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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

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Vulcan Assay Results - VUD 008: High Cu/S Ratios Provide Vectors and Highlight High Grade Potential

- **Assay results received from VUD 8, the final hole in the recent three hole 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 U₃O₈ 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 U₃O₈ and 107g/t Mo.**
- **Particularly encouraging is the intersection of the copper-iron sulphide bornite in the hole. Assays just received now reinforce this development, with much higher Cu/S ratios throughout VUD 8 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 clearly present at Vulcan and this will play an important role in vectoring further exploration towards higher grade and commercially much more attractive mineralisation.

Results

Tasman recently provided an update of drilling at its Vulcan Iron Oxide Copper-Gold-Uranium (IOCGU) project, located about 30km north of Olympic Dam in South Australia (ASX Announcement 11th April 2011).

As mentioned in the announcement, in the recent three hole program, the second hole, **VUD 7** intersected over 150m of “classic” IOCGU-style mineralised hematite breccias (see Figure 1). A down hole intersection of 162.85m (from 1064.95m) at 0.23% Cu, 0.07g/t Au, 2.4g/t Ag, 0.04kg/t U₃O₈ and 0.01% Mo was reported, including 90m (from 1118m) at 0.25% Cu, 0.09g/t Au, 3.0g/t Ag, 0.05kg/t U₃O₈ and 0.02% Mo.

Tasman also reported that the third hole in the program, **VUD 8**, located about 800m northeast of the discovery hole **VUD 1** (Figure1), had also intersected thick mineralisation and alteration. Importantly, VUD 8 intersected the copper iron sulphide mineral bornite in one part of the hole.

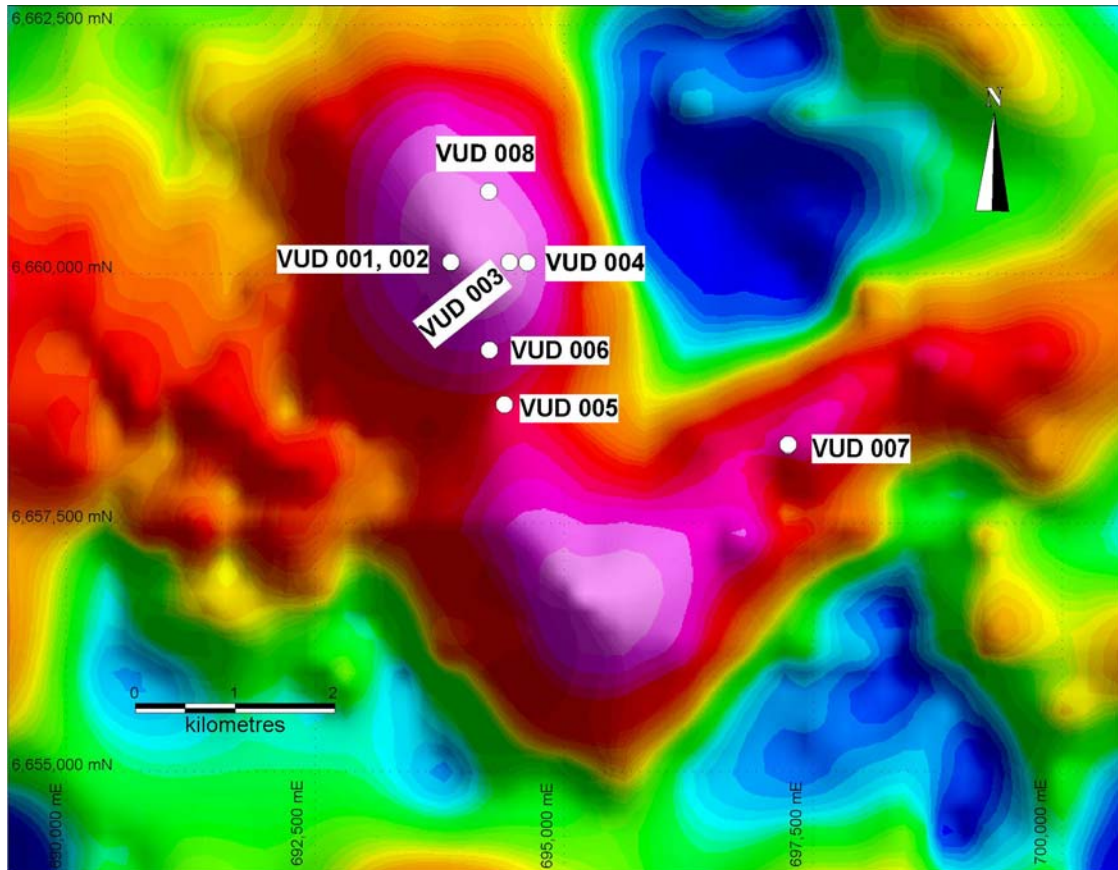


Figure 1: Vulcan residual bouguer gravity image with the location of Tasman’s eight holes drilled to date. (Datum GDA 94; MGA Zone 53)

Assay results recently received for VUD 8 (located at 694,244mE; 6,660,826mN and drilled vertically) confirm the significance of the hole and are summarised in Table 1.

From m	To m	Thickness m	Cu %	Au g/t	U ₃ O ₈ 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

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.

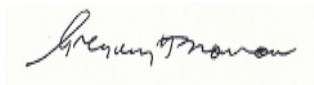
These assays confirm the significance of drill hole VUD 8, and highlight the potential of the northern part of the Vulcan system.

However, Tasman believes that of greater significance is the much higher copper to sulphur ratios seen throughout the hole (see table above) compared with much lower ratios in most of the previous holes. For example, the average copper to sulphur ratio for the VUD 7 162.85m intersection noted above is 0.09, reflecting the dominance of pyrite and chalcopyrite in this hole. The copper to sulphur 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.

Future Program

- Fully assess results from recent drilling, including refinement of geophysical model and dating of selected samples from Vulcan system. The South Australian Government through its PACE initiative has awarded financial and technical support for this dating, as noted in a separate ASX announcement on 9th May 2011.
- Select new drill targets based on vectors from recent drilling results. Until aboriginal heritage issues over the highest priority southern target area are resolved Tasman will continue to focus on the northern and eastern sections of the Vulcan system.



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.