



**Tasman Resources Ltd**  
**ABN 85 009 253 187**

**and Controlled Entities**

**Interim Financial Report**  
**for the**  
**Half-Year Ended 31 December 2010**

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## **HIGHLIGHTS**

### **SA – VULCAN PROJECT**

- Drilling has confirmed the potential significance of Tasman's Vulcan IOCGU discovery, and the first five drill holes will be followed up with a new round of drilling early in 2011.
- The most encouraging hole drilled in 2010 was VUD 003, which intersected a down-hole zone of 56.65m at 0.59% Cu, including 7.8m at 1.21% Cu, and 0.65m at 7.82% Cu, 2.41g/t Au and 0.03kg/t U3O8.
- A 2D seismic reflection survey was completed successfully.
- Endeavours aimed at resolving access issues covering the southern, and possibly most prospective part of the Vulcan IOCGU system are continuing.
- Following the Vulcan IOCGU discovery, a regional data review has highlighted new targets for testing.

### **CORPORATE**

The Company completed the raising of \$0.91 million before costs by the issuing of approximately 9.1 million fully paid ordinary shares at an issue price of \$0.10 per share via a share purchase plan to existing shareholders.

### **INVESTMENTS**

**Fission Energy (Tasman: 28.0% shareholding fully diluted as at 31<sup>st</sup> December 2010).**

- Further evaluation and metallurgical testing of the Mt Thirsty cobalt-nickel-manganese (oxide) deposit was conducted. Additional infill drilling was completed and resource modelling is in progress.
- Exploration for nickel sulphides continued, with a number of significant intersections being obtained, including (down-hole) 2m at 5.9% Ni, 2m at 3.5% Ni and 1m at 4.7% Ni.

**Eden Energy (Tasman: 16.6% shareholding, fully diluted as at 31<sup>st</sup> December 2010).**

- Eden acquired the 50% interest in the pyrolysis project and the gas to liquids held by the University of Queensland.
- Eden's wholly owned subsidiary, Hythane Company has commenced the scale-up of the pyrolysis technology in Colorado, USA and is now testing and optimising the process.
- In India, development of Eden's Optiblend® Dual Fuel business continued.

**CORPORATE DIRECTORY**

**DIRECTORS:**

Gregory H Solomon **LLB** (Executive Chairman)

Douglas H Solomon **BJuris LLB (Hons)** (Non-Executive)

Guy T Le Page **BA, BSc (Hons), MBA, FINSIA, MAusIMM** (Non-Executive)

**COMPANY SECRETARY:**

Aaron P Gates **B.Com, CA, ACIS**

**REGISTERED OFFICE:**

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**SOLICITORS:**

Solomon Brothers

Level 40, Exchange Plaza

2 The Esplanade

Perth WA 6000

Minter Ellison

1 King William Street

Adelaide SA 5000

**AUDITORS:**

Grant Thornton Audit Pty Ltd

Chartered Accountants

Level 1

10 Kings Park Road

West Perth WA 6005

**SHARE REGISTRY:**

Advance Share Registry Services

150 Stirling Highway

Nedlands WA 6009

**STOCK EXCHANGE LISTING:**

ASX Code: TAS (ordinary shares) TASOB (options expiring 30 June 2012)

Quotation has been granted for all the ordinary shares and all issued options of the company on all Member Exchanges of the Australian Stock Exchange Limited.

REVIEW OF OPERATIONS

DETAILS

IOCGU EXPLORATION: SOUTH AUSTRALIA

Vulcan Project (100% Tasman)

*Drilling Status*

No further drilling was conducted at Vulcan during the six months due to wet weather in eastern Australia delaying the drilling contractor's prior program. Drilling is now due to resume in January 2011.

Tasman expects to drill at least four holes in this program. Each hole is expected to take about two to three weeks to drill, and assay results are expected four to six weeks after the completion of each hole. Drill sites have been selected to target a diversity of potential opportunities for high-grade mineralisation, based on gravity, magnetic and seismic geophysical data, and a geological model based on features exhibited in other IOCGU systems such as Olympic Dam and Prominent Hill.

