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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
6th July 2010

VULCAN: ENCOURAGING FIRST ASSAY RESULTS
- CURRENT S.A. DRILLING PROGRAM -

SUMMARY

- **First assays from the upper part of Vulcan's third hole, VUD 003, confirm thick IOCGU mineralisation, with high grade intervals**

- **Mineralisation in VUD 003 is much stronger than the discovery hole, VUD 001, and includes 7.8m@ 1.21% Cu, higher than the Olympic Dam discovery hole**

- **Mineral assemblage and alteration strongly correlates that of Olympic Dam, 30 kilometres to southwest**

- **The very large size of the Vulcan target being tested (11km^2), confirms Vulcan's potential to deliver a major IOCGU deposit.**

DETAILS

Tasman Resources Limited (ASX: "TAS") is pleased to advise extremely encouraging results, including high grade, multiple metallic intersections, from the first assays received from the Company's current four-hole follow-up diamond drilling program at its wholly-owned Vulcan prospect, located 30km north of Olympic Dam in South Australia (Figure 1).

The results, which include a nearly eight metre long copper intersection grading 1.21%, higher Tasman says, than the discovery hole at the near Olympic Dam copper mine which intersected thirty eight metres at 1.0% copper, are from the upper basement section of diamond drillhole, VUD 003.

This is the second diamond drill hole in the current program which commenced in April to follow up the discovery by Tasman of iron-oxide copper gold uranium (IOCGU or Olympic Dam style) mineralisation in the first hole at Vulcan late in 2009 (see Figures 1 and 2) and an initial announcement (ASX 8th June 2010) of strong copper mineralisation in VUD 003.

The assay results announced today are the first for any of the four follow-up holes. The first hole, VUD 002, was initially reported on 20 May 2010, and assays are also awaited for that hole and the lower part of VUD 003.

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"The results from VUD 003 are extremely encouraging and demonstrate that the geological processes at Vulcan are clearly very strong and capable of concentrating large amounts of copper, gold and uranium," Tasman's Executive Chairman, Mr Greg Solomon, said today.

"Although the main sulphide minerals intersected in these first holes are pyrite and chalcopyrite and not the higher tenor bornite or chalcocite, Vulcan is clearly large enough (about 11km^2, see Figure 2), for significant development of these higher grade, and economically most attractive mineral assemblages elsewhere in the system," Mr Solomon said.

"The fourth hole in the current program, VUD 005, is currently in progress. Tasman expects to resume further drilling later in the year when the remaining results from the current program have been reviewed, and access issues covering other parts of the very large Vulcan gravity target have been resolved."

The four-hole follow-up program is being supported by the South Australian Government's innovative PACE (Plan for Accelerating Exploration) program.

Background

Tasman identified Vulcan as a prime IOCGU target in 2009, based on the presence of a very large gravity anomaly (about 11km^2), supporting magnetic and seismic anomalies and Vulcan's location close to key tectonic (structural) lineaments which had previously been used in the original targeting of Olympic Dam by WMC in the 1970s (see Figure2).

Tasman's initial discovery drill hole, VUD 001, intersected Vulcan late in 2009, and further technical investigations confirmed the potential significance of the discovery.

Results VUD 003

VUD 003, located at 694,452mE; 6,660,115mN (datum GDA 94, zone 53) is a vertical drill hole collared approximately 600m east of the previous holes VUD 001 and 002 (Figure 2).

The hole was pre-collared by RC percussion drilling to about 185m and completed by diamond drilling at a depth of 1119.80m.

Assay results from this hole have been summarised in Table 1 below. An upper mineralised zone (Intersection A) extends from 874.20m to 930.85m (56.65m down hole), and averages 0.59% Cu, 0.17g/t Au, 0.051kg/t U_3O_8 and 0.9g/t Ag. **This zone contains a number of higher grade intervals as indicated in the table.**

Further mineralisation and alteration continues to the end of the hole at 1119.8m, but assays for this section of the hole are awaited.

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Table 1: Summarised assay results from the upper part of hole VUD 003.

