Annual Report

for the Year Ended 30 June 2013

Tasman Resources Ltd
& Controlled Entities
ABN: 85 009 253 187

Tasman
RESOURCES LTD

Table of Contents

HIGHLIGHTS FOR THE YEAR TO 30 JUNE 2013

Vulcan Project (EL 4322)

- **In August 2012 Tasman announced that the conditional Joint Venture/Farm-in Agreement with Rio Tinto Exploration (RTX) had become unconditional, and drilling under the Tasman/RTX Agreement commenced.**

- **During the year a total of seven diamond drill holes were completed, with a further two expected to be drilled before December 2013. Due to drill site access issues, the completion of this initial drilling program was delayed, and to accommodate this delay, Tasman and RTX have agreed to extend the latest completion date for the initial 12,000 metre drilling programme currently being undertaken pursuant to the Joint Venture/ Farm In Agreement, until 31 January 2014. Drilling resumed in early September 2013.**

- **All seven holes completed during the year intersected variable strength iron-oxide copper-gold-uranium (IOCGU*) style alteration and mineralisation. Although no zones of strong mineralisation were intersected, low grade IOCGU mineralisation was intersected in a number of drill holes.**

- **The most encouraging result was obtained for drill hole VUD 15, which intersected (down hole) 145m at 0.49% Cu and 0.26g/t Au from 1191m, including 52m at 0.87% Cu and 0.46g/t Au.**

(*IOCGU Iron-oxide copper-gold-uranium)

Lake Torrens Outlying Tenements

- **The sale of five Exploration Licences and one Exploration Licence Application to BHP Billiton mentioned in the 2012 Tasman Annual Report did not proceed.**

Other Prospects

- **No further drilling was conducted during the year at Lucas Hill prospect on the Stuart Shelf, approximately 25km south east of Woomera. Alteration and weak copper mineralisation were intersected in the initial two holes completed by Tasman early in 2012.**

- **No further exploration was conducted at Tasman's epithermal gold-silver prospect at Parkinson Dam.**

- **Tasman has a 19% interest in Conico Ltd (formerly Fission Energy Ltd). Conico owns 50% of the Mt Thirsty nickel-cobalt-manganese oxide deposit in Western Australia.**

- **Tasman has a 47.9% interest in alternative energy company Eden Energy Ltd, which is involved in production, development and marketing of hydrogen-based fuels and interests in coal seam gas, conventional hydrocarbons and the innovative production of carbon nanotubes. As Tasman effectively has control of Eden at 47.9%, Eden is now deemed a subsidiary of Tasman and included in the consolidated accounts of Tasman.**

CORPORATE DIRECTORY

DIRECTORS:
Gregory H Solomon **LLB** (Executive Chairman)
Douglas H Solomon **BJuris LLB (Hons)** (Non-Executive)
Guy T Le Page **B.A., B.Sc. (Hons).,M.B.A., F.FIN., MAusIMM** (Non-Executive)

COMPANY SECRETARY:

Aaron P Gates **BCom CA ACSA**

REGISTERED OFFICE:

Level 15
197 St Georges Terrace
Perth
Western Australia 6000
Tel +61 8 9282 5889
Fax +61 8 9282 5866
Email: mailroom@tasmanresources.com.au
Website: www.tasmanresources.com.au

SOLICITORS:

Solomon Brothers
Level 15
197 St Georges Terrace
Perth WA 6000

Minter Ellison
1 King William Street
Adelaide SA 5000

AUDITORS:

Nexia Perth Audit Services Pty Ltd
Level 3
88 William Street
Perth WA 6000

SHARE REGISTRY:

Advance Share Registry Services
150 Stirling Highway
Nedlands WA 6009

STOCK EXCHANGE LISTING:
ASX Code: TAS (ordinary shares)

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

REVIEW OF OPERATIONS

The Company has Exploration Licences located in South Australia covering a range of commodities – copper, gold, silver and uranium, for which the company's tenements are considered prospective.

Tasman Resources Ltd holds a 100% interest in the following exploration projects:

- The Lake Torrens IOCGU Project comprising Exploration Licences 4206, 4300, 4322, 4405 and EL 4857.
- The Lucas Hill IOCGU Project, consisting of EL 4770.
- The Parkinson Dam Epithermal Gold - Silver Project (EL 4475).
- The Central Gawler Gold Project (EL 4868, and 5151).

EXPLORATION RESULTS

During the year, the Company spent $3.5 million on various exploration activities. Details of the results of the exploration are outlined below.

Lake Torrens Iron-oxide, Copper-Gold Uranium (IOCGU) Project (100% Tasman)

Vulcan Project

In August 2012 Tasman announced that the conditional Joint Venture/Farm-in Agreement covering EL 4322 (Figure 1) with Rio Tinto Exploration (RTX) had become unconditional, and drilling under the Tasman/RTX Agreement commenced in September 2012. As previously announced, the terms of the Agreement include the payment to Tasman of an initial $10million, with Tasman managing the initial exploration program consisting of 12,000m of drilling.

During the year a total of seven diamond drill holes were completed, with a further two expected to be drilled before December 2013 (Figure 2). Due to drill site access issues, the completion of this initial drilling program under the Tasman/RTX Agreement has been delayed, and to accommodate this delay, Tasman and RTX have agreed to extend the latest completion date for the initial 12,000 metre drilling programme currently being undertaken pursuant to the Joint Venture/ Farm In Agreement, until 31 January 2014.

All seven holes completed during the year intersected variable strength IOCGU - style alteration and mineralisation, although no significant zones of strong mineralisation were intersected.

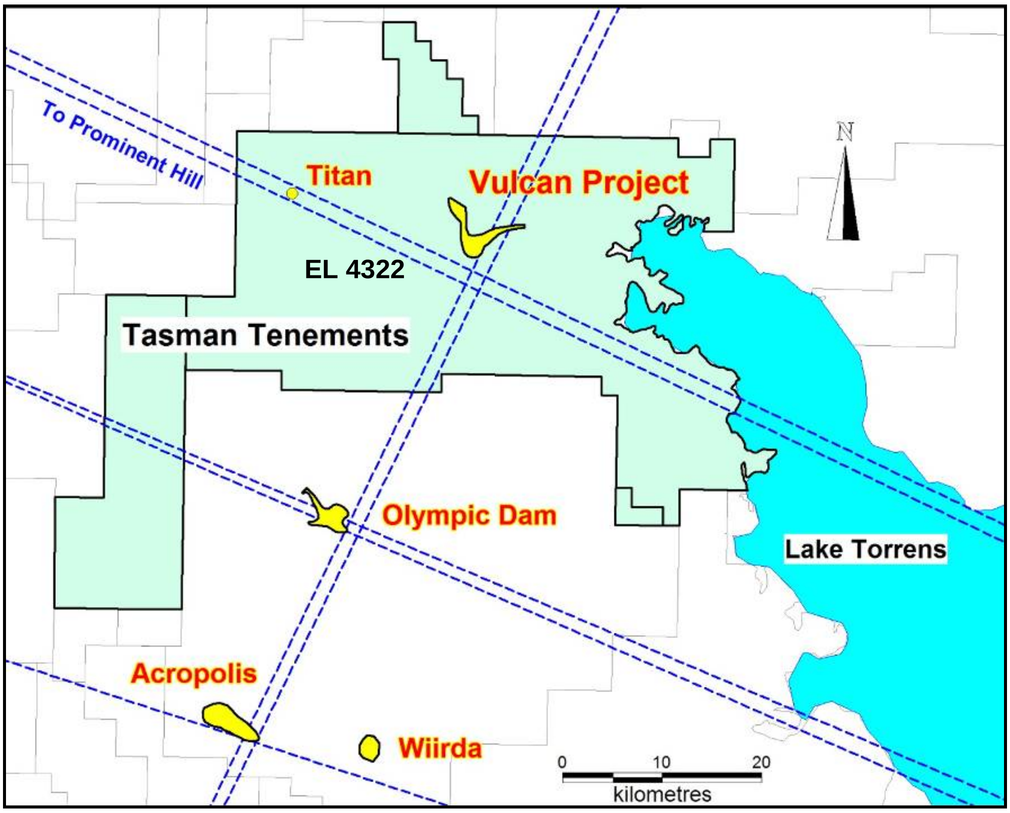

Figure 1: Location Plan showing certain of Tasman's Lake Torrens tenements, the Vulcan IOCGU Project, located within EL 4322 and nearby IOCGU deposits/systems.

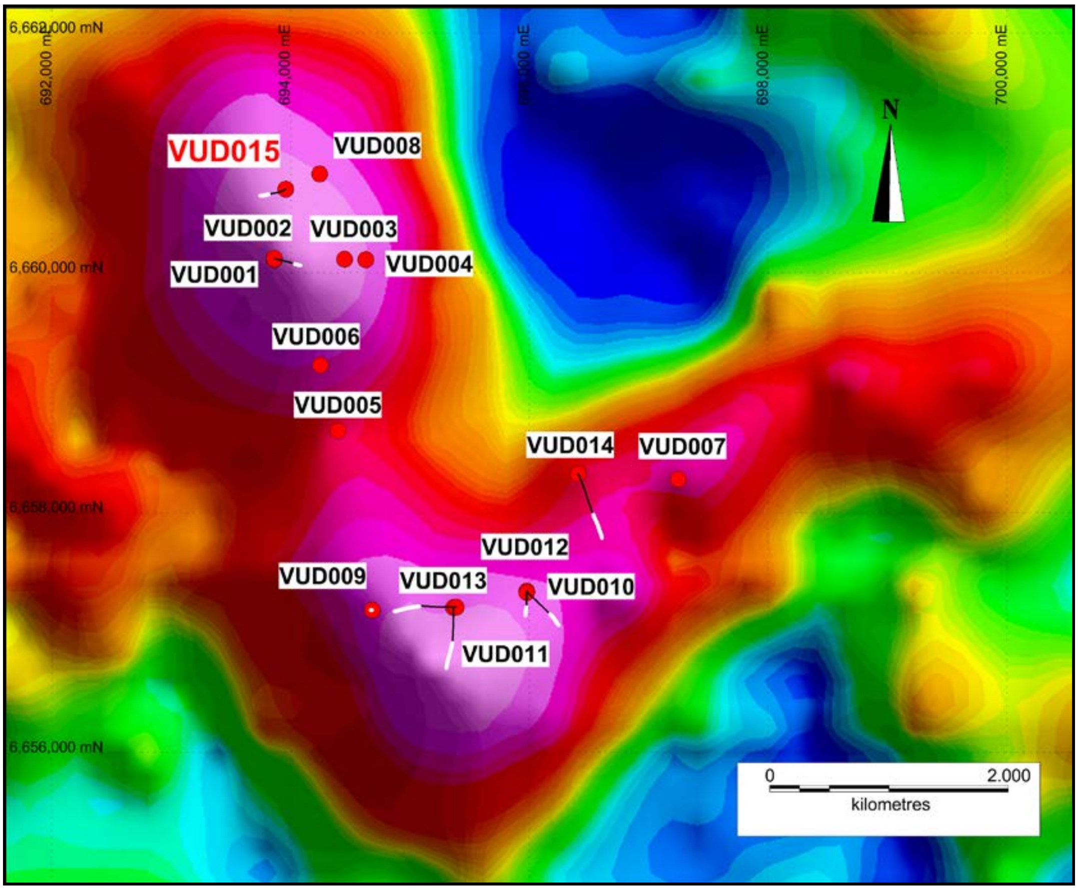

Figure 2: Vulcan residual bouguer gravity image (background) showing the location of all holes drilled to date (GDA 94; MGA Zone 53).