Work continues towards resolution of heritage matters affecting a portion of the southern, and possibly most prospective part of the gravity target.

The location of Vulcan is shown in Figure 1, and a plan showing the location of the five drill holes already completed at Vulcan is given in Figure 2.

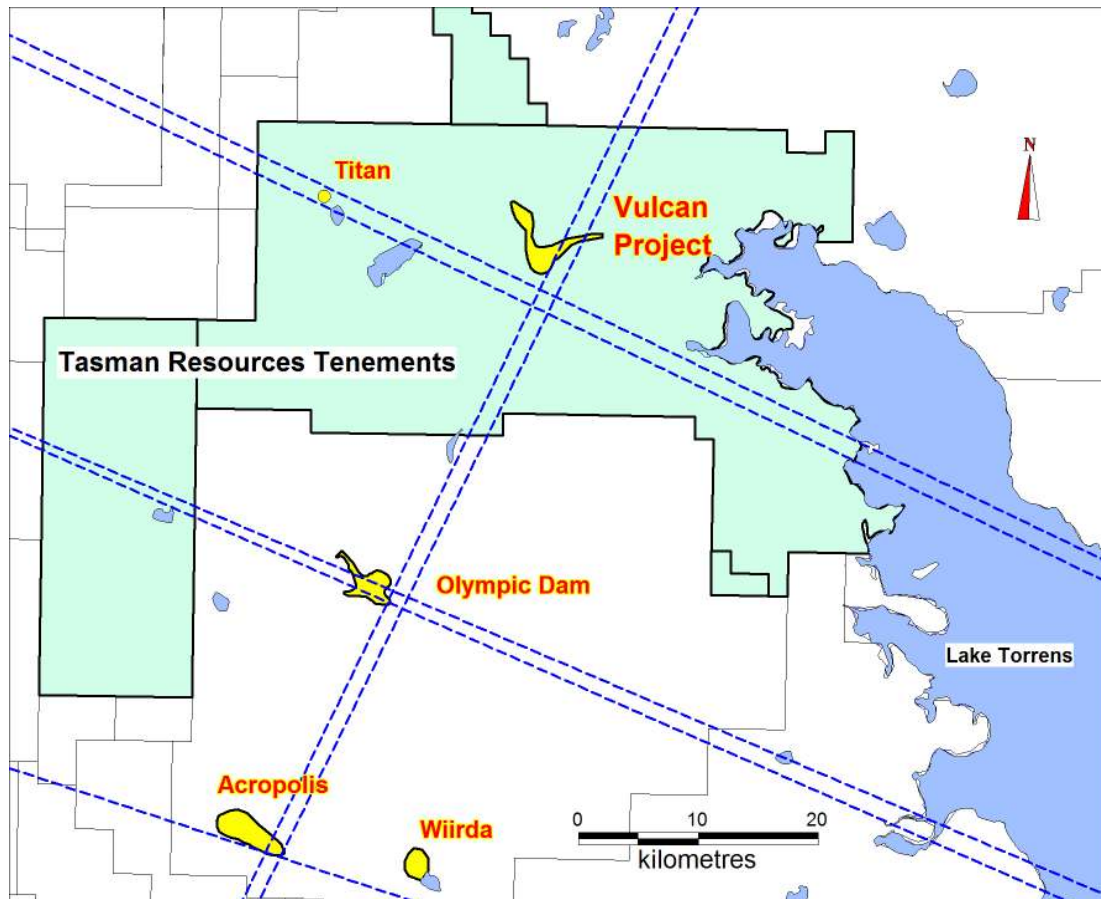
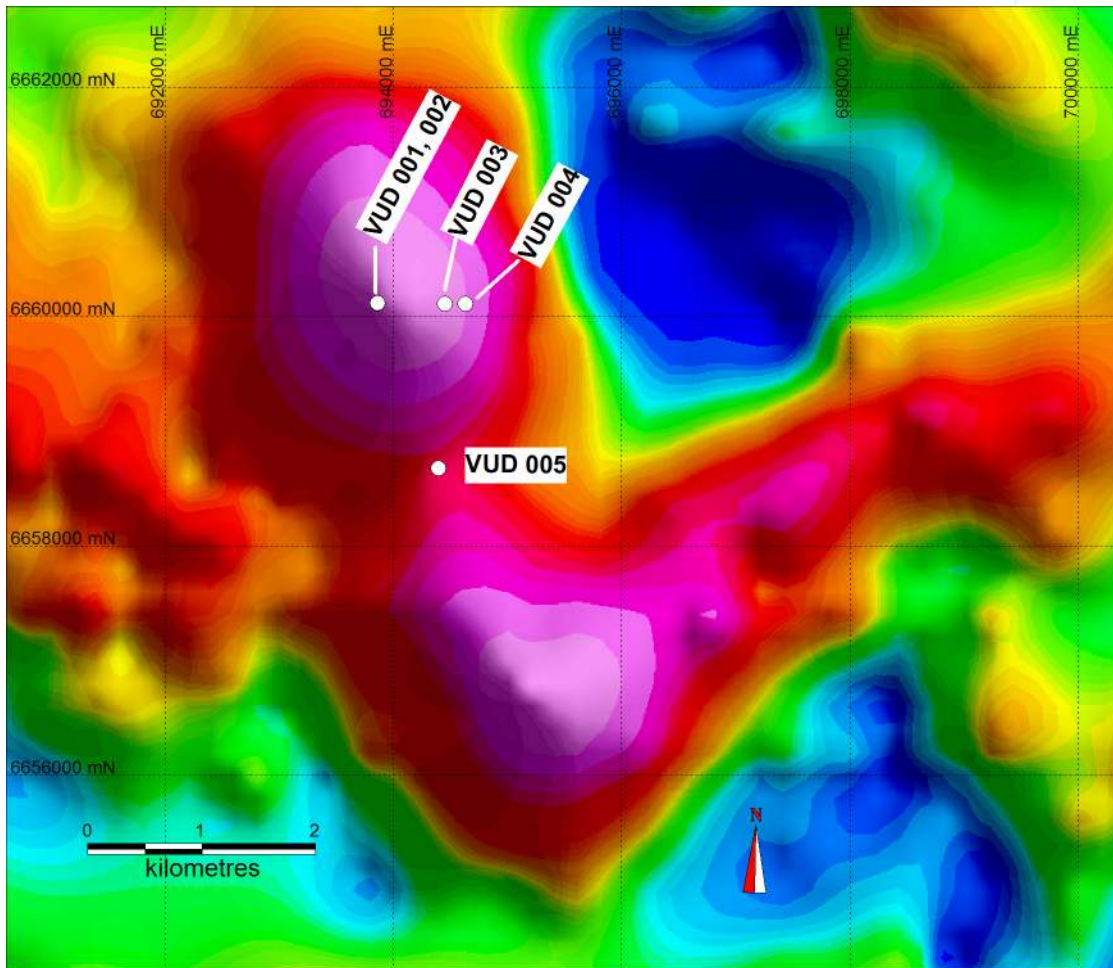


