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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

2nd March 2011

Vulcan Drilling Reveals Significant IOCGU* Mineralisation Similar to Olympic Dam

*Iron oxide-copper-gold-uranium

- **In hole VUD 7, just completed, a thick zone (+150m) of mineralised, hematite-rich breccias, very similar in style, thickness and mineralogy to a very large portion of the Olympic Dam deposit, has been intersected.**
- **Two holes drilled to date in the current program at Vulcan.**
- **Seven holes in total now drilled at Vulcan; all have intersected IOCGU style alteration and/or mineralisation similar to the Olympic Dam deposit 30 km to the south.**
- **VUD 7 is located 2.7 km from the nearest drill hole at Vulcan (see Figure 1) in the untested eastern “limb” of the structure, greatly strengthening the interpretation that the Vulcan prospect (about 12km² in area) is a large IOCGU system potentially of similar size to Olympic Dam.**

Tasman Resources is pleased to announce encouraging initial results from the current 4 to 6 hole drilling program at its 100% owned Vulcan iron oxide, copper-gold-uranium (IOCGU or Olympic Dam style) prospect, located 30km north of Olympic Dam in South Australia. All described drill holes are vertical. 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.

Results to Date

The first hole in the current program, VUD 6 (GDA94 Zone 53 694,250mE 6,659,230mN, Figure 1) intersected thick IOCGU alteration but only low grade mineralisation. Assays are awaited, but are not expected to be significant.

The second hole VUD 7 (697,250mE 6,658,280mN, Figure 1) intersected strong chlorite/sericite altered basement volcanics at 847m followed by a thick zone of “classic” IOCGU-style mineralised hematite breccias between 1065m and the bottom of the hole at 1227.8m, (see drill core photos Figures 2 to 4). The hematite breccias have been intruded by a number of narrow probably mafic dykes.

Mineralisation consists of disseminated pyrite (iron sulphide) and chalcopyrite (copper iron sulphide), hosted within a breccia composed of fine grained black to steely-grey hematite, with lesser carbonate minerals and quartz. Near the bottom of the hole the pyrite-chalcopyrite mineralisation weakens and host rock clasts become quite abundant.

Readings from a hand held scintillometer indicate that low grade uranium is also present throughout the interval but diminishes near the bottom of the hole. Assays results for all metals (including copper and uranium) are not expected for at least four to six weeks. Gold, silver and rare earth metals are also anticipated to be anomalous in this zone.