Intersection No.	From	To	Thickness	Copper %	Gold g/t	U_3O_8 kg/t	Silver g/t
A	874.20	930.85	56.65	0.59	0.17	0.051	0.9
Including 1	874.20	886.06	11.86	0.56	0.11	0.045	1.2
And 2	895.08	901.85	6.77	0.81	0.33	0.033	1.3
Including	*895.08*	*895.42*	*0.34*	*5.85*	*2.23*	*0.025*	*5.8*
And 3	912.00	919.80	7.80	1.21	0.35	0.144	1.2
Including	*914.25*	*915.00*	*0.75*	*3.30*	*1.06*	*0.058*	*2.5*
and	*919.05*	*919.80*	*0.75*	*4.44*	*1.34*	*0.584*	*2.5*
And 4	930.20	930.85	0.65	7.82	2.41	0.033	4.9
B	944.65	949.48	4.83	0.82	0.32	0.142	2.1

Drill core for assay was halved by diamond sawing, and analysis was performed by a combination of fire assay/solvent extraction and flame AAS, ICP optical emission and mass spectrometry. Averages were calculated by weighting by sample length and density.

The host rocks to the mineralisation consist of variably IOCGU – altered, originally granitic rocks. The alteration mineral assemblage consists of hematite, sericite, siderite, chlorite and sulphides (dominantly pyrite and chalcopyrite, and minor molybdenite), as seen at Olympic Dam. The rocks are variably fractured, veined and brecciated.

There is a strong correlation between the specific IOCGU elements copper, gold, silver and uranium within the hole, as expected in such a system. Other minor elements such as molybdenum, barium, cobalt, lanthanum and cerium (normally associated with IOCGU deposits such as Olympic Dam) are also strongly anomalous in VUD 003.

The results from VUD 003 are considered extremely encouraging, demonstrating that the geological processes at Vulcan were clearly very strong and capable of concentrating large amounts of copper, gold and uranium. Although the main sulphide minerals intersected in these first holes are pyrite and chalcopyrite and not the higher tenor bornite or chalcocite, Vulcan is clearly large enough (about 11km^2, see Figure 2), for significant development of these higher grade, and economically most attractive mineral assemblages elsewhere in the system.

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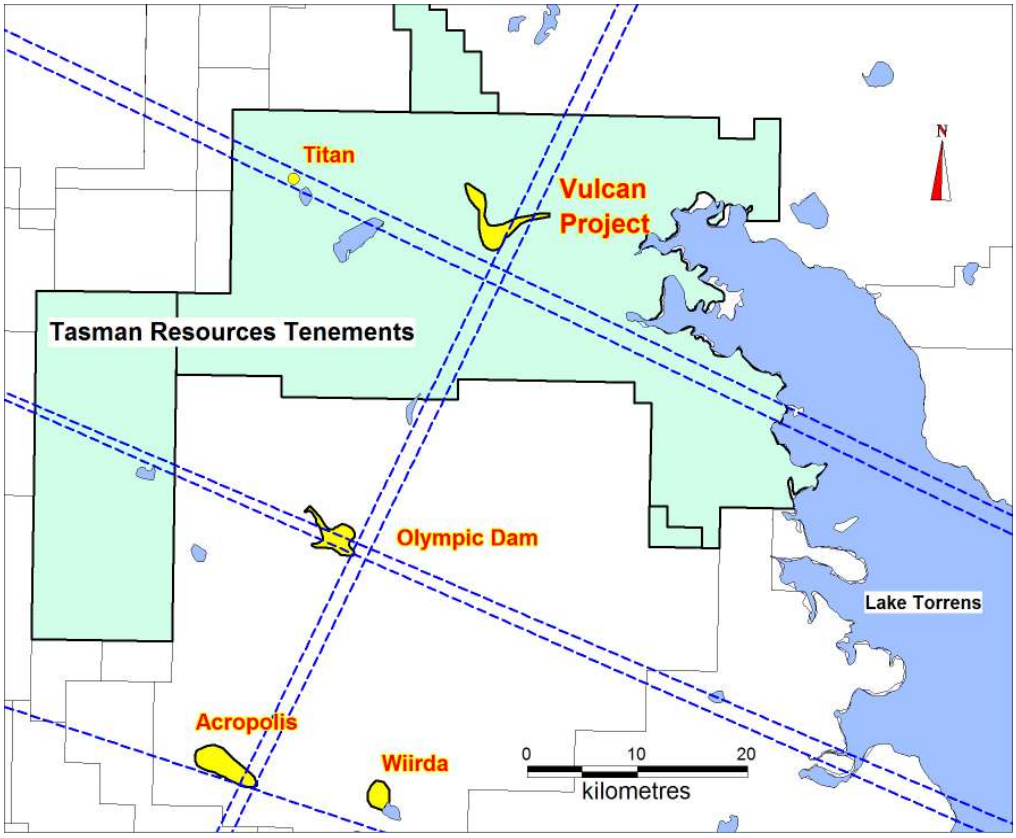

