Tasman
RESOURCES LTD

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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

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VULCAN PROJECT: VUD 11 ASSAYS

Thick, Low Grade IOCGU* Mineralisation; Highly Anomalous Palladium.

SUMMARY

*IOCGU: Iron-oxide copper-gold-uranium

Highly encouraging assay results have been received for drill hole VUD 11, the third hole in the program commenced last year under the Tasman – Rio Tinto Exploration FarmIn/Joint Venture Agreement:

- **137.0m at 0.14% Cu, 0.18g/t Au, 0.08kg/t U_3O_8, 130ppb Pd and 24% Fe from 1027m down hole**

- **Included within this interval are a number of higher grade zones (down hole), including:**
  - **12m at 0.20% Cu, 0.24g/t Au, 0.17kg/t U_3O_8, 115ppb Pd and 28% Fe from 1094m, and**
  - **36.0m at 0.23% Cu, 0.10g/t Au, 0.04kg/t U_3O_8, 210ppb Pd and 21% Fe from 1128m.**

As previously reported, VUD 11 intersected over 630m of very strong IOCGU-style alteration (dominated by minerals which characterise IOCGU ore deposits such as Olympic Dam; in particular, sericite, hematite, chlorite and carbonate). The hole was aimed at a large, dense portion of the southern gravity Vulcan target, but has only glanced the extreme northern margin of this target (see Figures 1 & 2).

In view of the hole's marginal position, and despite the relatively low grades, Tasman believes that these results provide significant encouragement that Vulcan can host a major IOCGU deposit.

High concentrations of palladium are not well known in other IOCGU deposits, and the significance of thick, low grade palladium at Vulcan is unclear.

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DETAILS

In September, 2012 drilling resumed at Tasman's 100% owned Vulcan Iron-Oxide Copper Gold Uranium (or IOCGU) project located approximately 30km north of Olympic Dam.

Tasman has entered a Farm-In and Joint Venture Agreement (Agreement) over the project with Rio Tinto Exploration (RTX). Following payment of $10 million from RTX to Tasman to fund the initial exploration program, Tasman is managing the initial exploration program, which is to be completed within 12 months of the date of the Agreement.

VUD11 was the third hole to be drilled under the Agreement and was designed to test the very large gravity anomaly, comprising the southern segment of the Vulcan target (see Figure 1). The hole is located at 695,366mE and 6,657,208mN; GDA 94, MGA Zone 53, and is inclined at -70 degrees towards the south.

VUD 11 intersected the basement at approximately 836m, (784m vertically) and was completed at 1166.70m, with the entire basement intersection of 631m consisting of a sequence of highly altered and brecciated rocks. As for the previous Vulcan drill holes, the composition of the rocks is dominated by minerals which characterise IOCGU ore deposits such as Olympic Dam; in particular, sericite, hematite, carbonate, and chlorite.

Recent Results:

Tabulated below is a summary of the recent assay results for VUD 11.

From (m)	Thickness (m)	Cu (%)	Au (ppm)	Ag (ppm)	U_3O_8 (kg/t)	Pd (ppb)	Fe (%)
1027.0	137.0	0.14	0.18	2	0.08	135	24
Including:							
1027.0	18.0	0.25	0.26	4	0.03	165	34
1094.0	12.0	0.20	0.24	4	0.17	115	28
1111.0	12.0	0.18	0.26	2	0.19	45	27
1128.0	36.0	0.23	0.10	2	0.04	210	21

Note that these are down hole intersections, and the true width of the mineralisation intersected is not known.

Assay results are based on analysis of NQ diamond drill core. Most of the assays are from half core diamond saw split samples over one metre intervals, and the remaining assays are from small core segments collected at approximately 25cm intervals and composited over five metre intervals.

Samples were crushed and pulverised, and analysed as follows: Au and Pd by fire assay using the Genalysis scheme FA25/MS with a 1 ppb detection limit. Cu and Fe were analysed by inductively coupled plasma mass spectrography by Genalysis 4A/OE scheme (1ppm and 0.01% detection limit respectively), and Ag and U3O8 by the Genalysis 4A/MS scheme (0.05ppm and 0.01ppm respectively).