Drilling Results

Drill holes **VUD 9 to VUD 13** were drilled across the northern section of the main southern gravity anomaly at Vulcan as shown in Figure 2.

VUD 9 intersected over 240m (down hole) of hematite breccias, very similar to the hematite breccias which occur within the central, barren core of the Olympic Dam deposit, approximately 30km to the south.

VUD 10 intersected over 398m (down hole) of IOCGU – style altered, veined and brecciated host rocks.

VUD 11 intersected over 620m (down hole) of IOCGU – style highly altered, veined and brecciated rocks.

VUD 12 intersected over 500m (down hole) of IOCGU – style highly altered, veined and brecciated rocks.

VUD 13 was aimed at testing beneath the hematite breccias intersected in VUD 9, and intersected altered, veined and brecciated host rocks.

These five holes intersected zones of generally weak IOCGU mineralisation; details are contained within Announcements and Quarterly Reports released by Tasman during the year.

VUD 14 was aimed at testing the north-eastern "limb' of the gravity anomaly, following up the thick, mineralised hematite-rich breccias hit earlier in VUD 7. The hole unfortunately missed the projected target zone, intersecting 573m (down hole) of variably altered and weakly mineralised basement rocks.

VUD 15 was drilled on the northern section of the Vulcan gravity anomaly, aiming to follow up encouraging intersections in drill holes VUD 1, 3 and 8.

VUD 15 intersected the basement rocks of interest at 905m down hole, and then a very thick sequence of strongly IOCGU-style altered and variably mineralised basement rocks over more than 400m down hole, including several intersections of essentially pure hematite breccias, including one over 200m thick down hole. The strongest mineralisation was intersected in the lower part of the drill hole (see Figures 3 and 4), and assays for this zone are summarised in Table 1 below.

The highest grade section of mineralisation is probably remobilised and occurs within the upper portion of a mafic dyke (Figure 5) which was intersected from 1310 to 1343m. Several one metre assays over 4% Cu are included in this interval. Note that the intersections stated are down hole widths only, and at this stage the true widths are not known.

Assays for the upper part of the hole include 205m down hole from 905m at 0.18% Cu. When combined with assays from the lower part of VUD 15, the average copper grade over 435m down hole from 905m is 0.26% Cu.

From (m)	Thickness (m)	Cu (%)	Au (ppm)	Ag (ppm)	U_3O_8 (kg/t)	La (ppm)	Ce (ppm)
1191	145	0.49	0.26	1.21	0.06	390	610
Including:							
1284	52	0.87	0.46	1.13	0.07	970	1420
Including:							
1310	21	1.69	1.05	1.90	0.09	2450	3520

Table 1: Summarised assay results for the lower portion of drill hole VUD 15.

Note:

Assays presented above are for down hole intersections, and at this stage the true width of the mineralisation intersected is not known. Most of the assays are from NQ half core diamond saw split samples over one metre intervals, and the remaining assays are from small core segments collected at approximately 25cm intervals, composited over five metre intervals. Average assays for the intervals stated above were calculated by weighting by sample length and sample density.

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

Iron Assays

Following the intersection of very hematite-rich rocks in VUD 15, Tasman re-assayed samples from this hole and others by a more reliable method for determining the iron content. Averaged assays received include 180m down hole at 60% Fe from 1,123m in VUD 15, and 240m down hole at 61% Fe from 840m in VUD 9. Iron in both holes is present dominantly as hematite.

If the Vulcan system was much closer to the surface these very iron-rich intersections would have been of economic interest in their own right. As some of the copper mineralisation intersected in VUD15 is associated with massive hematite there is potential for the high iron content to add further value to any future economic copper intersections at Vulcan.

Note:

For Fe, in addition to half core split sampling and some 25cm composited core segments, some analyses were conducted on composite samples prepared by combining one metre half core pulverised samples over several metres. Average assays for the intervals stated were calculated by weighting by sample length and sample density.

The intersection of mineralised, highly favourable host rocks in VUD 15, coupled with the encouraging results in the nearby drill holes, in particular VUD 3 and 8 has substantially enhanced the prospectivity of this northern section of the Vulcan gravity target.

Continuation of drilling under the Tasman/RTX Agreement was suspended in June 2013, while site access limitations were resolved. To accommodate this delay, Tasman and RTX have agreed to extend the latest completion date for the initial 12,000 metre drilling programme currently being undertaken pursuant to the Joint Venture/ Farm In Agreement, until 31 January 2014. Drilling was resumed in early September, 2013.

Background

Vulcan was discovered by Tasman in November 2009 following the recognition of the following:

- *A large, and previously untested gravity anomaly with associated anomalous magnetic characteristics,*
- *A favourable location with respect to certain key tectonic lineaments which had been important in the discovery of Olympic Dam by WMC Resources, and*
- *Unusual, previously unexplained reflection patterns in seismic data collected in a Government survey several years earlier.*

The discovery drill hole, VUD 1 intersected a thick sequence of IOCGU-style, altered and weakly mineralised basement rocks, including an intersection of 53m down hole at 0.10% Cu, 0.04g/t Au, 0.4g/t Ag and 0.021kg/t U_3O_8.

Fifteen diamond drill holes have now been completed at Vulcan by Tasman, all exhibiting IOCGU-style alteration and/or mineralisation, including copper, gold, uranium, silver, molybdenum and rare earth elements. Age dating of the mineralisation at about 1590 million years confirms that Vulcan belongs to the same "family" of deposits as Olympic Dam, Prominent Hill and Carapateena.

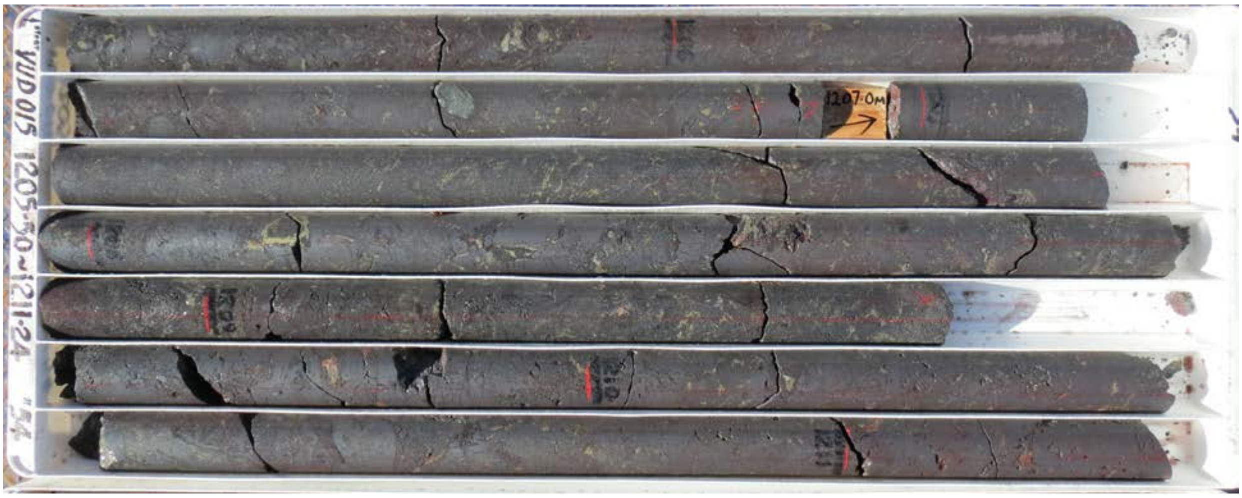

Figure 3: NQ diamond drill core from VUD 15, showing pyrite-chalcopyrite mineralised hematite breccias. The grey/black mineral is hematite (iron oxide), and the main, lighter (pale yellow) mineral is pyrite (iron sulphide) with chalcopyrite (copper-iron sulphide).

Figure 4: Detailed photo of mineralised hematite breccias within VUD 15. The grey/black mineral is hematite (iron oxide), the main, lighter (pale yellow) mineral is pyrite (iron sulphide) with chalcopyrite (copper-iron sulphide) and the red/orange material at the base of the photo is a fragmented dyke with associated strontianite (strontium carbonate).