Figure 1: Location Plan showing the Vulcan IOCGU Project, nearby IOCGU deposits/systems and several key (historic) tectonic lineaments (dashed blue lines)

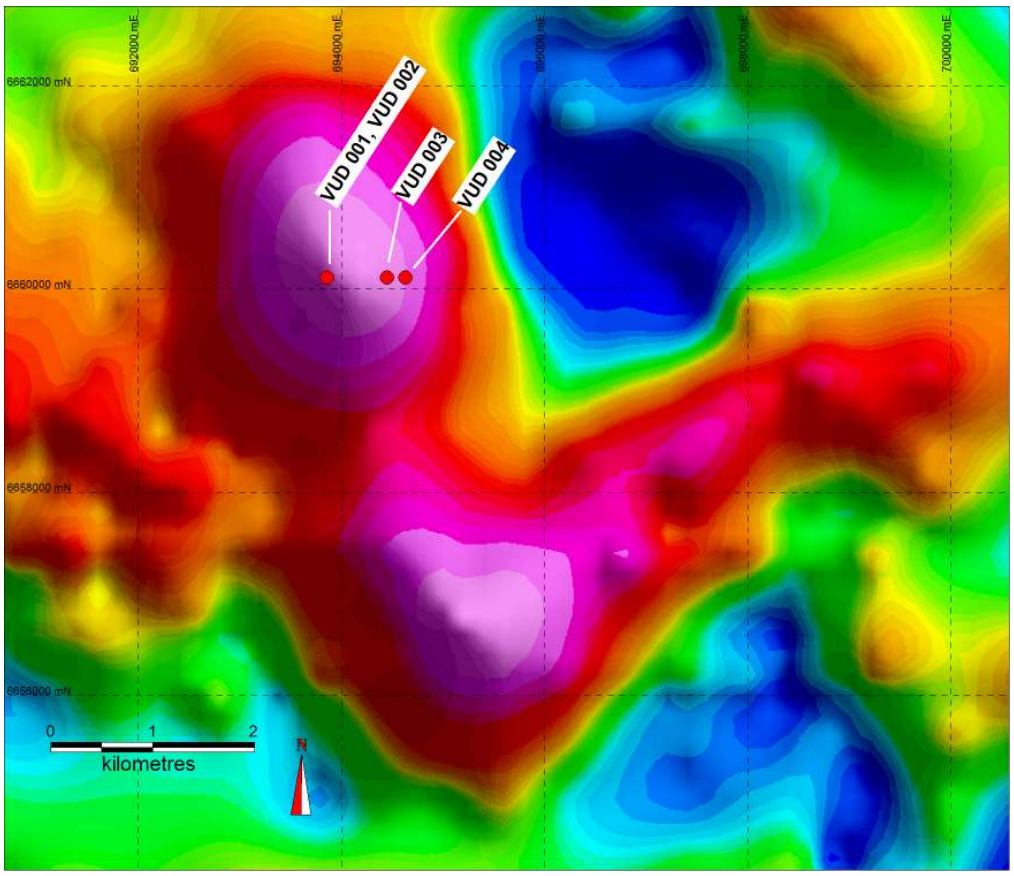

Figure 2: Vulcan residual bouguer gravity image (background) showing the location of drill holes VUD 001 to VUD 004.

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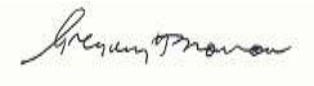

Greg Solomon
Executive Chairman

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 announcement, 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 his 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

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