Average assays for the intervals stated above were calculated by weighting by sample length and sample density.

Discussion:

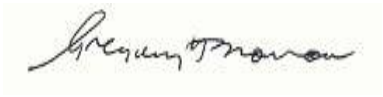
Most of the basement intersection in VUD 11 is strongly altered and variably mineralised. The most strongly mineralised intervals displayed above occur over 435m down hole below 995m which averages 0.10% Cu, 0.11ppm Au, 1ppm Ag, 0.05kg/t U_3O_8, 70ppb Pd and 15% Fe.

As shown in Figure 2, VUD 11 has only intersected the extreme northern fringe of the main geophysical gravity target at the southern part of Vulcan. Tasman believes that clearly, although low

grade, these results and the relatively marginal location of the drill hole, provide a significant boost to the overall prospectivity of Vulcan hosting a major IOCGU ore deposit, particularly within this southern part.

Elevated copper, gold, silver, uranium and iron are characteristic of most known IOCGU deposits, however the presence of thick, low grade palladium at Vulcan is a new, and interesting development, and may indicate that there are key geological differences in how Vulcan formed, compared with say the nearby Olympic Dam deposit.

Drilling under the Tasman Rio Tinto FarmIn/Joint Venture is expected to resume at Vulcan in early March 2013.



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.