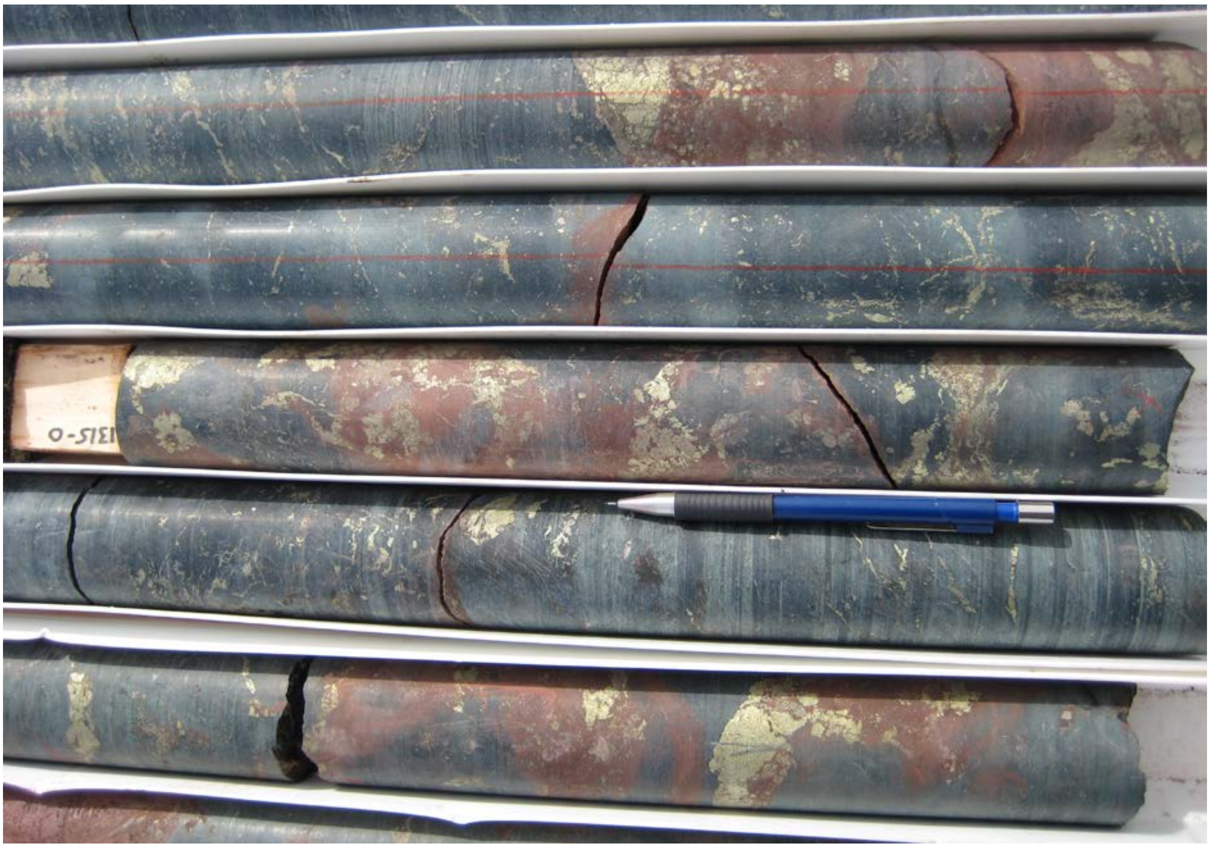

Figure 5: Detailed photo showing probably remobilised chalcopyrite-pyrite mineralisation within the intrusive dyke (referred to above) in drill hole VUD 15.

Sale of Lake Torrens Outlying Tenements

The sale of five Exploration Licences and one Exploration Licence Application to BHP Billiton mentioned in the 2012 Tasman Annual Report did not proceed.

Lucas Hill IOCGU Project (100% Tasman)

No further drilling was conducted during the year at Lucas Hill prospect on the Stuart Shelf, approximately 25km south east of Woomera. Alteration and weak copper mineralisation were intersected in the initial two holes completed by Tasman early in 2012.

Parkinson Dam Gold-Silver (-Lead-Zinc) Project (100% Tasman)

Tasman's 100% owned Parkinson Dam Project is located approximately 60km west of Port Augusta in South Australia. Tasman commenced exploration at Parkinson Dam in mid-2005, discovering previously unknown epithermal gold-silver mineralisation in outcrop.

Following initial phases of RC percussion and diamond drilling, Tasman hit high grade mineralisation in drill hole PD 63 (21m at 21g/t Au and 83g/t Ag, including 9m down hole at 31g/t Au and 152g/t Ag), but subsequent drilling was unable to repeat the grade or width of this intersection. Further targets for drill testing have been identified within the Project, but no further drilling was completed during the year due to higher priority work at Vulcan.

Central Gawler Gold-Nickel Project (100% Tasman)

No further work was conducted by Tasman on these tenements during the year.

INVESTMENTS

Investment in Conico Ltd (formerly Fission Energy Ltd). (Tasman has a 18.9% interest in Conico)

Mt Thirsty Oxide Deposit

Concio owns 50% of the Mt Thirsty Nickel-Cobalt Project in WA, with the other 50% held by Barra Resources Limited (ASX: BAR).

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.

Investigation of alternative processing options for Mt Thirsty has continued.

Investment in Eden Energy Ltd (Tasman has a 48.4% interest in Eden Energy)

Optiblend™ Duel Fuel Technology

Eden has completed the development of an efficient dual fuel kit that is capable of operating on diesel engines and displacing up to 70% of the diesel fuel with natural gas. If Hythane™ fuel (hydrogen enriched natural gas) is used in place of natural gas, the displacement of diesel fuel could be as high as 80%. The use of the natural gas will greatly reduce greenhouse gas emissions and, in places where natural gas is cheaper than diesel, will also reduce fuel costs. In various parts of the world, available natural gas is significantly cheaper than diesel fuel, and accordingly Eden has been targeting a diversified market for this technology, starting with stationary power generators and then potentially targeting locomotives.

During the year, Hythane Company (a 100% subsidiary of Eden) received orders in the USA for a total of twenty six OptiBlend™ systems, having an aggregate value of US$770,000. These 2012-13 orders represent 71% of the aggregate value to date of all Optiblend™ sales in the US since the initial order in November 2009 to 30 June 2013, and 65% of the total number of OptiBlend™ systems sold in the US to 30 June 2013.

Nano-Carbon / Hydrogen Pyrolysis Project

Through this technology which is 100% owned by Eden, methane (natural gas) is broken down into its atomic constituents of hydrogen gas and solid carbon, without the production of carbon dioxide. The solid carbon is produced as carbon nanofibres and carbon nanotubes that have a tensile strength of up to several hundred times greater than that of steel.

During the year a new development agreement with the University of Queensland ("UQ") was negotiated for the joint development of a methodology for the mixing of carbon nanotubes / carbon nanofibres in polymers and plastics with the aim of producing high strength composites suitable for use in car bodies for the automobile industry. Preliminary encouraging results have been received for adding carbon nanotubes into polypropylene. Further, during the year Eden in collaboration with the chemical engineering department of the UQ, was awarded a $255,000 grant by the Australian Research Council ("ARC") in the recent round of competitive ARC grants, to fund research into development of a methods for production of super high strength, low weight carbon nanotube ("CNT") reinforced polymer composites for potential automotive and aerospace applications.

Eden also signed a Research Agreement with Monash University ("Monash") during the year for development of high strength carbon nanotubes enriched concrete for high rise building applications.

UK unconventional / conventional gas project

Eden and its UK joint venture partner hold 17 Petroleum Exploration and Development Licences (PEDLs) in South Wales, Bristol/Somerset and Kent, in which Eden holds a 50% interest. These are prospective coal bed methane, shale gas and/or natural gas. In addition Eden has a 100% interest in 1 PEDL in South Wales, giving a total area covered by all 18 PEDLs of ~ approximately 1,900 square kilometres (approximately 470,000 acres) and taking in very large portions of the coal fields and surrounding basins in these three areas of the UK.

During the year Eden sought to progress its UK unconventional gas investment though securing either a suitable corporate merger with its current joint venture partner or through a sale of its UK gas interests to a suitable third party in which Eden held a significant shareholding. A conditional agreement to sell these assets for more than £10million was entered into in May 2013 with a third party, unfortunately this agreement was terminated by Eden in August 2013 due the purchaser's failure to satisfy all the conditions precedent. In September 2013 Eden signed a Conditional Reinstatement Agreement with Shale Energy Plc for the sale of Adamo Energy (UK) Ltd for a possible value of £11 million (~$19.3 million), on more improved terms than the conditional sale agreement entered into in May 2013.

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 annual report, 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*

CORPORATE GOVERNANCE STATEMENT

The Board of Directors

The Company's constitution provides that the number of directors shall not be less than three and not more than ten. There is no requirement for any share holding qualification.

As and if the Company's activities increase in size, nature and scope the size of the board will be reviewed periodically, and as circumstances demand.

The membership of the board, its activities and composition, is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the board shall include quality of the individual, background of experience and achievement, compatibility with other board members, credibility within the Company's scope of activities, intellectual ability to contribute to board's duties and physical ability to undertake board's duties and responsibilities.

Directors are initially appointed by the full board subject to election by shareholders at the next general meeting. Under the Company's constitution the tenure of a director (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the Corporation Act 2001, the board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, may revoke the appointment.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

Role of the Board

The Board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for oversight of management and the overall corporate governance statement of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

Independent Professional Advice

The Board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient to enable the directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The directors recognise that mineral exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

ASX Principles of Good Corporate Governance

The board has reviewed its current practices in light of the ASX Principles of Good Corporate Governance and Best Practice Guidelines with a view to making amendments where applicable after considering the Company's size and the resources it has available.

As the Company's activities develop in size, nature and scope, the size of the board and the implementation of any additional formal corporate governance committees will be given further consideration.

The following table sets out the Company's present position with regard to adoption of these Principles.

CORPORATE GOVERNANCE STATEMENT

	ASX Principle	Reference/comment

Principle 1: Lay solid foundations for management and oversight

1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	The Company has not adopted this recommendation to formalise and disclose the functions reserved to the Board and those delegated to management. The roles and functions within the Company must remain flexible in order for it to best function within its level of available resources.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	The Company does not have any senior executives and as such has not developed a process for evaluating the performance of senior executives.
1.3	Companies should provide the information indicated in the Guide to Reporting on Principle 1.	See above.

Principle 2: Structure the board to add value

2.1	A majority of the Board should be independent directors.	Due to the Company's size, nature and extent of operations, the company has departed from this principle.
2.2	The chair should be an independent director.	Due to the Company's size, nature and extent of operations, the company has departed from this principle.
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	The Company does not have a Chief Executive Officer.
2.4	The Board should establish a nomination committee.	Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for, screening and appointing new directors. In view of the size and resources available to the Company, it is not considered that a separate nomination committee is warranted.
2.5	Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors.	Acting in its ordinary capacity, the Board from time to time carries out the process of considering and determining performance issues. Whenever relevant, any such matters are reported to the ASX.
2.6	Companies should provide the information indicated in Guide to Reporting on Principle 2.	The skills and experience of directors are set out in the Company's Annual Report and on its website.

