



ACN 009 253 187

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

10 February 2009

WCP Force Majeure Notice

Background

Pursuant to the terms of a Farmin and Joint Venture Agreement dated 12 February 2007 ("the Farmin Agreement"), WCP Resources Ltd ("WCP") was granted the right by Tasman Resources NL ("Tasman"), subject to satisfying certain obligations including the expenditure over a number of years of up to \$6.5 million, to earn up to a 65% interest in any minerals that occur in the pre-Neoproterozoic basement on a number of Tasman's exploration licences in South Australia, primarily targeting iron-oxide associated copper-gold-uranium deposits similar to the Olympic Dam deposit.

WCP conducted some drilling of various targets and also an extensive programme of gravity surveys in 2007 and early 2008 throughout the project area. Subsequent processing of the gravity data in early-to-mid 2008, highlighted a moderately strong gravity anomaly (associated with an interesting magnetic anomaly) at Vulcan prospect, approximately 30km northeast of Olympic Dam. The prospect had previously been identified in the early 1980s, and tested with one drill hole by WMC Resources, but it is interpreted now that this drill hole was sited off the gravity anomaly, and no significant mineralisation was hit.

Based on geophysical modelling of the gravity and magnetic data, WCP identified two separate, potential drill sites approximately 3.8km apart over different parts of the Vulcan prospect.

Aboriginal Heritage Clearances of Proposed Drill Sites

WCP, in September 2008, then conducted heritage clearance surveys with the two Aboriginal groups claiming native title over the project area, and

- The first survey was conducted with one claimant group on 5 September 2008, and resulted in the clearance of both proposed drill sites; and
- The second survey was conducted on 15 September 2008 with the other claimant group, resulting in clearance for drilling of only one of the two proposed drilling sites.

By letter dated 24 October 2008, WCP requested that Tasman agree to suspend the expenditure obligations under the Farmin agreement, because WCP had then decided that the proposed drill site which had not been approved was the only remaining opportunity of interest to WCP under the Farmin agreement.

Tasman responded on 13 November 2008 by letter advising that it had entered into the Farmin Agreement so that continued exploration activity would occur on its tenements, and that it would not agree to WCP's request to suspend expenditure obligations, and instead requested that WCP ensure that it comply with the terms of the Farmin Agreement in relation to meeting the minimum expenditure commitments as required by the Farmin Agreement.

Based on the information received to date by Tasman from WCP, Tasman believes that it is highly unlikely that WCP will meet the minimum expenditure requirement during the second twelve month period (which ends on 11 February 2009) of the Farmin Agreement, which requires expenditure during this 12 month period of not less than One Million dollars.

Nothing further on this was heard by Tasman after it sent its letter to WCP on 13 November 2008 until 6 February 2009.

Notice from WCP Purporting to Invoke Force Majeure Provisions

On Friday 6 February 2009, at 4.29pm, without prior warning, Tasman received a notice from WCP seeking to invoke the Force Majeure provisions of the Farmin Agreement on the basis that because of the non-approval of the second proposed drill site, WCP is prevented from expending the Minimum Annual Expenditure during the year ending on 11 February 2009.

Tasman responded by giving written notice to WCP that it disputed the validity of the Force Majeure notice from WCP because:

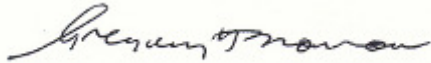
- firstly, whilst one proposed drill site selected by WCP for further exploration was not cleared by the second native title claimant group, the other proposed site that WCP selected was cleared and approved for drilling by both native title claimant groups, but nothing further has been done by WCP in relation to drilling the approved hole, notwithstanding that this approval was received almost four months ago; and
- secondly, (and without limiting any other grounds of objection that Tasman may rely upon), clause 44.2 of the Farmin Agreement expressly states that Clause 44.1 of the Farmin Agreement (which details the Force Majeure events that may apply), does not apply to an inability of a Party to make a cash payment (including in satisfaction of expenditure obligations) however arising...".

In addition, and regardless of these earlier points, the notice given on 6 February 2009 is not, in Tasman's view, a valid notice because it was not given immediately upon WCP becoming aware that it was or was likely to be affected by the alleged Force Majeure event, as is expressly required by clause 44.3 of the Farmin Agreement. In fact, the letter dated 24 October 2008 clearly shows that WCP was well aware of the events at that time. Had WCP given notice at that time under clause 44.3 as it was obliged to do if it wanted to invoke the benefit of the Force Majeure provisions, more than 3 months would have elapsed before 6 February 2009, and by virtue of clause 44.7, the Farmin Agreement would now be terminable by Tasman in any event because the event has continued for more than 3 months.

In the result, Tasman considers the notice purportedly given by WCP under clause 44.1 of the Farmin Agreement on 6 February 2009 is clearly both invalid and ineffective.

Proposed Referral of Dispute for Resolution under Farmin Agreement

As a consequence, Tasman proposes to refer this matter for resolution pursuant to the Dispute resolution terms of the Farmin Agreement which will determine whether or not WCP has in all the circumstances become entitled to invoke the benefit of the Force Majeure provisions of the Farmin Agreement or not, and if so whether it has effectively invoked those provisions despite failing to give notice until more than 3 months after it became aware of the alleged Force Majeure event.



Gregory H Solomon

Executive Chairman

