



Tasman Goldfields Limited
ABN: 86 121 985 395

Registered Office:
Level 1, 500 Boundary Street, Spring Hill,
Brisbane, Queensland 4000, Australia
Email: info@tasmangoldfields.com.au
Web: www.tasmangoldfields.com.au

Postal:
PO Box 435
Spring Hill
Qld 4004

ASX/MEDIA RELEASE
24 November 2009

Queensland-based gold exploration company Tasman Goldfields Limited (ASX: TGX) (Tasman, the Company) advises that AusCan Gold Ltd (the counterparty to the Challenger Development Funding Option Agreement as announced to ASX on 13 July) has failed to pay to Tasman the additional \$200,000 cash payment due on 20 November 2009.

Under the terms of the Option Agreement, Tasman granted an extension to the option period on the condition that Auscan paid to Tasman a second \$200,000 cash payment, due on 20 November 2009.

As a result of the late payment, AusCan has breached the legally binding contract between the parties and subsequently Tasman has terminated the Agreement.

Tasman now has the opportunity to either pursue a development of the Challenger and Mt Adrah orebodies on its own account or alternatively it may choose to re-open discussions with other parties who wish to participate in an attractive gold mine development. Since completing the October 2008 engineering study and entering into the Auscan Option Agreement the rise in the price of gold has added a further margin of approximately US\$390 per ounce to project economics.

About Challenger Gold Project

The Challenger Gold Project is located in the Adelong Goldfield, near the town of Wagga Wagga in southern NSW. The project has a JORC compliant resource of 134,000oz at 2.2 g/t gold (1.3 mt @ 2.17 g/t Indicated + 0.64 mt @ 2.35 g/t Inferred).

The Company plans to develop the project into an open pit mining operation at the Challenger Main, Challenger Extended and potentially Currajong orebodies. Pit optimisation studies are based on the Challenger Main, Challenger Extended and Currajong orebodies, and does not include potential ore feed from other known zones of mineralisation at the project which will continue to be investigated as part of ongoing exploration programs. Also, the main Challenger ore shoot is open at depth and any additional resources added by drilling down plunge will enhance the economics of the potential development.

Tasman's gold resource profile is further enhanced by the Mt Adrah project which is located 15km northwest of Challenger.

ENDS

For further information please contact:

Geoffrey Checketts
Managing Director
Tasman Goldfields Limited
M: 0414 017 214
E: info@tasmangoldfields.com.au

Website: www.tasmangoldfields.com.au

About Tasman Goldfields

Tasman Goldfields is a Pacific Rim-focused gold exploration company listed on the ASX.

Tasman Goldfields has advanced gold projects in Queensland and New South Wales, in Australia, New Zealand and Papua New Guinea.

Tasman's portfolio of gold projects includes 3 early development projects, 2 advanced exploration projects and two grass-roots projects.

The Company's objective is to conduct exploration activities at its existing cornerstone properties and to generate new gold exploration opportunities in the Western Pacific Rim.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Nicolson, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full-time employee of Tasman Goldfields Ltd, and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity referred to herein, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves". Mr Nicolson consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.