Principle 3: Promote ethical and responsible decision-making

3.1	Companies should establish a code of conduct and disclose the code or summary of the code as to: • the practices necessary to maintain confidence in the Company's integrity • the practices necessary to take into account their legal obligations and the responsible expectations of their stakeholders • the responsibility and accountability of individuals reporting or investigating reports of unethical practices.	The Company has a Code of Conduct which can be viewed on the Company's website.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	Due to the Company's size, nature and extent of operations, the company has departed from this principle.

3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	Due to the Company's size, nature and extent of operations, the company has departed from this principle.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	Tasman does not have any women employees in the organisation, women in senior executive positions or women on the Board.
3.5	Companies should provide the information indicated in Guide to Reporting on Principle 3.	The Code of Conduct can be viewed on the Company's website.

Principle 4: Safeguard integrity in financial reporting

4.1	The board should establish an audit committee.	Due to the Company's size, nature and extent of operations, the company has departed from this principle. The Board itself is the forum that deals with this function.
4.2	The audit committee should be structured so that it: • consists only non-executive directors • consists of a majority of independent directors • is chaired by an independent chair, who is not the chair of the board • At least three members	See 4.1
4.3	The audit committee should have a formal charter.	See 4.1
4.4	Companies should provide the information indicated in Guide to Reporting on Principle 4.	See above.

Principle 5: Make timely and balanced disclosure

5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance and disclose those policies or a summary of those policies.	The Company has a Continuous Disclosure Policy which can be viewed on the Company's website.
5.2	Companies should provide the information indicated in Guide to Reporting on Principle 5.	See above.

Principle 6: Respect the rights of shareholders

6.1	Companies should design and disclose a communications policy for promoting effective communication with shareholders and encourage their participation at general meetings and disclose their policy or a summary of that policy.	The Company has a Communications Policy which can be viewed on the Company's website.
6.2	Companies should provide the information indicated in Guide to Reporting on Principle 6.	The Company has a Communications Policy which can be viewed on the Company's website.

Principle 7: Recognise and manage risk

7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Due to the size and nature of the Company, the Company does not have formalised policies on risk management. The Board recognises its responsibility for identifying areas of material business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at board meetings and risk management culture is encouraged amongst employees and contractors.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	See above.
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	The Executive Chairman and the Chief Financial Officer make this assurance to the board.
7.4	Provide information indicated in Guide to Reporting on Principle 7.	See above.

Principle 8: Remunerate fairly and responsibly

8.1	The board should establish a remuneration committee.	Due to the size and nature of the Company, the Company does not have a remuneration committee. The Company's Constitution allows for a maximum amount per annum to be paid to non-executive directors, to be allocated at the discretion of the directors. Any changes to the annual amount must be approved at a General Meeting of members of the Company.
8.2	The remuneration committee should be structured so that it: • consists of a majority of independent directors • is chaired by an independent chair has at least three members.	See 8.1
8.3	Companies should clearly distinguish the structure of non-executive directors remuneration from that of executives.	See 8.1
8.4	Companies should provide information indicated in ASX Guide to Reporting on Principle 8.	No schemes exist for retirement benefits for non-executive directors other than statutory superannuation.

DIRECTORS' REPORT

Your directors present their report on the company and its controlled entities for the financial year ended 30 June 2013.

Directors

The names of directors in office at any time during or since the end of the year are:

Gregory H Solomon

Douglas H Solomon

Guy T Le Page

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mr Aaron P Gates has worked for Tasman Resources Ltd for the past 5 years. He is a Chartered Accountant and Chartered Secretary, has completed a Bachelor of Commerce (Curtin University) with majors in accounting and business law and completed a Diploma of Corporate Governance. Prior to joining Tasman he worked in public practice in audit and corporate finance roles.

Principal Activities

The principal activities of the group during the financial year ended 30 June 2013 was mineral exploration and the provision of new, clean green energy opportunities.

Operating Results

The consolidated profit of the group after providing for income tax was $7,617,614 (2012: loss of $1,100,782).

Dividends Paid or Recommended

No dividends were paid or declared for payment during the year.

Mineral Exploration Operations

Tasman's primary focus during the year has been mineral exploration for a range of commodities within the Company's tenements in South Australia. The principal exploration projects are Lake Torrens IOCGU-base metal project, the Parkinson Dam epithermal gold-silver (lead-zinc) project and central Gawler Craton gold-nickel-cobalt project in South Australia. A review of the operations of the Group during the year ended 30 June 2013 is set out in the Review of Operations on Page 6.

Financial Position

The net assets of the consolidated group have increased by $11,139,461 from 30 June 2012 to $24,917,402 in 2013. This increase has largely resulted from the receipt of the first milestone payment from Rio Tinto Exploration Pty Ltd.

Significant Changes in State of Affairs

On 5 October 2012, Tasman increased its interest to 47.925% (30 June 2012: 20.205%) in the issued capital of Eden Energy Ltd ("Eden"), a clean energy company listed on the Australian Securities Exchange (ASX Code: EDE). Eden is now included in the consolidated figures reported by Tasman.

In the opinion of the directors, other than disclosed elsewhere in this report, there were no other significant changes in the state of affairs of the Company that occurred during the year.

After Balance Date Events

On 2 July 2013, the Group was awarded a $255,000 grant by the Australian Research Council to fund its carbon nanotubes research in Eden Energy Ltd.

On 9 July 2013, the Group settled its claims against Engenco Ltd for $800,000. At year end $680,000 was recorded as Other unsecured receivables, see Note 12.

On 31 July 2013, Eden Energy Ltd completed a pro-rata non-renounceable rights issue raising $970,829 of which Tasman took up its full entitlement.

On 12 September 2013 the Group executed a Conditional Reinstatement Agreement with Shale Energy Plc for the sale of Adamo Energy (UK) Ltd, on slightly improved terms than the conditional sale agreement dated 18 June 2013.

On 18 September 2013, Eden Energy Ltd completed a placement of 37,349,416 shares at $0.011 per share to Shale Energy Plc raising $410,844.

There were no other material events occurring after the reporting date.

DIRECTORS' REPORT

Future Developments, Prospects and Business Strategies

The Company proposes to continue with its exploration program as detailed in the Review of Operations.

Environmental Issues

The Company is the subject of environmental regulation with respect to mining exploration and will comply fully with all requirements with respect to rehabilitation of exploration sites.

Information on Directors

Gregory H Solomon	Executive Chairman
Qualifications	**LLB**
Experience	Appointed chairman 1987. Board member since 1987. A solicitor with more than 30 years' Australian and international experience in a wide range of areas including mining law, commercial negotiation (including numerous mining and exploration joint ventures) and corporate law. He is a partner in the Western Australian legal firm, Solomon Brothers and has previously held directorships of various public companies since 1984 including two mining/exploration companies.
Interest in Shares and Options	31,165,475 Ordinary Shares
Directorships held in other listed entities	Conico Limited (ASX:CNJ) Eden Energy Limited (ASX:EDE)
Douglas H Solomon	Non-Executive
Qualifications	**BJuris LLB (Hons)**
Experience	Board member since 3 April 2003. A Barrister and Solicitor with more than 20 years' experience in the areas of mining, corporate, commercial and property law. He is a partner in the legal firm, Solomon Brothers.
Interest in Shares and Options	30,659,960 Ordinary Shares
Directorships held in other listed entities	Conico Limited (ASX:CNJ) Eden Energy Limited (ASX:EDE)
Guy T Le Page	Non-Executive
Qualifications	**B.A., B.Sc. (Hons).,M.B.A., F.FIN., MAusIMM** Bachelor of Arts, Bachelor of Science, Masters Degree in Business Administration, Bachelor of Applied Science (Hons), Graduate Diploma in Applied Finance and Investment
Experience	Board member since February 2001. Currently a corporate adviser specialising in resources. He is actively involved in a range of corporate initiatives from mergers and acquisitions, initial public offerings to valuations, consulting and corporate advisory roles. He previously spent 10 years' as an exploration and mining geologist in Australia, Canada and the United States. His experience spans gold and base metal exploration and mining geology and he has acted as a consultant to private and public companies.
Interest in Shares and Options	1,784,821 Ordinary shares
Directorships held in other listed entities	Eden Energy Limited (ASX:EDE) Conico Limited (ASX:CNJ) Red Sky Energy Limited (ASX:ROG) Palace Resources Limited (ASX:PXR) Soil Sub Technologies Ltd (ASX: SOI) AXG Mining Ltd (ASX: AXC)

DIRECTORS' REPORT

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director of Tasman Resources Ltd, and for the executives receiving the highest remuneration.

Remuneration Policy

The remuneration policy of Tasman Resources Ltd has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The board of Tasman Resources Ltd believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for board members and senior executives of the economic entity is as follows:

- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and options.

All directors and executives receive a superannuation guarantee contribution where required by the government, which is currently 9.25%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Any shares which may be issued to executives would be valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology. The Group does not have a policy on directors hedging their shares.

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General meeting. Fees for non-executive directors are not linked to the performance of the economic entity. To align directors' interests with shareholder interests, directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

Performance based Remuneration

No performance based remuneration was paid during the year.

Shares Issued on Exercise of Compensation Options

	No. of ordinary shares issued	Amount paid per share	Value per share on exercise date
Aaron P Gates	500,000	0.12	$60,000
Total	500,000		

Options issued as part of remuneration for the year ended 30 June 2013

Options are issued to directors and employees as part of their remuneration. The options are not issued on performance criteria, but are issued to the majority of directors and employees to increase goal congruence between executives, directors and shareholders.

Details on options over ordinary shares in the Group that were granted as compensation to each key management person during the reporting period and details on options that vested during the reporting period are as follows:

Executive	Date Granted	Number Granted	Date of Expiry	Exercise Price
Roger W Marmaro	21 November 2012	500,000	20 November 2015	$0.025
Robert N Smith	4 July 2012	1,000,000	30 June 2014	$0.125
Michael J Glasson	4 July 2012	1,000,000	30 June 2014	$0.125

Key inputs of the valuation are disclosed in Note 31.