Figure 1: Location Plan showing the Vulcan IOCGU Project, nearby IOCGU deposits/systems and several key (historic) tectonic lineaments identified prior to the discovery of Olympic Dam (dashed blue lines). Tasman's tenements are shown in green.



**Figure 2: Vulcan residual bouguer gravity image with the location of the five drill holes VUD 001 to 005, completed to date.**

***Exploration Completed To Date: Significance***

All five drill holes completed at Vulcan to date have intersected the alteration and mineralisation associated with the Vulcan IOCGU system. The best results have been from hole **VUD 003**, which intersected much stronger IOCGU mineralisation than the discovery hole VUD 001, including 7.8m down hole at 1.21% Cu, (and 0.35g/t Au) higher copper grade than the Olympic Dam discovery hole RD 1. This 7.8m zone is included within a much thicker interval of 56.65m at 0.59% Cu, which also included a number of other higher grade zones such as 0.75m at 4.44% Cu, 1.34g/t Au, 0.58kg/t U<sub>3</sub>O<sub>8</sub> and 0.65m at 7.82% Cu, 2.41g/t Au and 0.03kg/t U<sub>3</sub>O<sub>8</sub>, as reported to the ASX on 6<sup>th</sup> July 2010.

**VUD 002** and **VUD 004**, intersected weaker mineralisation than VUD 003, although interestingly, VUD 002 also intersected further anomalous rare earth element concentrations, with one five metre zone (from 947m to 952m down hole) averaging 0.29% Ce and 0.18% La, comparable to levels seen in mineralised hematite-rich breccias at Olympic Dam. VUD 004 intersected a 1.37m thick zone at the basement unconformity averaging 0.91kg/t U<sub>3</sub>O<sub>8</sub>.

The main sulphide minerals intersected in the first holes (VUD 001 to VUD 004) are pyrite and chalcopyrite and not the higher tenor bornite or chalcocite as seen in higher grade parts of the Olympic Dam Deposit. However, Vulcan is clearly large enough (about 11km<sup>2</sup>) for significant development elsewhere within the system of this style of higher-grade, and economically more attractive mineral assemblage. Further, individual sections of these holes have returned assays for copper, uranium, gold, cerium and lanthanum that are equivalent to the higher-grade ore mined at Olympic Dam, confirming that the system has the potential to produce high-grade mineralisation.

**VUD 005** has intersected rocks believed to be highly altered parts of the Vulcan system, although no significant visible mineralisation has been observed.