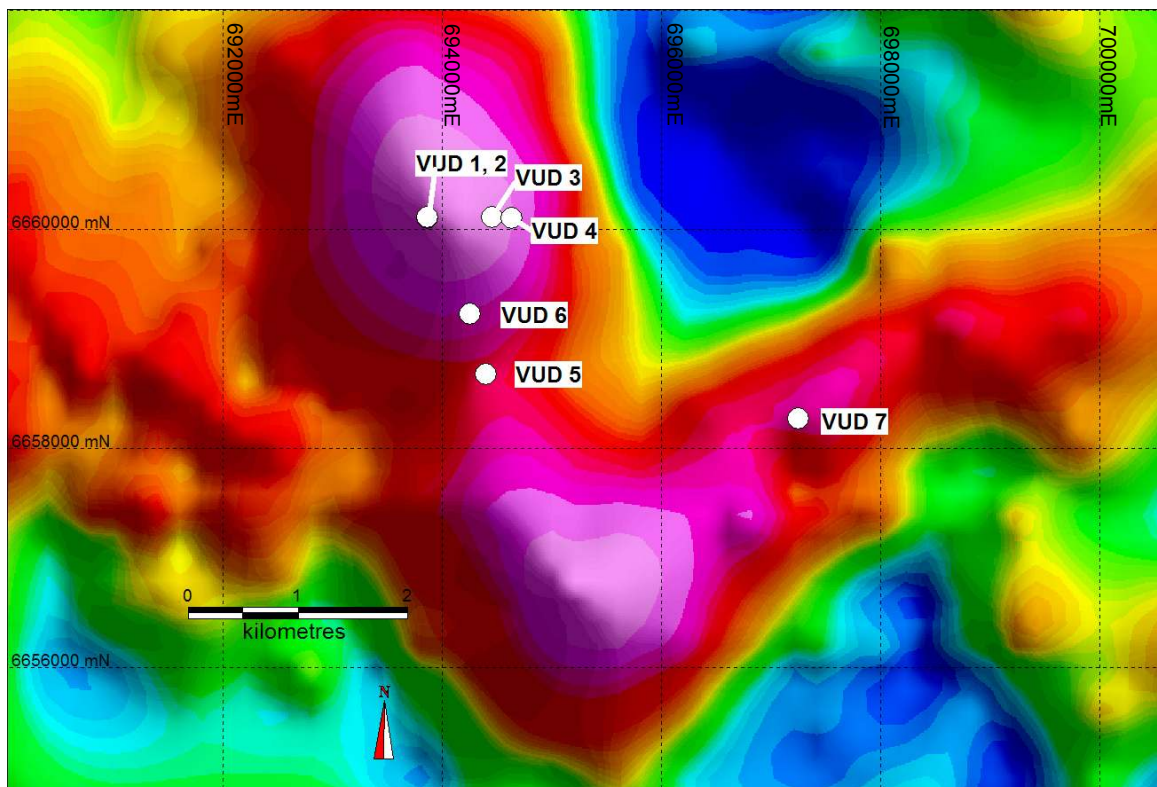


Figure 1: Vulcan residual bouguer gravity image with the location of Tasman's seven holes drilled to date.

Significance

Whilst this intersection of classic IOCGU mineralisation is over at least 150m in VUD 7 it is unlikely of itself to be of economic significance owing to the anticipated grades and the considerable depth. The results from the hole are, however, considered a major exploration breakthrough for the following reasons:

- They confirm that Vulcan hosts mineralisation of the same style, and of comparable thickness to that which makes up a very large portion of the nearby Olympic Dam IOCGU deposit, particularly the large tonnage bodies that occupy the south-eastern part of Olympic Dam.
- VUD 7 is located in the previously undrilled far eastern “limb” of the Vulcan prospect, a significant distance from the other parts of the prospect as defined by the geophysical anomaly and the earlier drill holes. It seems likely that mineralisation may extend considerably further east north-east from VUD 7 (Figure 1).
- VUD 7 considerably enhances the potential of the much larger, and believed to be more prospective (and as yet untested) southern portion of the prospect which is interpreted to be at

Significance continued

a slightly shallower depth. This southern target is located where the two key structural trends in the prospect (north north-west and east north-east) intersect, and is a very large and strong gravity anomaly (Figure 1). Until Aboriginal heritage issues over this area are resolved, Tasman will continue to focus on the northern and eastern sections of the Vulcan system.



Figure 2: Close-up photo of typical hematite breccia from VUD 7. Hematite is dark grey, sulphides (pyrite and chalcopyrite) are yellow/silverish and the other minerals are carbonate (probably siderite), quartz and feldspar. (NQ Core – approx. 50mm diameter).

Conclusion

Considering that:

- Only 7 holes, testing a relatively small area have been drilled to date into the 12 km² Vulcan target, and all have encountered alteration and/or mineralization associated with an IOCGU style system;
- The presence at Vulcan of all the key elements (copper, gold, silver, uranium and rare earths) has been confirmed;
- The Olympic Dam deposit, 30 km away, is interpreted to have been formed at the same time as Vulcan, and is one of the world’s largest ore deposits;
- It was not until the sixteenth hole was drilled at Olympic Dam that high grade mineralization was encountered;

It is considered highly likely that zones of higher grade, and potentially commercial, mineralization will be encountered within the Vulcan prospect as further drilling is undertaken.



Figure 3: Close-up photo of hematite breccia from VUD 7. Hematite is dark grey and chalcopyrite is the yellow mineral prominent in the upper core segment. The other minerals are pyrite, carbonate (probably siderite), quartz and feldspar. (NQ Core – approx. 50mm diameter).



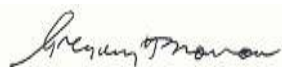
Figure 4: Close up photo of section of core from VUD 7 showing stringer-style chalcopyrite mineralisation (pale yellow). The red/orange fragments are host rock clasts. (NQ Core – approx. 50mm diameter; depth 1189m).

Background

The current program consists of four to six diamond drill holes following up the successful drilling conducted in 2010. The best results in 2010 were from drill hole VUD 3, which intersected 7.8m down hole at 1.21% Cu, (and 0.35g/t Au). 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 U₃O₈ and 0.65m at 7.82% Cu, 2.41g/t Au and 0.03kg/t U₃O₈.

The Vulcan target as defined by geological and geophysical data is about 12 km² in area, comparable in size to Olympic Dam, although at a significantly greater depth (about 800- 850m) compared to Olympic Dam (about 350m depth).

Drill sites have been selected to target a diversity of potential opportunities for high-grade mineralisation, from geophysical data and a geological model based on features exhibited in other IOCGU systems such as Olympic Dam and Prominent Hill.



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.