DIRECTORS' REPORT

Details of Remuneration for Year Ended 30 June 2013

The remuneration for each director and each of the executive officers of the Group during the year was as follows:

Key Management Personnel Remuneration - 2013

Key Management Person	Short-term Benefits			Post-employment benefits		Termin-ation	Share-based payments		Total	Perfor-mance Related
	Salary and Fees	Cash profit share	Other	Super-annuation	Other	Other	Equity	Options		
	$	$	$	$	$	$	$	$	$	%
Gregory H Solomon	279,375	-	-	25,144	-	-	-	-	304,519	-
Douglas H Solomon	63,000	-	-	5,670	-	-	-	-	68,670	-
Guy T Le Page	63,000	-	-	5,670	-	-	-	-	68,670	-
Aaron P Gates	(i)	-	-	-	-	-	-	-	-	-
Robert N Smith	224,148	-	-	24,997	-	-	-	28,500	277,645	-
Michael J Glasson	224,148	-	-	24,997	-	-	-	28,500	277,645	-
Richard J Beresford	27,000	-	-	2,430	-	-	-	-	29,430	-
Roger W Marmaro	179,801	-	14,697	9,857	-	-	-	850	205,205	-
	1,060,472	-	14,697	98,765	-	-	-	57,850	1,231,784	-

Key Management Personnel Remuneration - 2012

Key Management Person	Short-term Benefits			Post-employment benefits		Termin-ation	Share-based payments		Total	Perfor-mance Related
	Salary and Fees	Cash profit share	Non-cash benefit	Super-annuation	Other	Other	Equity	Options		
	$	$	$	$	$	$	$	$	$	%
Gregory H Solomon	140,000	-	-	12,600	-	-	-	-	152,600	-
Douglas H Solomon	32,000	-	-	2,880	-	-	-	-	34,880	-
Guy T Le Page	32,000	-	-	2,880	-	-	-	-	34,880	-
Aaron P Gates	(i)	-	-	-	-	-	-	5,060	5,060	-
Robert N Smith	189,850	-	-	49,950	-	-	-	-	239,800	-
Michael J Glasson	189,850	-	-	49,950	-	-	-	-	239,800	-
	583,700	-	-	118,260	-	-	-	5,060	707,020	-

(i) These management personnel are remunerated by Princebrook Pty Ltd (a company in which Greg Solomon and Douglas Solomon have an interest) under the Princebrook Management Services Contract. During the year, the Group paid $383,609 (2012: $226,170) to Princebrook for management services.

(ii) The appointment of Robert Smith and Michael Glasson may be terminated by giving not less than four weeks written notice.

<End of Remuneration Report>

Directors Meetings

During the financial year, 3 meetings of directors were held. Attendance by each director during the year was as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Gregory H Solomon	3	3
Douglas H Solomon	3	3
Guy T Le Page	3	3

Due to the nature of the operations and the size of the board, all the directors were in close communication throughout the year and most matters were attended to by way of circulatory resolution rather than formal directors' meetings.

DIRECTORS' REPORT

Indemnifying Officers or Auditor

The company has paid premiums to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company. The total premium paid was $22,995.

Proceedings on Behalf of Group

No person has applied for leave of Court to bring proceedings on behalf of the group or intervene in any proceedings to which the group is a party for the purpose of taking responsibility on behalf of the group for all or any part of those proceedings.

The group was not a party to any such proceedings during the year.

Options

Options granted to directors and executives of the Group

During or since the end of the financial year, the Company granted options for no consideration over unissued ordinary shares in the Group to the following executives as part of their remuneration:

Executive	Number Granted	Company	Date of Expiry	Exercise Price
Michael Glasson	1,000,000	Tasman Resources Ltd	30 June 2014	$0.125
Robert Smith	1,000,000	Tasman Resources Ltd	30 June 2014	$0.125
Roger Marmaro	500,000	Eden Energy Ltd	20 November 2015	$0.025

All options were granted during the financial year. No options have been granted since the end of the financial year.

During the year ended 30 June 2013, 500,000 ordinary shares of Tasman Resources Ltd were issued on the exercise of options granted under the Tasman Resources Ltd Employee Option Plan. No shares have been issued since that date.

Unissued shares under options

At the date of this report, the unissued ordinary shares of Tasman Resources Ltd under option are as follows:

Company	Grant Date	Date of Expiry	Exercise Price	Number under Option
Tasman Resources Ltd	10 November 2011	1 November 2013	$0.24	200,000
Eden Energy Ltd	Various	30 June 2014	$0.20	69,640,963
Tasman Resources Ltd	4 July 2012	30 June 2014	$0.125	2,000,000
Eden Energy Ltd	21 November 2012	20 November 2015	$0.025	3,631,250
				75,472,213

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Non-audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

No fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2013.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 20.

Signed in accordance with a resolution of the Board of Directors.

Gregory H Solomon
Dated this 26th day of September 2013

nexia australia

the next solution

Lead auditor's independence declaration under section 307C of the *Corporations Act 2001*

To the directors of Tasman Resources Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2013 there have been:

(i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Nexia Perth Audit Services Pty Ltd

PTC Klopper
Director

Perth, 26 September 2013

Nexia Perth Audit Services Pty Ltd
ACN 145 447 105
Level 3, 88 William Street, Perth WA 6000
GPO Box 2570, Perth WA 6001
p +61 8 9463 2463, f +61 8 9463 2499
audit@nexiaperth.com.au, www.nexia.com.au

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group	
		2013 $	2012 $
Revenue	2	946,811	-
Other income	3	9,311,332	1,123,503
Audit and accounting		(82,754)	(89,806)
Depreciation and amortisation expense		(107,074)	(2,381)
Employee benefits expense	4	(1,447,596)	(522,270)
Gain on acquisition of subsidiary		136,724	-
Gain on remeasure of fair value of previously held equity interest		173,315	-
Impairment of exploration and evaluation	15	(5,120)	(3,628)
Impairment of intellectual property	16	(6,603)	-
Impairment of investment in associate	18a	-	(909,005)
Impairment of trade and other receivables		(34,023)	-
Legal and other consultants		(69,328)	(45,189)
Management fees		(383,609)	(226,170)
Other expenses		(497,248)	(187,642)
Raw materials and consumables used		(317,213)	-
Share of loss of associate	18a	-	(714,988)
Profit/(Loss) before income tax	5	7,617,614	(1,577,576)
Income tax (expense) / benefit	6	-	476,794
Profit/(Loss) for the year		7,617,614	(1,100,782)
Other Comprehensive Income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Change in fair value of available-for-sale financial assets		-	(3,127,781)
Exchange differences on translating foreign operations		238,600	-
Other comprehensive income, net of income tax		238,600	(3,127,781)
Total Comprehensive Income / (Loss)		7,856,214	(4,228,563)
Profit attributable to:			
Owners of the parent		8,186,256	(364,661)
Non-controlling interests		(568,642)	-
		7,617,614	(364,661)
Total comprehensive income attributable to:			
Owners of the parent		8,300,605	(2,834,619)
Non-controlling interests		(444,391)	-
		7,856,214	(2,834,619)
Basic/Diluted earnings per share (cents per share)	9	3.625	(0.4998)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	Consolidated Group 2013 $	Consolidated Group 2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	4,054,733	746,025
Inventories	11	453,510	-
Other assets		32,807	-
Trade and other receivables	12	1,087,012	514,784
Financial assets	13	100,000	-
Assets held for sale	14	3,027,663	-
TOTAL CURRENT ASSETS		8,755,725	1,260,809
NON-CURRENT ASSETS			
Exploration and Evaluation expenditure	15	15,728,482	12,221,685
Intangibles	16	1,207,707	-
Investments accounted for using the equity method	18	-	490,469
Property, plant and equipment	19	372,101	47,079
Other receivables	12	50,000	-
TOTAL NON-CURRENT ASSETS		17,358,290	12,759,233
TOTAL ASSETS		26,114,015	14,020,042
CURRENT LIABILITIES			
Trade and other payables	20	383,158	126,297
Provisions	21	757,442	67,097
TOTAL CURRENT LIABILITIES		1,140,600	193,394
NON-CURRENT LIABILITIES			
Provisions	21	56,013	48,707
TOTAL NON-CURRENT LIABILITIES		56,013	48,707
TOTAL LIABILITIES		1,196,613	242,101
NET ASSETS		24,917,402	13,777,941
EQUITY			
Issued capital	22	23,505,526	23,433,864
Reserves	23	1,092,459	915,372
Accumulated losses		(2,385,039)	(10,571,295)
Parent's interest		22,212,946	13,777,941
Non-controlling interest		2,704,456	-
TOTAL EQUITY		24,917,402	13,777,941

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2013

	Attributable to owners of the Company						
	Issued Capital	**Option Reserve**	**Financial Asset Reserve**	**Foreign Currency Trans-lation Reserve**	**Accumulated Losses**	**Non-controlling Interests**	**Total**
	$	**$**	**$**		**$**		**$**
Balance at 30 June 2011	21,220,230	909,235	3,127,781	-	(9,470,513)	-	15,786,733
Shares issued, net of issue costs	2,213,634	-	-	-	-	-	2,213,634
Options issued	-	6,137	-	-	-	-	6,137
Loss for the year	-	-	-	-	(1,100,782)	-	(1,100,782)
Other comprehensive income	-	-	(3,127,781)	-	-	-	(3,127,781)
Total comprehensive loss	-	-	(3,127,781)	-	(1,100,782)	-	(4,228,563)
Balance at 30 June 2012	23,433,864	915,372	-	-	(10,571,295)	-	13,777,941
Shares issued, net of issue costs	71,662	-	-	-	-	-	71,662
Options issued	-	62,738	-	-	-	-	62,738
Minority equity interest upon acquisition of subsidiary	-	-	-	-	-	3,148,847	3,148,847
Loss for the year	-	-	-	-	8,186,256	(568,642)	7,617,614
Other comprehensive income	-	-	-	114,349	-	124,251	238,600
Total comprehensive income	-	-	-	114,349	8,186,256	(444,391)	7,856,214
Balance at 30 June 2013	23,505,526	978,110	-	114,349	(2,385,039)	2,704,456	24,917,402

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group	
		2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		10,293,317	1,100,287
Payments to suppliers and employees		(3,785,795)	(1,005,561)
R&D claims received		507,556	-
Interest received		183,065	48,720
Net cash provided by / (used in) operating activities	26a	7,198,143	143,446
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration and evaluation expenditure		(3,872,602)	(1,350,162)
Development of intangible assets		(129,589)	-
Investment in financial assets		-	(1,075,926)
Net cash acquired on acquisition of subsidiary		255,182	-
Purchase of convertible note		(100,000)	-
Purchase of property, plant and equipment		(146,906)	(40,426)
Proceeds on sale of financial assets		-	29,960
Net cash used in investing activities		(3,993,915)	(2,436,554)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares, net of issue costs		71,662	2,225,241
Net cash provided by financing activities		71,662	2,225,241
Net increase (decrease) in cash held		3,275,890	(67,867)
Net increase(decrease) due to foreign exchange movements		32,818	-
Cash at beginning of financial year		746,025	813,892
Cash at end of financial year	10	4,054,733	746,025

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial report of Tasman Resources Limited and controlled entities complies with all International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board in their entirety.