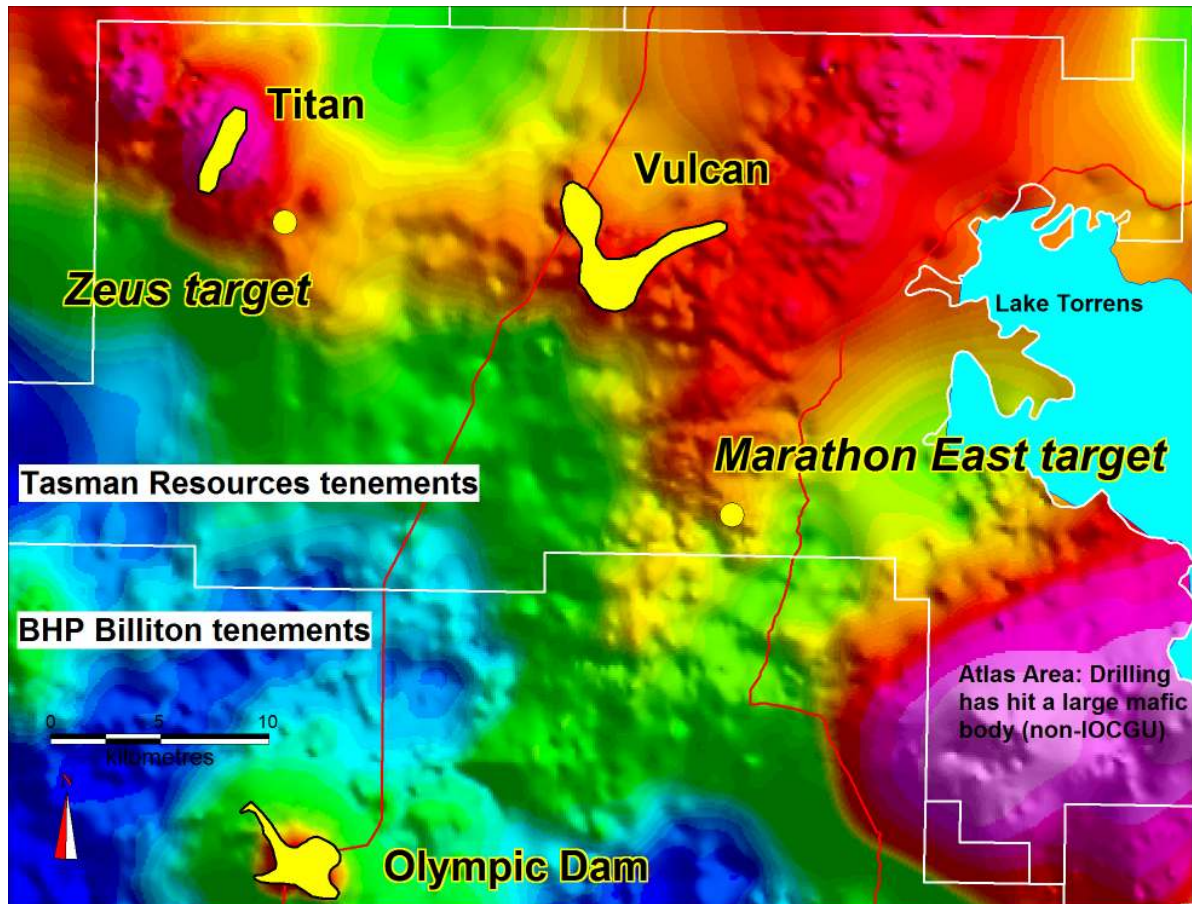


**Regional Review and Synthesis**

Following the drilling success at Vulcan a review of regional geophysical and geological data has been conducted. This review has highlighted the importance of a number of patterns and trends evident in these data on a regional scale.

For example, it is believed that there is a clear link between the IOCGU systems at Vulcan and Titan, evident in both the regional gravity (see Figure 3) and magnetic data for the area. This suggests that untested targets between these IOCGU systems such as the previously identified Zeus target (Figure 3) may have a higher priority for drill testing than previously believed.

Likewise, at the Marathon East target (Figure 3), detailed gravity and magnetic features have highlighted a significant anomaly for drill testing.



**Figure 3: Known and interpreted IOCGU systems (Olympic Dam, Vulcan and Titan) and IOCGU targets Zeus and Marathon East) superimposed on regional bouguer gravity image.**

**Background**

Tasman identified Vulcan as a prime IOCGU target in 2009, based on the presence of a very large gravity anomaly, 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 mid-1970s (see Figure 1). Tasman's initial discovery drill hole, VUD 001, intersected the Vulcan IOCGU system late in 2009, and follow-up drilling in 2010 has confirmed the potential significance of the discovery.

**GOLD EXPLORATION: SOUTH AUSTRALIA**

**Parkinson Dam Epithermal Gold-Silver (Lead-Zinc) Project (Tasman 100%)**

Tasman discovered new, outcropping epithermal-style gold and silver mineralisation in 2005, and later hit very encouraging, high grade gold and silver mineralisation in vertical hole PD 63 (21m at 21g/t Au and 83g/t Ag, including 9m down hole at 31g/t Au and 152g/t Ag).

No exploration was conducted at Parkinson Dam during the six months.

**OTHER PROJECTS**

Tasman has gold and base metal projects at Mirrica in Queensland and the Central Gawler Craton in South Australia (Figure 4). However, there was only limited exploration activity in these areas during the six months due to priority work at Vulcan. The Streaky Bay uranium project in South Australia has been surrendered.



**Figure 4: Location of Tasman Project Areas in South Australia and Queensland**

**Outside interests in Tasman’s 100%-owned mineral tenements:**

Fission Energy Ltd has the right to explore for uranium in all Tasman’s South Australian tenements except for (a) basement-hosted mineralisation within the Lake Torrens Project and (b) part of the Parkinson Dam Project, where Fission farmed out its uranium exploration rights to Mega Hindmarsh Ltd.

Flinders Mining Ltd has a joint venture agreement with Tasman to explore for diamonds within all Tasman’s South Australian granted tenements except for the Parkinson Dam Project.

**CORPORATE**

The Company completed the raising of \$0.91 million before costs by the issuing of approximately 9.1 million fully paid ordinary shares at an issue price of \$0.10 per share via a share purchase plan to existing shareholders.

