



ACN 009 253 187

## **ASX QUARTERLY REPORT**

### **for the Period Ended 30<sup>th</sup> June 2011**

## **HIGHLIGHTS**

### **SA – VULCAN IOCGU PROJECT**

- **Assay results received for VUD 8, the final hole in the most recent program:**
  - **The complete basement intersection (179.75m down hole) from 899.75m is mineralized and altered, and averages 0.19% Cu, 0.10g/t Au (applying a 0.5 g/t cut), 0.02kg/t U<sub>3</sub>O<sub>8</sub> and 68g/t Mo.**
  - **Included is a higher-grade zone from 910m (21m down hole) of 0.63% Cu, 0.28g/t Au, 0.02kg/t U<sub>3</sub>O<sub>8</sub> and 107g/t Mo.**
- **Particularly encouraging is the intersection of the copper-iron sulphide bornite in VUD 8, and much higher Cu/S ratios than recorded in all previous Vulcan drill holes. (This ratio measures the proportion of copper compared with the amount of total sulphur). This confirms that significant sulphide zoning is present and this will play an important role in vectoring further exploration towards higher grade and commercially much more attractive mineralisation.**
- **The geophysical model of Vulcan was updated, incorporating drilling information from all holes drilled to date. This has facilitated location of future drill sites.**
- **Technical and financial support for dating of the Vulcan system has been awarded under the S.A Government's PACE initiative.**
- **Tasman has now conducted drilling at seven separate sites within the 12km<sup>2</sup> target at Vulcan, having intersected iron-oxide copper gold uranium (IOCGU) type alteration and/or mineralisation in all holes.**
- **Tasman is currently in negotiation with the native title claimants covering Tasman's Lake Torrens Project, including Vulcan with a view to concluding a Part 9B Agreement to facilitate heritage clearances for exploration activities. Tasman is hopeful that this agreement will help facilitate clearance of future drill sites and access routes.**

### **SA – NEW IOCGU TARGET**

- **Tasman has identified a new IOCGU target at Lucas Hill, 25km SSE of Woomera. The target shows favourable regional gravity, magnetic and tectonic signatures, and detailed geophysical data are being modelled.**

## CORPORATE

Tasman successfully completed a one for twelve rights issue, raising \$717,188 at an issue price of \$0.10.

### Investments

**Eden Energy Ltd (Tasman: 17.4% fully diluted shareholding - 30<sup>th</sup> June 2011).**

- Eden continues to make good progress with its carbon/hydrogen pyrolysis project.
- Eden's US and Indian subsidiaries make progress in Optiblend Dual Fuel Kit sales.
- Independent experts identify large prospective resources on Eden's UK gas project

**Fission Energy Ltd (Tasman: 19% shareholding as at 30<sup>th</sup> June 2011)-**

- Uranium explorer and potential nickel-cobalt producer

## DETAILS

### IOCGU EXPLORATION: SOUTH AUSTRALIA

#### Vulcan Project (100% Tasman)

Assay results were received for VUD 8 (located at 694,244mE; 6,660,826mN and drilled vertically), the final hole in the most recent drilling campaign. Assay results, as announced during the quarter are summarised in Table 1, and the location of this hole and all completed holes at Vulcan are shown in Figure 1.