The financial report covers the consolidated group of Tasman Resources Ltd and controlled entities as at and for the year ended 30 June 2013. Tasman Resources Ltd is a listed public company, incorporated and domiciled in Australia. The Group is a for-profit entity and primarily is involved in mineral exploration in South Australia and clean energy technology through its subsidiary Eden Energy Ltd.

The following is a summary of the material accounting policies adopted by the group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. These consolidated financial statements are presented in Australian dollars, which is the Tasman Resources Ltd's and Eden Energy Ltd's functional currency. The functional currencies of Eden Energy Ltd's subsidiaries are USD, GBP and INR.

Going Concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and the settlement of liabilities in the normal course of business.

Accounting Policies

a. **Principles of Consolidation**

A controlled entity is any entity Tasman Resources Ltd has the power to control its financial and operating policies so as to obtain benefits from its activities. A list of controlled entities is contained in Note 17 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent.

Non-controlling interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

b. **Income Tax**

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised.

Tasman Resources Ltd and Noble Energy Pty Ltd, its wholly-owned Australian subsidiary, have formed an income tax consolidated group under the tax consolidation regime. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2005. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

c. **Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average costs.

d. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment	15–50%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss.

e. **Exploration and Evaluation Expenditure**

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward where the right to tenure is current and to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

f. **Assets held for sale**

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered through sale rather than continuing use.

Immediately before classification as held-for-sale, the assets are remeasured in accordance with the Group's other accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains or losses on remeasurement are recognised in profit or loss.

g. **Intangibles**

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Intellectual Property

Intellectual property, which includes trademarks and engineering knowledge, is included in the financial statements at cost, being their fair value on acquisition.

Intellectual property and trademarks are only amortised or written down where the useful lives are limited or impaired by specific circumstances, in such cases amortisation is charged on a straight line basis over their useful lives and write downs are charged fully when incurred. The directors have assessed the useful life of the intellectual property and have determined that it has a finite useful life. The intellectual property will be amortised on a systematic basis matched to the future economic benefits over the useful life of the project. The directors have assessed the useful life of the Optiblend™ technology as being 10 years.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

h. **Financial Instruments**

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Derivative Assets

The Group holds derivative financial assets issued from its associate, Conico Ltd, in the form of unlisted options. Derivatives are recognised initially at fair value. Subsequent to initial recognition, derivatives are remeasured as fair value at each reporting date and changes in fair value are recognised immediately in profit or loss.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

i. **Foreign Currency Transactions and Balances**

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

— assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;

— income and expenses are translated at average exchange rates for the period; and

— retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed of. Intercompany loans are treated as investments for foreign currency translation purposes.

j. **Impairment of Assets**

At each reporting date, the Group reviews the carrying values of its non-financial tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

k. **Investments in Associates**

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the group's share of post-acquisition reserves of its associates.

l. **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Equity-settled compensation

The Group operates a number of share-based compensation plans. These include both a share option arrangement and an employee share scheme. The bonus element over the exercise price of the employee services rendered in exchange for the grant of shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted.

m. **Provisions**

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

n. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts.

o. **Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

p. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

q. **Interest in joint operations**

The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operation and the expenses that the Group incurs and its share of the income that it earns from the joint operation.

r. **New accounting standards and interpretations**

Presentation of transactions recognised in other comprehensive income

From 1 July 2012, the Group applied amendments to AASB 101 *Presentation of Financial Statements* outlined in AASB 2011-9*.* The change in accounting policy only relates to disclosures and has had no impact on consolidated loss per share or net loss. The changes have been applied retrospectively and require the Group to separately present those items of other comprehensive income that may be reclassified to profit or loss. These changes are included in the statement of profit or loss and other comprehensive income.

s. **Segment reporting**

Segment results that are reported to the Group's board of directors (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

t. **Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

u. **New accounting standards and interpretations not yet adopted**

These standards are effective for annual periods beginning on or after 1 January 2013 with early adoption permitted and have not been applied in preparing these consolidated financial statements. The adoption of these standards is expected to have no impact on the Group's financial assets and financial liabilities.

AASB 9 *Financial Instruments,* AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements*, AASB 12 *Disclosure of Interests in Other Entities* (2011) AASB 13 *Fair Value Measurement* (2011), AASB 119 *Employee Benefits.*

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

p. **Key estimates**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates – Exploration and evaluation

The Group's policy for exploration and evaluation is discussed in Note 1(e). The application of this policy requires management to make certain assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. At the date of this report the Group has sufficient reason to believe:

- rights to explore in specific areas, once expired, will be renewed;
- substantive expenditure on further exploration and evaluation in specific areas has been budgeted;
- exploration in specific areas is ongoing and the Group has not decided to discontinue such activities; and
- no specific sufficient data exists that indicates that the carrying amount of the exploration and evaluation asset is unlikely to be recovered.

Key Estimates — Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

- Value-in-use is calculated based on the present value of cash flow projections.
- Costs have been based on historical amounts adjusted for CPI increase.
- A 30% discount rate was utilised to recognise inherent risk in the forecasts.

There is a significant risk of actual outcomes being different from those forecasted due to changes in economic or market conditions and events.

Key Estimates — Share-based payment transactions

The consolidated entity measures the cost of equity settled transactions with suppliers by reference to the fair value of the equity instruments as at the date at which they are granted. The fair value is determined using a Black-Scholes model. Refer to Note 31 for the inputs to the Black-Scholes model.

The financial report was authorised for issue on 26 September 2013 by the board of directors.

NOTE 2: REVENUE

	Note	2013 $	2012 $
a. Operating activities			
— sale of goods or services		946,811	-
Total Revenue		946,811	-

NOTE 3: OTHER INCOME

— interest received	183,065	48,720
— payment from RTX	9,000,000	1,000,000
— R&D claim	30,762	-
— other	75,000	49,403
— wages recovery from associated entity	22,505	25,380
	9,311,332	1,123503

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

		Note	2013 $	2012 $
NOTE 4: EMPLOYEE BENEFITS				
	Short-term employee benefits		(1,674,526)	(583,700)
	Post-employment benefits		(122,626)	(118,260)
	Share based payments		(62,738)	(5,060)
	Allocated to exploration and evaluation		412,294	184,750
	Total		(1,447,596)	(522,570)
NOTE 5: PROFIT / (LOSS) FOR THE YEAR				
a.	**Expenses**			
	Depreciation and amortisation expense		107,074	2,381
b.	**Significant Revenue and Expenses**			
	The following significant revenue and expense items are relevant in explaining the financial performance:			
	Gain on acquisition of subsidiary		136,724	-
	Gain on remeasure of fair value of previously held equity interest		173,315	-
	Impairment of available-for-sale financial assets		-	(1,623,993)
NOTE 6: INCOME TAX EXPENSE				
a.	The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:			
	Prima facie tax payable on profit/(loss) from ordinary activities at 30% (2012: 30%)		2,285,284	(473,273)
			2,285,284	(473,273)
	Add tax effect of:			
	— Non-deductible expenses		22,338	489,169
	— Current year tax loss not recognised		(594,086)	85,678
	Less tax effect of:			
	— Current year temporary differences not recognised		(1,713,536)	(101,574)
	— Research and development benefit		-	(476,794)
	Income tax expense / (benefit) reported in the Income Statement		-	(476,794)
b.	Components of deferred tax			
	Unrecognised deferred tax asset – losses		18,484,255	5,642,649
	Capital raising costs		98,762	54,618
	Provisions and accruals		105,626	54,422
	Exploration and evaluation		(5,626,843)	(3,359,494)
	Intangibles		(306,062)	-
	Total unrecognised deferred tax assets		12,755,738	2,392,195

Deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The benefit of the tax losses will only be obtained if the Group comply with conditions imposed by the tax legislation in Australia.

NOTE 7: AUDITORS' REMUNERATION				
Remuneration of the auditor of the Group for:				
—	auditing or reviewing the financial report		60,000	28,666

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 8: KEY MANAGEMENT PERSONNEL COMPENSATION

a. Names and positions held of key management personnel in office at any time during the financial year are:

Key Management Person	Position
Gregory H Solomon	Executive Chairman
Douglas H Solomon	Non-Executive Director
Guy T Le Page	Non-Executive Director
Richard Beresford	Non-Executive Director – Eden Energy
Aaron P Gates	Company Secretary / CFO
Robert N Smith	Senior Geologist
Michael J Glasson	Senior Geologist
Roger Marmaro	President Hythane

b. Options and Rights Holdings

Number of Options in the Company Held by Key Management Personnel

	Balance 1.7.2012	Granted as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2013	Total Vested 30.6.2013	Total Exercisable 30.6.2013	Total Unexercisable 30.6.2013
Aaron Gates	500,000	-	(500,000)	-	-	-	-	-
Douglas Solomon	1,000,000	-	-	(1,000,000)	-	-	-	-
Gregory Solomon	1,000,000	-	-	(1,000,000)	-	-	-	-
Guy Le Page	1,000,000	-	-	(1,000,000)	-	-	-	-
Michael Glasson	200,803	1,000,000	-	(200,803)	1,000,000	1,000,000	1,000,000	-
Robert Smith	200,803	1,000,000	-	(200,803)	1,000,000	1,000,000	1,000,000	-
Total	3,901,606	2,000,000	(500,000)	(3,401,606)	2,000,000	2,000,000	2,000,000	-

*The Net Change Other reflected above includes those options that have been forfeited by holders, options that have lapsed, as well as options issued during the year under review.