**Investment in Fission Energy Ltd**

Tasman has a 28.0% interest in uranium explorer and potential nickel-cobalt producer Fission Energy Ltd (ASX: FIS), on a fully diluted basis as at 31<sup>st</sup> December 2010.

***Mt Thirsty Nickel-Cobalt Project (refer Fission Energy Ltd Six Monthly Report for full details)***

Fission Energy owns 50% of the Mt Thirsty Nickel-Cobalt Project in WA, with the other 50% held by Barra Resources Limited (ASX: BAR). Mt Thirsty is located 20 kilometres north-northwest of Norseman, Western Australia.

***Mt Thirsty Oxide Deposit***

Mt Thirsty has a current JORC compliant Indicated Resource of 14.8 million tonnes at 0.14% Co, 0.59% Ni and 0.99% Mn and a JORC compliant Inferred Resource of 14.2 million tonnes at 0.11% Co, 0.52% Ni and 0.77% Mn over an apparent strike of 1.3 kilometres and a width of around 800 metres.



Infill resource drilling of the oxide deposit was completed, and this will enable an updated resource estimation to be calculated early in 2011, and open pit optimisation and mine scheduling studies to be carried out prior to possible commencement of the PFS.

***Mt Thirsty – Nickel Sulphide Exploration***

In early 2010 the intersection of primary nickel sulphide mineralisation was announced by Fission Energy Limited and 50% joint venture partner Barra Resources Limited. Reverse circulation hole MTRC015 intersected a 6 metre thick zone of massive and stringer nickel sulphides assaying 3.38% nickel at a down hole depth of 201 metres.

Follow-up reverse circulation drilling has intersected further nickel sulphides - MTRC020: 2m down hole at 5.9% Ni, MTRC022: 2m at 3.5% Ni, and MTRC030: 1m at 4.0% Ni.

Diamond drilling to test the zone of interest at a greater depth will occur early in 2011.

**Investment in Eden Energy Ltd**

Tasman has a 16.6% interest in alternative energy company Eden Energy Ltd (ASX: EDE), on a fully diluted basis as at 31<sup>st</sup> December 2010.

***Pyrolysis Project***

- Eden acquired the 50% interest in the pyrolysis project and the gas to liquids project held by the University of Queensland by the issue of 3.75 million Eden shares.
- Eden's wholly owned subsidiary, Hythane Company has commenced the initial scale-up of the pyrolysis technology in Colorado, USA and are now testing and optimising the process, and preliminary results are encouraging.

***India***

- Eden secured further sales of Optiblend® Dual Fuel Kits in northern India.

*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 their 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.*

**DIRECTORS' REPORT**

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2010.

**Directors**

The names of directors who held office during or since the end of the half-year:

Mr Gregory H Solomon

Mr Douglas H Solomon

Mr Guy T Le Page

**Review of Operations**

The net loss after income tax for the half year was \$644,486 (2009: \$1,194,164).

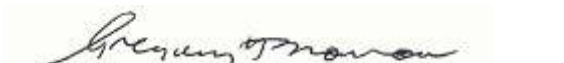
A review of the operations of the Group during the half-year ended 31 December 2010 is set out in the Review of Operations on Page 5.

**Auditor's Declaration**

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 11 for the half-year ended 31 December 2010.

This report is signed in accordance with a resolution of the Board of Directors.

