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ASX/MEDIA RELEASE

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SIGNIFICANT GOLD INTERCEPTS AT CHALLENGER GOLD PROJECT, NSW

Tasman Goldfields Limited (Tasman, the Company) (ASX:TGX) is pleased to report significant intercepts of gold mineralisation from successful stepout and infill RC drilling carried out at the Challenger Gold Project, immediately north of the town of Adelong in New South Wales.

Significant intercepts included (downhole widths):

- **2m @ 2.45 g/t gold**, and
- **1m @ 8.77 g/t gold**;

- **21m @ 1.44 g/t gold** (no lower cutoff), including
 - 1m @ 7.66 g/t gold
 - 1m @ 5.09 g/t gold
 - 1m @ 3.00 g/t gold
 - 1m @ 6.00 g/t gold

- **1m @ 2.53 g/t gold**, and
- **1m @ 2.15 g/t gold**, and
- **2m @ 1.85 g/t gold** (terminated in mineralization)

- **2m @ 2.33 g/t gold**

- **5m @ 1.19 g/t gold**

- **1m @ 2.79 g/t gold**

The drill program was conducted during August-October 2008. A total of 34 RC drillholes (907m total, average 26.6m depth) were completed along two main traverses, with holes drilled towards grid east and west at -50 to -60 degrees inclination.

The program was designed to follow up and extend gold intersections generated by previous tenement holders along the Challenger, Victoria East and Caledonian reef systems. Drill supervision and logging were carried out by Geos Mining Consultants of Brookvale, NSW and by Tasman Goldfields Ltd personnel.

Samples were riffle split and representative subsamples from each 1m interval were assayed for gold by 50g Fire Assay with AAS finish by ALS Chemex, Orange, NSW. A total of 605 samples were assayed.

The drill targets are north-trending, steeply-dipping shear zones with associated quartz veining and associated basic dykes, hosted by the Wondalga Granodiorite. The shear zones are represented at surface by lines of old pits and shafts, and by scattered mine and prospecting dumps, and although are not physically adjacent to the main Challenger and Currajong ore deposits, highlight the potential for supplemental ore feed to the proposed Challenger mill.

Tasman managing director Geoffrey Checketts said he was delighted with the results of the drill program at the project, which helped to confirm Challenger as a viable open pit mine development opportunity.

“A pre-feasibility study review has confirmed that the development of an open pit mine located on the Challenger Main, Challenger Extended and potentially Currajong ore bodies is economically feasible at prevailing prices and costs, and we are excited at the development potential the project represents and are now looking at options to take the project forward to a mining operation,” Mr Checketts said.

The drill program was successful in intersecting potentially ore grade mineralization in adjacent drillholes at both the Victoria East and Caledonian reefs. These reef systems are located at the extreme south and north ends respectively of ML 1435. A summary of significant intersections is set out below:

Hole ID	AMG East	AMG North	Azimuth (°)	Dip (°)	From	To	Intercept *(m)	Gold g/t		
TGRC013	596739	6093134	270	-60	0	21	21	1.44		
					Including		1	4	3	1.69
					8	9	1	7.66		
					12	13	1	5.09		
					15	16	1	3.00		
					19	20	1	6.00		
TGRC042	596734	6093157	270	-60	2	3	1	2.53		
					6	7	1	2.15		
					8	10	2	1.85		
TGRC056	596716	6093247	270	-60	15	17	2	2.33		
TGRC057	596712	6093274	270	-60	27	28	1	1.45		
					30	31	1	2.79		
TGRC034	596961	6094607	270	-60	8	9	1	1.16		
					17	22	5	1.19		
TGRC035	596961	6094622	270	-60	41	43	2	2.45		
					48	49	1	8.77		

*Intercepts are downhole widths only. True widths of mineralization are not implied.

Drill logs confirm that the mineralisation is hosted by quartz veined and pyritic, altered granodiorite, with subordinate diorite and foliated mafic dykes or selvages. Massive or “reef” vein quartz is variably present, but does not necessarily coincide with all the mineralised zones. The areas drilled are at an early stage of evaluation and mineralisation has so far been characterised to a reconnaissance level only.

Tasman intends to carry out further work, including deeper infill and step-out RC and diamond drilling, in the project area during 2009.

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The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Nicolson, who is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists, 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.