	Balance 1.7.2011	Granted as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2013	Total Vested 30.6.2012	Total Exercisable 30.6.2012	Total Unexercisable 30.6.2012
Aaron Gates	500,417	-	-	(417)	500,000	500,000	500,000	-
Douglas Solomon	7,159,918	-	-	(6,159,918)	1,000,000	1,000,000	1,000,000	-
Gregory Solomon	7,231,673	-	-	(6,231,673)	1,000,000	1,000,000	1,000,000	-
Guy Le Page	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
Michael Glasson	2,040,896	-	(700,000)	(1,140,093)	200,803	200,803	200,803	-
Robert Smith	1,990,085	-	(601,880)	(1,187,402)	200,803	200,803	200,803	-
Total	19,922,989	-	(1,301,880)	(14,719,503)	3,901,606	3,901,606	3,901,606	-

*The Net Change Other reflected above includes those options that have been forfeited by holders, options that have lapsed, as well as options issued during the year under review.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 8: KEY MANAGEMENT PERSONNEL COMPENSATION CONTINUED

b. **Options and Rights Holdings (Continued)**

Number of Options in Eden Energy Ltd Held by Key Management Personnel

	Acquisition of subsidiary	Granted as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2013	Total Vested 30.6.2013	Total Exercisable 30.6.2013	Total Unexercisable 30.6.2013
Aaron Gates	500,500	-	-	(500,000)	500	500	500	-
Douglas Solomon	2,388,398	-	-	(1,000,000)	1,388,398	1,388,398	1,388,398	-
Gregory Solomon	2,587,255	-	-	(1,000,000)	1,587,255	1,587,255	1,587,255	-
Guy Le Page	1,000,000	-	-	(1,000,000)	-	-	-	-
Michael Glasson	2,500	-	-	-	2,500	2,500	2,500	-
Richard Beresford	1,200,000	-	-	(1,000,000)	200,000	200,000	200,000	-
Roger Marmaro	50,000	500,000	-	-	550,000	550,000	550,000	-
Robert Smith	-	-	-	-	-	-	-	-
Total	7,728,653	500,000	-	(4,500,000)	3,728,653	3,728,653	3,728,653	-

*The Net Change Other reflected above includes those options that have been forfeited by holders, options that have lapsed, as well as options issued during the year under review.

c. **Shareholdings**

Number of Shares held in the Company by Key Management Personnel

	Balance 1.7.2012	Received as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2013
Aaron Gates	190,000	-	500,000	(44,000)	646,000
Douglas Solomon	30,659,960	-	-	-	30,659,960
Gregory Solomon	31,165,475	-	-	-	31,165,475
Guy Le Page	1,784,821	-	-	-	1,784,821
Michael Glasson	1,007,535	-	-	(700,000)	307,535
Robert Smith	699,635	-	-	(699,635)	-
Total	65,507,426		500,000	(1,443,635)	64,563,791

* Net Change Other refers to shares purchased or sold during the financial year.

Number of Shares held in the Company by Key Management Personnel

	Balance 1.7.2011	Received as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2012
Aaron Gates	21,667	-	-	168,333	190,000
Douglas Solomon	30,659,960	-	-	-	30,659,960
Gregory Solomon	31,115,475	-	-	50,000	31,165,475
Guy Le Page	1,784,821	-	-	-	1,784,821
Michael Glasson	307,535	-	700,000	-	1,007,535
Robert Smith	97,755	-	601,880	-	699,635
Total	63,987,213	-	1,301,880	218,333	65,507,426

* Net Change Other refers to shares purchased or sold during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 8: KEY MANAGEMENT PERSONNEL COMPENSATION CONTINUED

c. Shareholdings (continued)

Number of Shares held in Eden Energy Ltd by Key Management Personnel

	Acquisition of Subsidiary	Received as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2013
Aaron Gates	25,000	-	-	-	25,000
Douglas Solomon	4,739,700	-	-	4,739,700	9,479,400
Gregory Solomon	5,701,415	-	-	5,701,415	11,402,830
Guy Le Page	-	-	-	-	-
Michael Glasson	25,000	-	-	-	25,000
Richard Beresford	1,200,000	-	-	1,200,000	2,400,000
Robert Smith	-	-	-	-	-
Roger Marmaro	1,841,824	-	-	655,666	2,497,490
Total	13,532,939	-	-	12,296,781	25,829,720

* Net Change Other refers to shares purchased or sold during the financial year.

d. Remuneration

Refer to disclosures contained in the Remuneration Report section of the Directors' Report. The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	Note	2013 $	2012 $
Short-term employee benefits		1,075,169	583,700
Post-employment benefits		98,765	118.260
Other long-term benefits		-	-
Termination benefits		-	-
Share based payments		57,850	5,060
Total		1,231,784	707,020

NOTE 9: EARNINGS PER SHARE

a. Reconciliation of earnings to profit or loss

	2013	2012
Profit/(loss)	8,186,256	(1,100,782)
Earnings used to calculate basic EPS	8,186,256	(1,100,782)
	No.	**No.**
b. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	226,448,186	225,945,395

The effect of share options on issue is not potentially dilutive at 30 June 2012 or 30 June 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10: CASH AND CASH EQUIVALENTS

	Note	2013 $	2012 $
Cash at bank and in hand		4,054,733	746,025
		4,054,733	746,025

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents		4,054,733	746,025
		4,054,733	746,025

NOTE 11: INVENTORIES

At cost		453,510	-
		453,510	-

NOTE 12: TRADE AND OTHER RECEIVABLES

CURRENT			
Trade receivables		460,337	-
Less provision for impairment		(68,208)	-
Less provision for returns		(31,441)	-
Net foreign exchange difference		(8,330)	-
Other unsecured receivables	12(a)	1,734,654	514,784
Less provision for impairment	12(a)	(1,000,000)	-
		1,087,012	514,784
NON-CURRENT			
Other unsecured receivables		50,000	-
		50,000	-

(a) $1,000,000 relates to an Aptus 100 reformer owed to Eden Energy from the sale of HyRadix Inc in 2009. A provision for impairment has now been recognised for this balance and it is now being treated as a contingent asset (refer Note 32).

NOTE 13: FINANCIAL ASSETS

Financial assets relates to 100,000 convertible notes in Conico Ltd (a company in which Tasman has a 18.88% interest) pursuant to a convertible note deed made 30 April 2013 between the Company and Conico Ltd, each having a face value of $1.00 and convertible into Shares. The Convertible Notes bear interest at the rate of nine per cent (9%) per annum on the Subscription Sum outstanding from time to time, which interest is payable in cash monthly in arrears. The conversion price is the price that is 85% of the volume weighted average market price of the Company's Shares on ASX calculated over the last 5 days on which sales were recorded on ASX before the date of the Conversion Notice.

NOTE 14: ASSETS HELD FOR SALE

Exploration and evaluation		3,027,663	-
		3,027,663	-

At 30 June 2013 the Group had signed a conditional agreement to sell all of its shares in its subsidiary Adamo Energy (UK) Ltd, the vehicle Eden used for its UK Gas project. For further details refer to Note 29.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 15: EXPLORATION AND EVALUATION EXPENDITURE

	Note	2013 $	2012 $
Balance at the beginning of the financial year		12,221,685	10,875,151
Expenditure incurred during the year		3,789,259	1,350,162
Acquired through acquisition of subsidiary		2,750,321	-
Transfer to assets held for sale		(3,027,663)	-
Less provision for impairment		(5,120)	(3,628)
Balance at the end of the financial year		15,728,482	12,221,685

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation or sale of respective mining areas.

The company's exploration tenements include areas subject to native title claims. As a result, mining and exploration activities may be subject to exploration and mining restrictions or compensation payments.

Capitalised costs included in cash flows from investing activities in the cash flow statement	3,872,602	1,350,162

NOTE 16: INTANGIBLE ASSETS

	2013	2012
Intellectual property	10,627,456	-
Accumulated amortisation	(21,698)	-
Accumulated impaired losses	(9,398,051)	-
Net carrying value	1,207,707	-
Balance at the beginning of the year	-	-
Additions	144,915	-
Acquired through acquisition of subsidiary	1,091,093	-
Amortisation expense	(21,698)	-
Impairment expense	(6,603)	-
Carrying amount at the end of the year	1,207,707	-

Intellectual property relates mainly to pyrolysis technology developed by Eden with the University of Queensland (UQ) and which Eden now owns 100%.

Capitalised costs included in cash flows from investing activities in the cash flow statement	129,589	-

NOTE 17: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)* 2013	2012
Subsidiaries of Tasman Resources Ltd:			
Noble Energy Pty Ltd	Australia	100	100
Eden Energy Ltd	Australia	47.9	**
Eden Energy Holdings Pty Ltd	Australia	47.9	**
Adamo Energy Ltd	Australia	47.9	**
Adamo Energy (UK) Ltd	UK	47.9	**
Hythane Company LLC	USA	47.9	**
Eden Energy India Pvt Limited	India	47.9	**
Eden Innovations Limited	Ireland	47.9	**

** Percentage of voting power is in proportion to ownership*

*** During the year ended 30 June 2013 the group acquired control of Eden Energy Ltd and its subsidiaries, previously an associate.*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 18: ASSOCIATED COMPANIES

Interests are held in the following associated companies

Name	Principal Activities	Country of Incorporation	Shares	Ownership Interest 2013 %	Ownership Interest 2012 %	Carry amount of investment 2013 $	Carry amount of investment 2012 $
Interests are held in the following associated companies							
Listed:							
Eden Energy Ltd	Alternate energy	Australia	Ord	*	20.20	*	490,469
Conico Ltd**	Mineral exploration	Australia	Ord	18.88	19.70	-	-

* - During the year the group acquired control of Eden Energy Ltd.
** - Formerly Fission Energy Ltd

