

TASMANIA MINES LIMITED

ABN 45 009 491 990

Level 33
Aurora Place
88 Phillip Street
Sydney NSW 2000
Australia

Telephone (02) 9251 4244
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In reply please refer:

17 August 2010

Ms Kate Kidson
Principle Advisor, Issuers (Melbourne)
ASX Compliance
GPO Box 1784
MELBOURNE VIC 3001

Dear Ms Kidson

**RE: TASMANIA MINES LIMITED (THE "COMPANY")
APPENDIX 3Y – CHANGE OF DIRECTOR'S INTEREST NOTICE**

We respond to your letter of 13 August 2010. As noted on 9 July 2010, 500 shares in the company were transferred from Mr S Kanji, a Director of the Company to Mr K Broadfoot, another Director of the Company.

The Company acknowledges that the ASX was not notified within 5 Business days, through an administrative oversight, for which it apologises, notification was made by the Company though later than the required 5 days.

The 500 shares represent less than 0.003% of the issued shares of the Company and have a current market value of approx. \$500.00.

The Company believes that it has appropriate procedures in place to ensure compliance with the listing rules and no changes in the current arrangements are, therefore, necessary.

Yours faithfully



Ken Broadfoot
Secretary.



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13 August 2010

Mr Ken Broadfoot
Company Secretary
Tasmania Mines Limited
C/- Kanji Group Pty Ltd
Level 33,
RBS Tower of Aurora Place
88 Phillip Street
SYDNEY, NSW, 2000

Dear Ken

Tasmania Mines Limited (the “Company”) Appendix 3Y – Change of Director’s Interest Notice

We refer to the following;

1. The Appendix 3Y lodged by the Company with ASX on 12 August 2010 for Mr Shamsheer Kanji;
2. The Appendix 3Y lodged by the Company with ASX on 12 August 2010 for yourself.
3. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
 - On the date that the entity is admitted to the official list.
 - On the date that a director is appointed.The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.
 - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
 - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

4. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z

within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

5. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listing rules 3.19A and 3.19B.

As the Appendices 3Y indicate that a change in the Directors' relevant interests occurred on 9 July 2010, it appears that the Director's Notices should have been lodged with ASX by 16 July 2010. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendices were lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by return e-mail or by facsimile on facsimile number (03) 9614 0303. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.S.T.) on Wednesday, 18 August 2010.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely,

Sent electronically without signature

Kate Kidson
Principal Adviser, Issuers (Melbourne)