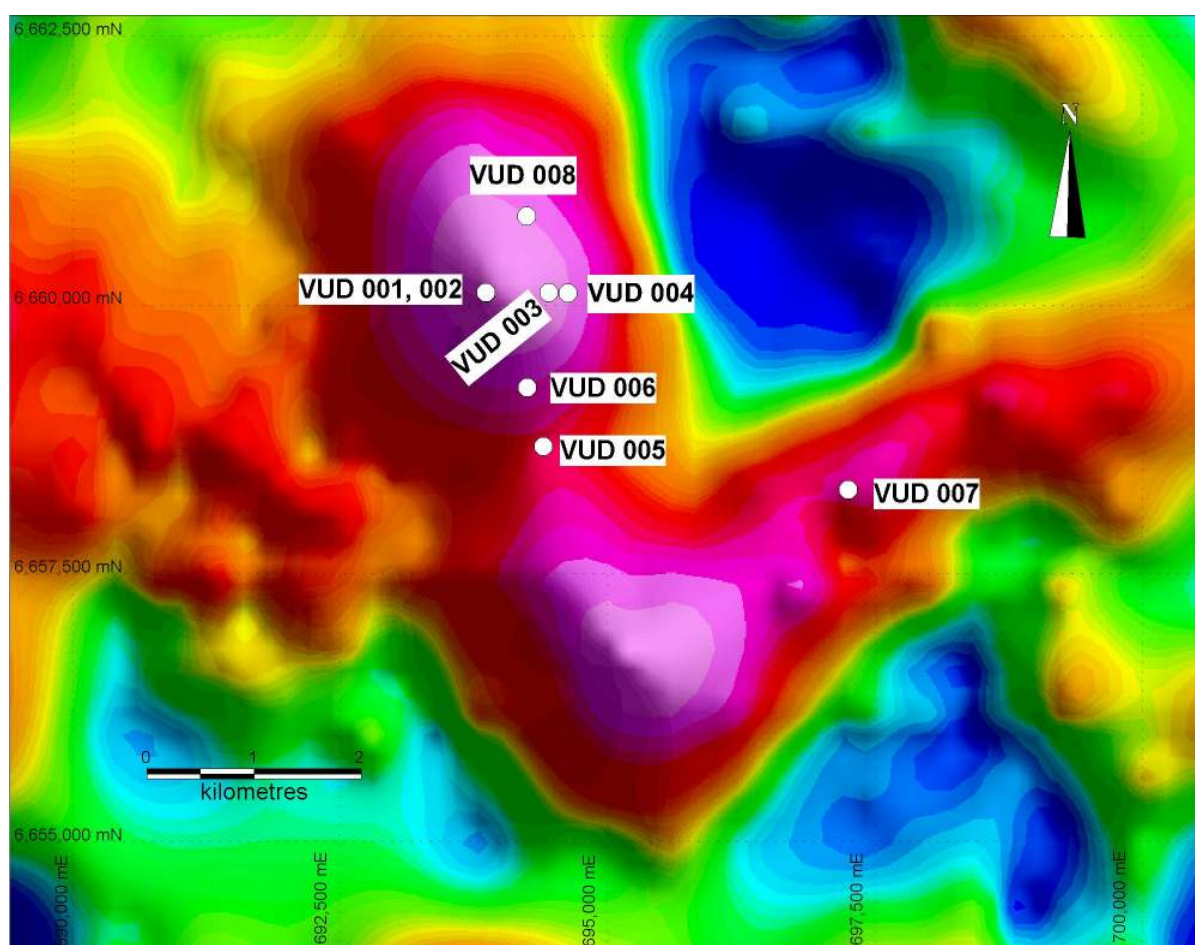


Figure 1: Vulcan residual bouguer gravity image with the location of Tasman's eight holes drilled to date. (Datum AGD 94; MGA Zone 53).

From m	To m	Thickness m	Cu %	Au g/t	U <sub>3</sub> O <sub>8</sub> kg/t	Mo g/t	Cu/S Ratio
899.75	1079.5 (EOH)	179.75	0.19	0.10*	0.017	68	0.37
910	931	21	0.63	0.28	0.023	107	0.62

\*includes 1.6g/t Au from 1035-1036m

**Table 1: Summary of assay results for VUD 8. Drill core for assay was either halved by diamond sawing and assayed on one metre samples, or chip sampled and composited over three or five metre intervals. 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.**

These results confirm the significance of drill hole VUD 8, and highlight the potential of the northern part of the Vulcan system.

However, Tasman believes that of greater significance is the intersection of some bornite (a copper-iron sulphide mineral, see Figure 2), and much higher copper to sulphur ratios throughout the hole (see Table 1) compared with much lower ratios in most of the previous holes. For example, the average copper to sulphur ratio for the thick, low-grade mineralisation in VUD 7 (162.85m at 0.23% Cu) is 0.09, reflecting the dominance of pyrite in this hole. This ratio measures the proportion of copper compared to the amount of total sulphur, and in VUD 8, higher ratios are consistent with the presence in the hole of the higher copper tenor mineral, bornite.

The presence of bornite and higher copper sulphur ratios is considered particularly encouraging. It indicates, by analogy with the key sulphide zoning patterns and grade distributions seen at Olympic Dam, that there is potential to find the upper parts of the sulphide zoning sequence, and hence higher grade mineralisation elsewhere within the Vulcan system.



**Figure 2: Close up photo of NQ size diamond drill core from 917m depth in VUD 8. Visible is disseminated bornite (purple coloured near centre of photo) chalcopyrite (a different copper iron sulphide mineral, yellow) with associated with hematite (grey and reddish) in a very highly silicified breccia host rock. Width of photo is about 15cm.**

### ***Geophysical Modelling***

During the quarter, the geophysical model of Vulcan was updated, incorporating drilling information from all holes drilled to date. This work has enabled the location of future drill sites to be confirmed.

### ***Geological Dating***

The S. A. Government through its PACE initiative has awarded financial and technical support for dating of a suite of drill core samples from Vulcan. During the quarter, samples were selected, prepared and despatched overseas to specialised laboratories.

### ***Future Program***

Tasman is endeavouring to reach agreement with the new native title claimant group regarding a formal agreement covering procedures for protection of Aboriginal heritage. When agreement is reached it is hoped that heritage clearance of its priority drill sites can be obtained, and drilling in these areas will commence as soon as possible.

### ***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. Tasman's initial discovery drill hole, VUD 001, intersected the Vulcan IOCGU system late in 2009, and further drilling has confirmed the potential significance of the discovery.*

## **Lucas Hill (100% Tasman)**

Tasman has identified a new IOCGU target at Lucas Hill, located about 25km south south-east of Woomera on the Stuart Shelf. The target is supported by regional gravity and magnetic anomalies, and lies on a west north-west tectonic lineament, defined during the early stages of exploration on the Stuart Shelf by WMC in the mid-1970's. It is anticipated that the tenement will be granted in the near future.