Director



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Gregory H Solomon

Dated this 10<sup>th</sup> day of March 2011

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**Auditor's Independence Declaration  
To The Directors of Tasman Resources Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Tasman Resources Limited for the half-year ended 31 December 2010, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



M J Hillgrove  
Director - Audit & Assurance

Perth, 10 March 2011

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	Note	Consolidated Group	
		31 Dec 2010	31 Dec 2009
		\$	\$
Other Income		210,105	71,248
Accounting and audit expense		(13,120)	(9,842)
Depreciation and amortisation expense		(1,408)	(1,698)
Employee benefits expense		(182,617)	(365,796)
Exploration expenditure written off		(22,989)	(18,597)
Impairment of exploration expenditure		(442,503)	(602,580)
Finance costs		-	-
Legal and other consultants expense		(5,512)	(3,200)
Management Fees		(113,085)	(113,085)
Other expenses		(73,357)	(51,362)
Realised loss sale of available-for-sale assets		-	(99,252)
Loss before income tax		(644,486)	(1,194,164)
Income tax expense		-	-
Loss for the period		(644,486)	(1,194,164)
<b>Other Comprehensive Income</b>			
Change in fair value of financial assets		(281,275)	423,334
Income tax relating to other comprehensive income		-	-
Other comprehensive income, after tax		(281,275)	423,334
<b>Total Comprehensive Income / (Loss) attributable to members of the parent</b>			
		(925,761)	(770,830)
Basic earnings per share (cents per share)		(0.3106)	(0.6329)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2010**

	Note	Consolidated Group	
		31 Dec 2010	30 Jun 2010
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,995,630	2,083,980
Trade and other receivables		95,877	113,123
<b>TOTAL CURRENT ASSETS</b>		<u>2,091,507</u>	<u>2,197,103</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets		1,775,677	2,001,953
Property, plant and equipment		10,254	11,662
Exploration and Evaluation expenditure		9,972,136	9,850,374
<b>TOTAL NON-CURRENT ASSETS</b>		<u>11,758,067</u>	<u>11,863,989</u>
<b>TOTAL ASSETS</b>		<u>13,849,574</u>	<u>14,061,092</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		127,813	305,192
<b>TOTAL CURRENT LIABILITIES</b>		<u>127,813</u>	<u>305,192</u>
<b>TOTAL LIABILITIES</b>		<u>127,813</u>	<u>305,192</u>
<b>NET ASSETS</b>		<u>13,721,761</u>	<u>13,755,900</u>
<b>EQUITY</b>			
Issued capital		20,502,014	19,610,391
Reserves		2,342,850	2,624,126
Accumulated losses		(9,123,103)	(8,478,617)
<b>TOTAL EQUITY</b>		<u>13,721,761</u>	<u>13,755,900</u>

The accompanying notes form part of these financial statements.



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

	<u>Share Capital</u>		Financial Asset Reserve	Accumulated Losses	Total
	Ordinary	Option Reserve			
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2009</b>	16,193,088	671,575	1,748,143	(6,896,763)	11,716,043
Shares issued during the period	1,432,047	-	-	-	1,432,047
Total other comprehensive income	-	-	423,334	(1,194,164)	(770,830)
Options issued during the period	-	187,660	-	-	187,660
Subtotal	17,625,135	859,235	2,171,477	(8,090,927)	12,564,920
Dividends paid or provided for	-	-	-	-	-
Balance at 31 December 2009	17,625,135	859,235	2,171,477	(8,090,927)	12,564,920
Balance at 1 July 2010	19,610,391	909,235	1,714,891	(8,478,617)	13,755,900
Shares issued during the period	891,623	-	-	-	891,623
Total other comprehensive income	-	-	(281,275)	(644,486)	(910,762)
Options issued during the period	-	-	-	-	-
Subtotal	20,502,014	909,235	1,433,616	(9,123,103)	13,721,761
Dividends paid or provided for	-	-	-	-	-
Balance at 31 December 2010	20,502,014	909,235	1,433,616	(9,123,103)	13,721,761

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	<b>Consolidated Group</b>	
	<b>31 Dec 2010</b>	<b>31 Dec 2009</b>
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	111,150	34,574
Payments to suppliers and employees	(390,545)	(366,870)
Interest received	41,848	11,913
Net cash provided by (used in) operating activities	<u>(237,547)</u>	<u>(320,383)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Exploration expenditure	(727,426)	(465,514)
Proceeds from the sale of equity investments	-	66,842
Payments for equity investments	(15,000)	-
Net cash provided by (used in) investing activities	<u>(742,426)</u>	<u>(398,672)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	891,623	1,432,047
Proceeds from loans	-	-
Net cash provided by (used in) financing activities	<u>891,623</u>	<u>1,432,047</u>
Net increase/(decrease) in cash held	(88,350)	712,992
Cash at beginning of period	<u>2,083,980</u>	<u>516,166</u>
Cash at end of period	<u><u>1,995,630</u></u>	<u><u>1,229,158</u></u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

