding)	Number of Optionholders
1 – 1,000	55
1,001 – 5,000	201
5,001 – 10,000	100
10,001 – 100,000	162
100,001 – and over	19
	537

b. 20 Largest Optionholders — TASOB

Name	Number Options Held	% of Issued Capital
1. Arkenstone Pty Ltd <GH Solomon Family Inv A/C>	4,084,272	19.814%
2. March Bells Pty Ltd <DH Solomon Family A/C>	3,512,599	17.041%
3. March Bells Pty Ltd <The Douglas H Solomon S/F>	1,538,677	7.465%
4. Arkenstone Pty Ltd <The Gregory and Lee Solomon Super Fund A/C>	1,488,868	7.223%
5. K & V Lamb Pty Ltd	843,625	4.093%
6. March Bells Pty Ltd	435,065	2.111%
7. Mr Thomas Fleet Scaife	360,938	1.751%
8. Temmedo Pty Limited	350,000	1.698%
9. Timmid Pty Ltd	350,000	1.698%
10. Mr Alban Horst Hasslinger	300,000	1.455%
11. Mr Kenneth Lamb & Mrs Valerie Lamb <Lamb Superannuation Fund>	290,813	1.411%
12. Mr Peter Weber	155,000	0.752%
13. Mrs Barbara Watson	154,688	0.750%
14. Doug Perry (Insurances) Nominees Pty Ltd <D C Perry Family A/c>	136,778	0.664%
15. Mr Phillip Hardcastle	125,000	0.606%
16. HSBC Custody Nominees (Australia) Limited	125,000	0.606%
17. Mr Anthony Ford	123,750	0.600%
18. Andrew Peterson	114,252	0.554%
19. Skicorp Pty Ltd <Gulabovski Super Fund A/c>	105,409	0.511%
20. Mr Paul Searle	100,000	0.485%
	14,694,734	71.290%

4. Unlisted Options as at 15 September 2009

Name	Date of Expiry	Exercise Price	Number under Option
ESOP	16 April 2012	0.10	1,574,804
ESOP	26 May 2013	0.12	500,000
			2,074,804

TENEMENT SCHEDULE

Table 1 lists further details on the tenements.

Table 1: Tasman Resource Tenement Schedule

State	Licence Type	Number	% Interest	Locality	Location
Qld	EPM	15642	100	Mirrica North	Approximately 150 NW of Bedourie
Qld	EPM	15645	100	Mirrica South	Approximately 150 NW of Bedourie
Qld	EPM Applic.	18226	100	Toomba South	Approximately 150 NW of Bedourie
Qld	EPM Applic.	18066	100	Nelia Ponds	Approximately 33km E of Julia Creek
Qld	EPM Applic.	18067	100	Nelia West	Approximately 27km E of Julia Creek
Qld	EPM Applic.	18261	100	Borer Park	20km northwest of Richmond
Qld	EPM Applic.	18259	100	Richmond	Surrounds the town of Richmond
Qld	EPM Applic.	18260	100	Kara	20km east of Richmond
Qld	EPM Applic.	18263	100	Telemon	55km ESE of Richmond
SA	EL	4168	100*	Wartaka	Approximately 50 km west of Port Augusta
SA	EL	4206	100*	White Cliff	Approximately 70 km NNW of Andamooka
SA	EL Applic.	2008/434	100*	Fergusson Hill	Approximately 120km northwest of Andamooka
SA	EL	4300	100*	Andamooka	Immediately ENE of Andamooka
SA	EL Applic.	2008/436	100*	Todds Dam	Approximately 45km west of Andamooka
SA	EL Applic.	2009/53	100*	Andamooka North	Approximately 140 km northwest of Leigh Creek
SA	EL	3306	100*	Warrior	Approx 90km 90 NW Tarcoola
SA	EL	3307	100*	Iron Knob	Approximately 50 km WSW of Port Augusta
SA	EL	3341	100*	Muckanippie	Approximately 90 km northwest of Tarcoola
SA	EL	3342	100*	Garford	Approximately 120 km southwest of Coober Pedy
SA	EL	3343	100*	Sandstone	Approximately 90 km southwest of Coober Pedy
SA	EL	3344	100*	Commonwealth Hill	Approximately 70 km north of Tarcoola
SA	EL	3345	100*	Mulgathing Hill	Approximately 80 km northwest of Tarcoola
SA	EL	3423	100*	Wildingi Claypan	Approximately 95 km southwest of Coober Pedy
SA	EL	3453	100*	Reid Lookout	Approximately 70 km west of Port Augusta
SA	EL	3532	100*	Galaxy Tank	Approximately 85 km southwest of Coober Pedy
SA	EL	3712	100*	Sandy Tank	Approximately 85 km southwest of Coober Pedy
SA	EL	3739	100*	Old Wartaka	Approximately 70 km west of Port Augusta
SA	EL Applic.	2009/140	100	Streaky Bay	Approximately 35 km east of Streaky Bay
SA	EL Applic.	2009/185	100	Yaninee	Approximately 80 km east of Streaky Bay

* Fission has the uranium rights in these tenements under an agreement with Tasman. In ELs 4206, 4300 and ELAs 2008/434, 2008/436 and 2009/53 Fission only has the rights to uranium mineralisation in rocks above the basement.