The most recent detailed geophysical data is currently being modelled with a view to defining a priority target for diamond drilling.



## OTHER PROJECTS

Tasman has gold and base metal projects at Parkinson Dam and the Central Gawler Craton in South Australia and at Mirrica in Queensland (Figure 3), however there was little exploration activity in these areas during the quarter due to priority work at Vulcan.



Figure 3: 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

### Capital Raising

Tasman completed a non-renounceable pro-rata one-for twelve rights issue at \$0.10 per share to Tasman shareholders, during the quarter. The offer included one free attaching Tasman option for every four shares issued under the Offer (each to acquire one fully paid ordinary Tasman share at an exercise price of \$0.10 per share at any time up to and including 30 June 2012).

Tasman raised \$717,188 under the Offer. The funds are being used to meet the expenses of the Offer, to provide additional working capital for further exploration and drilling and other general operating matters and to continue to support Tasman's investment in ASX listed Eden Energy Ltd and to enable Tasman to partially sub-underwrite the rights issue announced by Eden Ltd Energy on Wednesday 13 April 2011.

## Investment in Eden Energy Ltd (EDE)

Tasman has a 17.4% interest in alternative energy company Eden Energy Ltd (ASX: EDE), on a fully diluted basis as at 30<sup>th</sup> June 2011. (*refer Eden Energy Ltd Quarterly Report for full details*)

- Eden continues to make good progress with its carbon/hydrogen pyrolysis project.
- Eden's US and Indian subsidiaries make progress in Optiblend Dual Fuel Kit sales.
- Independent experts identify large prospective coal seam methane and shale gas resources on Eden's UK gas project

## Investment in Fission Energy Ltd (FIS)

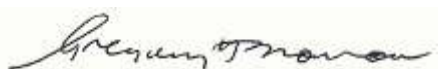
Tasman has a 19% interest in uranium explorer and potential nickel-cobalt producer Fission Energy Ltd (ASX: FIS) as at 30<sup>th</sup> June 2011. (*refer Fission Energy Ltd Quarterly Report for full details*)

### *Mt Thirsty Nickel-Cobalt Project*

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 has a current JORC compliant Indicated Resource of 16.6 million tonnes at 0.14% Co, 0.60% Ni and 0.98% Mn and a JORC compliant Inferred Resource of 15.3 million tonnes at 0.11% Co, 0.51% Ni and 0.73% Mn over an apparent strike of 1.3 kilometres and a width of around 800 metres.

### *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 drilling has intersected further nickel sulphides, although a follow up diamond drill hole completed during the quarter failed to intersect additional mineralisation at depth.



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 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.*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

TASMAN RESOURCES LTD

ABN

85 009 253 187

Quarter ended ("current quarter")

30 June 2011

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to June (12 months) \$A'000
1.1 Receipts from product sales and related debtors	41	260
1.2 Payments for (a) exploration & evaluation	(141)	(1,683)
(b) development	-	-
(c) production	-	-
(d) administration	(200)	(775)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	10	71
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(290)</b>	<b>(2,127)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	(702)	(751)
(c) other fixed assets	-	(3)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(702)</b>	<b>(754)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(992)</b>	<b>(2,881)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(992)	(2,881)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	718	1,608
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	<b>718</b>	<b>1,608</b>
	<b>Net increase (decrease) in cash held</b>	<b>(274)</b>	<b>(1,273)</b>
1.20	Cash at beginning of quarter/year to date	1,088	2,087
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>814</b>	<b>814</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 quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	110
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Management Fees, as per agreement, were paid during the quarter to a company of which Mr GH Solomon and Mr DH Solomon are directors.  
Directors Fees paid during the period.

**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

-

+ See chapter 19 for defined terms.



### 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	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	<b>200</b>

### Reconciliation of cash

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

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	814	1,088
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>814</b>	<b>1,088</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				
6.2 Interests in mining tenements acquired or increased	ELA 376/10	Direct	0%	100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	210,089,840	210,089,840		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	7,180,557	7,180,557	\$0.10	\$0.10
7.5 <b>*Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	22,372,334 1,574,804 2,000,000 3,000,000 401,606 500,000 500,000	22,372,334 NIL NIL NIL NIL NIL NIL	<i>Exercise price</i> 10 cents 10 cents 16 cents 16,875 cents 15 cents 12 cents 15 cents	<i>Expiry date</i> 30 June 2012 16 April 2012 30 June 2012 20 Nov 2012 8 Feb 2013 26 May 2013 31 May 2013
7.8 Issued during quarter	1,793,121	1,793,121	10 cents	30 June 2012
7.9 Exercised during quarter	8,578	8,578	10 cents	30 June 2012
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 21 July 2011

Print name: Aaron Gates

## Notes

- 1 The quarterly report provides 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. An 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.