**NOTE 1: BASIS OF PREPARATION**

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards ensures compliance ensure the financial statements and note also comply with International Financial Reporting Standards.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2010 and any public announcements made by Tasman Resources Ltd and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*. The half-year report does not include full disclosures of the type normally included in an annual financial report.

*Accounting Policies*

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2010 financial report except for the adoption of the following new and revised Accounting Standards.

Whilst amendments to the Accounting Standards and Australian Accounting Interpretations have been considered and the Group does not anticipate early adoption of any of the reporting requirements and does not expect these requirement to have any material effect on the Group's financial statements.

	<b>2010</b>	<b>2009</b>
	\$	\$

**NOTE 2: LOSS FOR THE PERIOD**

The following revenue and expense items are relevant in explaining the financial performance for the interim period

Impairment of capitalised exploration expenditure	22,053	602,580
Write-off of capitalised exploration expenditure on areas of interest abandoned	22,989	18,597
	<hr/> 45,042	<hr/> 621,177

**NOTE 3: SEGMENT INFORMATION**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group is managed on the basis on the basis it is a mineral exploration company operating in the geographical region of Australia. The mineral assets held via outright ownership or joint venture are considered one business segment and the minerals currently being targeted include copper, gold, silver and uranium in South Australia and Queensland.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

**NOTE 4: RELATED PARTY TRANSACTIONS**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties:		
<b>a. Key Management Personnel</b>		
Management fees and administration fees paid to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest.	113,085	113,085
Legal and professional fees paid to Solomon Brothers, a firm of which Mr GH Solomon and Mr DH Solomon are partners.	5,512	13,213
Options issued to Mr GH Solomon, Mr DH Solomon and Mr GT LePage pursuant to the AGM.	-	121,800
<b>b. Associated Companies</b>		
Reimbursement to the Company from Fission Energy Ltd and its associates, (which the Company has a 28.1% fully diluted interest) for employee costs on an hourly basis.	103,085	56,986
Reimbursement to the Company from Eden Energy Ltd, (which the Company has a 17.8% fully diluted interest) for employee costs on an hourly basis.	-	2,349

**NOTE 5: ISSUED CAPITAL**

202,907,678 (2009: 177,561,423) fully paid ordinary shares	20,502,014	17,625,135
	<u>20,502,014</u>	<u>17,625,135</u>
<b>a. Ordinary shares</b>		
At the beginning of reporting period	193,787,678	160,627,981
Shares issued – prior year	-	16,933,442
Shares issued during the year		
— 4 October 2010	9,020,000	-
— 14 October 2010	100,000	-
At reporting date	<u>202,907,678</u>	<u>177,561,423</u>
On 4 and 14 October 2009 the company issued 9,020,000 and 100,000 ordinary shares respectively at \$0.10 per share to raise working capital.		

**NOTE 6: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The directors are not aware of any contingent liabilities or contingent assets as at 31 December 2010.

**NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

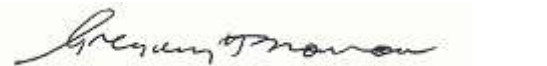
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 to17:
  - a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
  - b. give a true and fair view of the economic entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



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Gregory H Solomon

Dated this 10<sup>h</sup> day of March 2011



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## **Independent Auditor's Review Report To the Members of Tasman Resources Limited**

We have reviewed the accompanying half-year financial report of Tasman Resources Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

### **Directors' responsibility for the half-year financial report**

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's responsibility**

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Tasman Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tasman Resources Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



M J Hillgrove  
Director - Audit & Assurance

Perth, 10 March 2011