

## Quarterly Activities Report For the period ending 31<sup>st</sup> December 2009

### Highlights

- Changing of the Board on 30 November 2009
- Placement raising \$420,000
- Additional funds byway of loans by new directors
- Reviewing all current projects
- Commenced a review of potential new projects for Tasman
- Closing of Brisbane office
- A quarter end cash balance of \$653,000

### Changing of the Board of Directors

In October 2009 Tanner Investments Pty Ltd, a company controlled by Warren Gilmour, requested a general meeting to be held on 7 December 2009 with a view to removing Tasman's then current board and making new appointments. There was significant support for these resolutions by shareholders which resulted in the resignation on 30 November 2009 of Geoffrey Checketts, John Parks and Robert Skrzeczynski as directors and the appointment of Geoffrey Gilmour, Warren Gilmour and Graeme Clatworthy.

### Financial position

During the quarter the Company placed 12,000,000 shares at \$0.035 to sophisticated investors raising \$420,000. This placement together with a further \$300,000 of loan funds from two of the new directors has secured the short-term financial position of the Company.

The board is currently investigating the transfer of approximately \$200,000 from its bank account immediately prior to the resignation of Messrs Checketts, Parks and Skrzeczynski. The board understands that a portion of this transfer was paid to Mr Checketts. To date, despite requests and due to the holiday period, this information has not been provided in a format that can be included in item 1.23 of the Company's Appendix 5B for the quarter ending 31 December 2010.

**Review of Tasman's projects**

The board has commenced a review of all of the Tasman's projects. The review will assist the board in making decision in respect of the best way forward for the Company in regard to its existing mineral interests.

**Closing of the Brisbane office**

The Brisbane office has been closed as it was considered excess to the Company's needs.

**Commenced a review of potential new project's**

The board has commenced appraising potential new projects for Tasman.

**Share Capital**

At quarter-end the company's issued securities were as follows

- 98 million ordinary shares
- 2.85 million unlisted options ( strike price of A\$0.30)

Yours Sincerely

Warren Gilmour  
Chairman  
Tasman Goldfields Limited

**Appendix 5B**

**MINING EXPLORATION ENTITY QUARTERLY REPORT**

Name of entity

**TASMAN GOLDFIELDS LIMITED**

ABN

86 121 985 395

Quarter ended ("current quarter")

31 December 2009

**Consolidated statement of cash flows**

<b>Cash flows related to operating activities</b>	Current Qtr \$A'000	Year to Date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for: (a) exploration and evaluation (b) development (c) production (d) administration	(29)	(222)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		1
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	7	7
<b>Net Operating Cash Flows</b>	<b>(387)</b>	<b>(696)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		20
1.10 Loans to/from other entities		
1.11 Loans repaid by other entities		
1.12 Other		
<b>Net Investing Cash Flows</b>		<b>20</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(387)</b>	<b>(676)</b>

1.13 Total operating and investing cash flows (brought forward)	(387)	(676)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from the issue of shares, options, etc.	620	820
1.15 Proceeds from the sale of forfeited shares		
1.16 Proceeds from loans		
1.17 Repayment of loans		
1.18 Dividends paid		
1.19 Other – Loans from Directors	300	300
<b>Net financing cash flows</b>	<b>920</b>	<b>1,120</b>
<b>Net increase (decrease) in cash held</b>	<b>533</b>	<b>444</b>
1.20 Cash at beginning of quarter/year to date	120	209
1.21 Exchange rate adjustments to item 1.20		
<b>1.22 Cash at end of quarter</b>	<b>653</b>	<b>653</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

	Current Qtr \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	41
1.24 Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Consultancy fees (27)
Directors fees, salaries & superannuation (14)

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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### Financing facilities available

Add notes as necessary for an understanding of the position

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities – provided by Directors	300,000	300,000
3.2 Credit standby arrangements		

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	25
4.2 Development	
<b>Total</b>	<b>25</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to related items in the accounts as follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	153	120
5.2 Deposits at call	500	
5.3 Bank Overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (Item 1.22)	<b>653</b>	<b>120</b>

### Changes in interests in mining tenements

Tenement Reference	Nature of interest (note (2))	Interest at Beginning of Quarter	Interest at End of Quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2 Interests in mining tenements acquired or increased	Nil		

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Number Issued	Number quoted	Issue price per security	Amount paid up per security
7.1 <b>Preference securities</b> (description)				
7.2 Issued during Quarter				
7.3 <b>Ordinary securities</b>	98,661,335	98,661,335		
7.4 Issued during Quarter	20,528,000	20,528,000		
7.5 <b>Convertible debt securities</b> (description)				
7.6 Issued during quarter				
7.7 <b>Options</b> (description)	2,850,000		Exercise Price \$0.30	Expiry Date 24 Sept 12
7.8 Issued during Quarter				
7.9 Exercised during Quarter				
7.10 Expired during Quarter				
7.11 <b>Debentures</b> (totals only)				
7.12 <b>Unsecured notes</b> (totals only)				

### Compliance Statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
2. This statement does give a true and fair view of the matters disclosed.

Sign here:

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Warren Gilmour  
Director

Date: 29 January 2010

### Notes

1. The quarterly report is to provide a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. Any entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The "Nature of Interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
3. **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
4. The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
5. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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