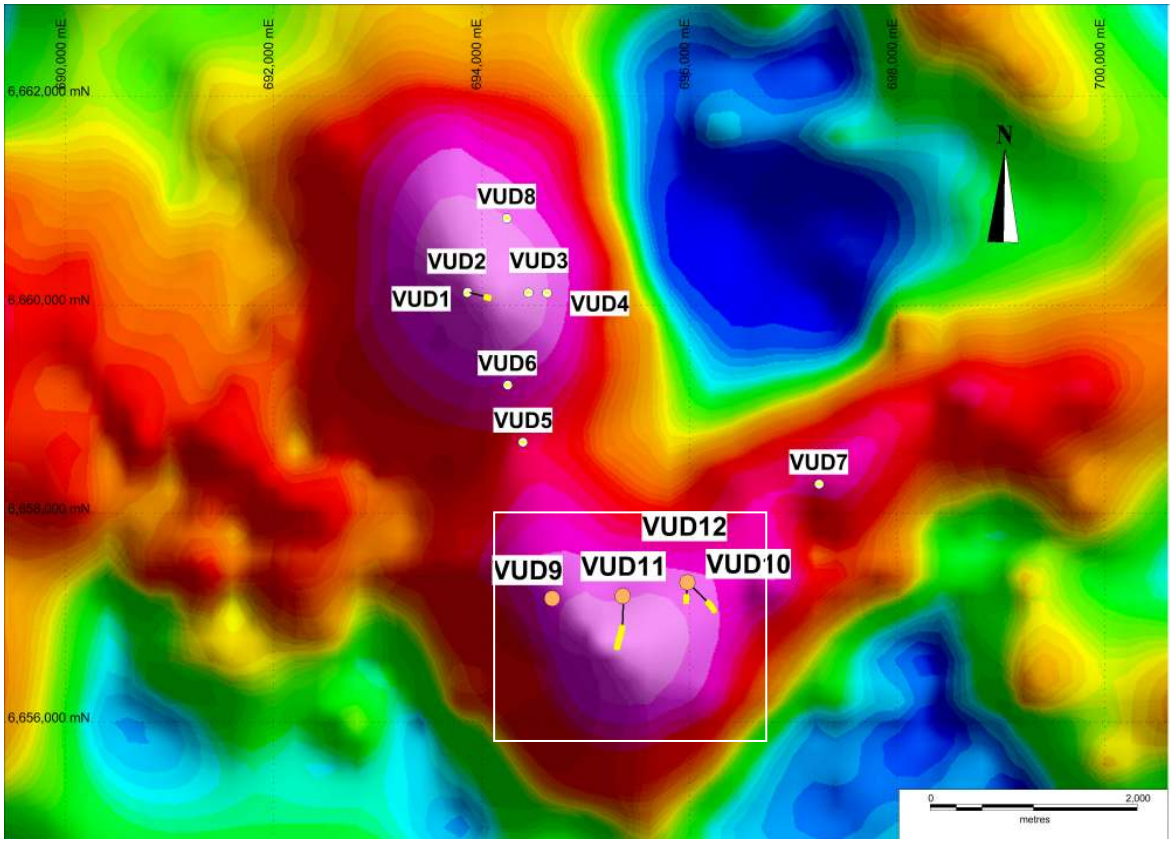


Figure 1: Vulcan Project: residual gravity image showing previously completed drill holes (labelled yellow dots) and in white, holes drilled as part of the recent program VUD 9, 10, 11 and 12 (GDA 94; MGA Zone 53). The surface projection of angled holes are shown as linear traces, with the basement intersection in each shown in yellow. The area outlined in white is shown in more detail in Figure 2.

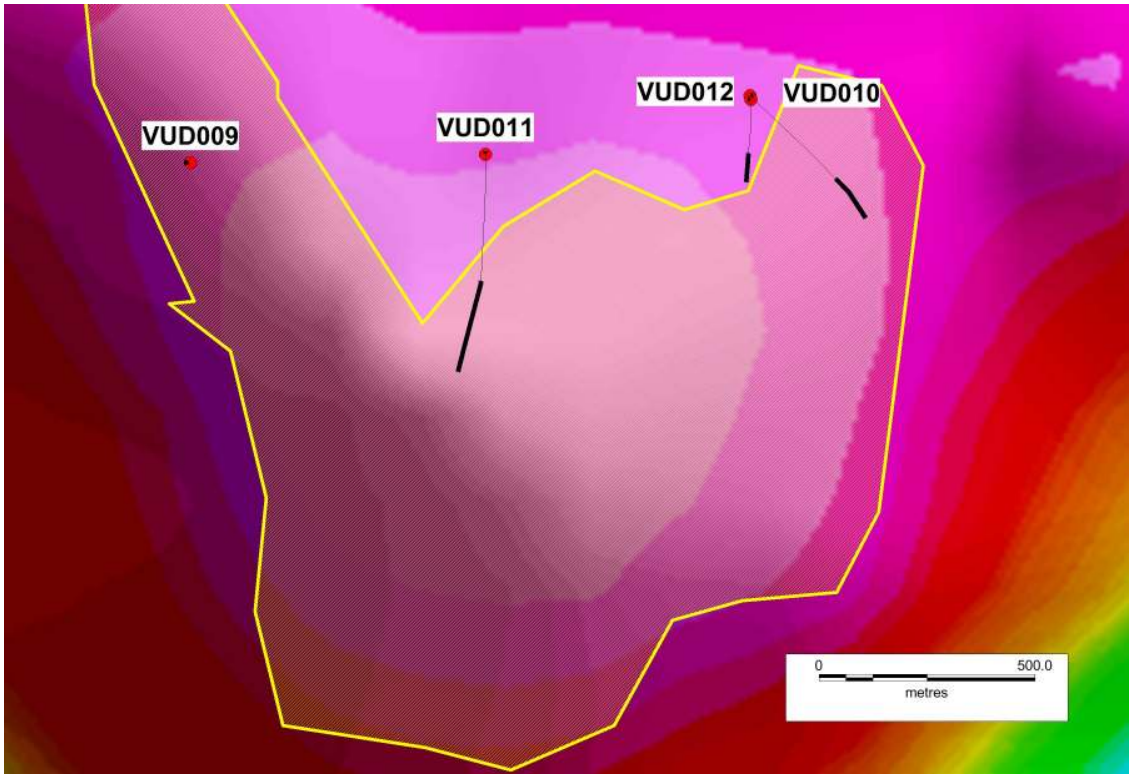


Figure 2: More detailed plan of the southern portion of the Vulcan target as outlined in Figure 1. The underlying coloured image is residual gravity, the area outlined in yellow is the geophysically modelled dense, or target zone, and the surface projections of the inclined drill holes VUD 010 to VUD 012 are shown as linear traces, with basement intersections shown bold.