		Note	2013 $	2012 $
a.	**Movements During the Year in Equity Accounted Investment in Associate**			
	Balance at beginning of the financial year		490,469	-
Add:	Transfer from Available for sale financial assets		-	2,067,956
	Shares purchased during the year		-	46,506
Less:	Share of loss of associate		-	(714,988)
	Impairment of investment of associate		-	(909,005)
	Transfer to investment in subsidiary		(490,469)	-
	Balance at end of the financial year		-	490,469
b.	**Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associate**			
	Current assets		106,404	1,339,081
	Non-current assets		14,677,546	19,224,353
	Total assets		14,783,950	20,563,434
	Current liabilities		378,538	1,725,370
	Non-current liabilities		250,000	250,000
	Total liabilities		628,538	1,975,370
	Net assets		14,155,412	18,588,064
	Revenues		-	261,555
	Profit/(Loss) after income tax of associates		(688,464)	(7,677,548)
c.	The reporting date of Conico Ltd and Eden Energy Ltd is 30 June.			
d.	**Market value of listed investment in associate**			
	— Eden Energy Ltd - shares		-	464,630
	— Eden Energy Ltd - options		-	25,839
	— Conico Ltd - shares		300,000	400,000
			300,000	890,469

NOTE 19: PROPERTY, PLANT AND EQUIPMENT

Plant and equipment:		
At cost	862,542	68,679
Accumulated depreciation	(490,441)	(21,600)
Total plant and equipment	372,101	47,079
Total Property, Plant and Equipment	372,101	47,079

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 19: PROPERTY, PLANT AND EQUIPMENT CONTINUED

	Note	2013 $	2012 $
Movements in Carrying Amounts			

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year;

Plant & Equipment			
Balance at the beginning of year		47,079	10,980
Additions		146,906	40,426
Acquired through acquisition of subsidiary		238,932	-
Net foreign exchange differences on translation		25,043	-
Disposals		(483)	(1,946)
Depreciation expense		(85,376)	(2,381)
Carrying amount at the end of year		372,101	47,079

NOTE 20: TRADE AND OTHER PAYABLES

CURRENT - UNSECURED			
Trade payables		155,604	39,001
Sundry payables and accrued expenses		227,554	87,296
		383,158	126,297

NOTE 21: PROVISIONS

CURRENT			
Employee entitlements		205,672	67,097
Warranties		24,224	-
Other	16a	527,546	-
		757,442	67,097

21a At 30 June 2013, this mainly relates to a provision for the settlement of a disputed debt between Eden Energy Ltd and La Jolla Cove Investors Inc ("La Jolla"), based on the directors' best estimate, arising from a convertible note agreement that was repudiated by La Jolla.

NON-CURRENT			
Employee entitlements		56,013	48,707
		56,013	48,707

NOTE 22: ISSUED CAPITAL

226,561,469 (2012: 225,945,395) fully paid ordinary shares		23,505,526	23,433,864
		23,505,526	23,433,864

	2013 No.	2012 No.	2013 $	2012 $
a. **Ordinary shares**				
At the beginning of reporting period	225,945,395	210,089,840	23,433,864	21,220,230
Shares issued prior year	-	15,855,555	-	2,213,634
Options exercised at various dates	616,074	-	71,662	-
At reporting date	226,561,469	225,945,395	23,505,526	23,433,864

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 22: ISSUED CAPITAL CONTINUED

b. **Options**

For information relating to the Group's employee option plan and options issued to key management personnel during the financial period, refer to Note 31 Share-based Payments.

c. **Capital Management**

Management controls the working capital of the Group in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in responses to changes in these risks and in the market. These responses include the management of expenditure and debt levels, distributions to shareholders and share and option issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

NOTE 23: RESERVES

a. **Option Reserve**

The option reserve records items recognised as expenses on valuation of employee share options.

b. **Financial Asset Reserve**

The financial asset reserve records revaluations of non-current assets.

c. **Foreign Currency Translation Reserve**

The foreign currency translation reserve records exchange differences arising on the translation of foreign controlled subsidiaries.

NOTE 24: ACQUISITION OF SUBSIDIARY

On 5 October 2012, Tasman increased its interest to 47.925% (30 June 2012: 20.205%) in the issued capital of Eden Energy Limited ("Eden"), a clean energy company listed on the Australian Securities Exchange (ASX Code: EDE). Total consideration for the acquisition of Eden is $2.59 million, of which approximately A$2.1 million is payable in cash and the balance was acquired in prior periods mainly for cash (Eden was originally spun-out of Tasman). The assets and liabilities arising from acquisition are recognised at fair value which is equal to the carrying value at acquisition date.

	$
Cash consideration for increased interest	2,097,381
Carrying amount of investment	490,469
Fair value adjustment to investment	173,315
Total purchase consideration	2,761,165
Assets and liabilities held at acquisition date:	
Cash and cash equivalents	2,352,563
Receivables	1,354,551
Inventories	321,592
Property, plant and equipment	238,932
Exploration and evaluation assets	2,750,321
Intangibles	1,091,093
Creditors	(1,485,415)
Provisions	(576,901)
	6,046,736
Non-controlling interest on acquisition	(3,148,847)
	2,897,889
Gain on acquisition	(136,724)
Total purchase consideration	2,761,165

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 25: SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance.

Activities of the Group are managed on a Group structure basis and operating segments are therefore determined on the same basis. In this regard the following list of reportable segments has been identified.

- Tasman Resources Ltd – Mineral exploration in South Australia
- Eden Energy Ltd – Hythane[TM] and Optiblend[TM] sales, service and manufacturing in India and the USA; development of Eden's pyrolysis technology; and coal seam methane and shale gas exploration and development in the UK.

	Tasman Resources Ltd	Eden Energy Ltd	Eliminations	Consolidated Entity
	$	$	$	$
30 June 2013				
Total external revenue	-	946,811	-	946,811
Inter-segment revenue	-	-	-	-
Total segment revenue	-	946,811	-	946,811
Segment profit / (loss) result	8,225,746	(791,197)	-	7,434,549
Unallocated expenses				-
Result from operating activities				7,434,549
Interest revenue				183,065
Interest expense				-
Income tax expense				-
Loss after income tax				7,617,614
Segment Assets	22,604,250	6,497,616	(2,987,851)	26,114,015
Unallocated assets				-
Total Assets				26,114,015
Segment Liabilities	298,102	1,298,511	(400,000)	1,196,613
Unallocated Liabilities				-
Total Liabilities				1,196,613
Capital expenditure	3,655,566	425,514	-	4,081,080
Depreciation and amortisation	29,099	77,975	-	107,074
30 June 2012				
Total external revenue	-	-	-	-
Inter-segment revenue	-	-	-	-
Total segment revenue	-	-	-	-
Segment profit / (loss) result	(1,626,296)	-	-	(1,626,296)
Unallocated expenses				-
Result from operating activities				(1,626,296)
Interest revenue				48,720
Interest expense				-
Income tax (expense)/benefit				476,794
Loss after income tax				(1,100,782)
Segment Assets	14,020,042	-	-	14,020,042
Unallocated assets				-
Total Assets				14,020,042
Segment Liabilities	242,101	-	-	242.101
Unallocated Liabilities				-
Total Liabilities				242.101
Capital expenditure	1,390,588	-	-	1,390,588
Depreciation and amortisation	2,381	-	-	2,381

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 26: CASH FLOW INFORMATION

	2013 $	2012 $
a. Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Profit/(Loss) after income tax	7,617,614	(1,100,782)
Non-cash flows in profit and loss		
Depreciation	107,074	2,381
Gain on acquisition of subsidiary	(136,724)	-
Gain on remeasure of fair value of previously held equity interest	(173,315)	-
Impairment of available-for-sale financial assets	-	1,623,993
Impairment of exploration and evaluation	5,120	3,628
Impairment of trade and other receivables and intangibles	40,626	-
Net loss on disposal of financial assets	-	10,040
Net loss on disposal of plant and equipment	-	1,946
Share based payments	62,738	6,137
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and term receivables	665,493	(464,816)
(Increase)/decrease in inventories	(131,918)	-
Increase/(decrease) in trade payables and accruals	(979,315)	27,438
Increase/(decrease) in provisions	120,750	33,481
Cash flow used in operations	7,198,143	143,446

NOTE 27: PARENT COMPANY INFORMATION

a. **Parent Entity**		
Assets		
Current assets	4,129,580	1,259,340
Non-current assets	21,504,354	15,864,610
Total Assets	25,633,934	17,123,950
Liabilities		
Current liabilities	242,089	193,035
Non-current liabilities	56,013	48,707
Total liabilities	298,102	241,742
Equity		
Issued Capital	23,505,526	23,433,864
Retained Earnings	857,936	(7,467,028)
Reserves		
Option reserve	972,372	915,372
Total reserves	972,372	915,372
Financial performance		
Profit for the year	8,324,964	477,191
Other comprehensive income	-	12,500
Total comprehensive income	8,324,964	489,691

Contingent Liabilities

The Directors are not aware of any contingent liabilities as at 30 June 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 28: RELATED PARTY TRANSACTIONS

		2013 $	2012 $
	Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.		
a.	**Key Management Personnel**		
	Management fees paid to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest.	383,609	226,170
	Legal fees paid to Solomon Brothers, a firm of which Mr GH Solomon and Mr DH Solomon are partners.	13,564	45,189
	Placement fees paid to RM Capital, a firm of which Mr GT Le Page has an interest.	-	19,000
	Noble Energy Pty Ltd, (a 100% subsidiary of Tasman Resources Ltd) received sub-underwriting fees from RM Corporate Finance Pty Ltd, a company of which Mr GT Le Page has an interest.	75,000	46,250
b.	**Associated Companies**		
	Reimbursement from Conico Ltd (in which Tasman has a 19% interest) for employee costs on an hourly basis, for Tasman staff utilised by Conico.	2,968	25,380
	Hire charges to Conico Ltd (in which Tasman has a 19% interest) for hire of a vehicle owned by Conico.	-	7,260
	Purchase of a vehicle from Conico Ltd (in which Tasman has a 19% interest).	-	40,000
	Acquisition of the uranium rights to various tenements in South Australia held by Conico Ltd (in which Tasman has a 19% fully diluted interest)	-	100,000
	Noble Energy Pty Ltd, (a 100% subsidiary of Tasman Resources Ltd) purchased 18,500,000 fully paid ordinary shares (with 18,500,000 free attaching options) in Eden Energy Ltd (in which the company had a 24.70% fully diluted interest) as a partial sub-underwriter.	-	925,000

NOTE 29: EVENTS AFTER THE BALANCE SHEET DATE

On 2 July 2013, the Group was awarded a $255,000 grant by the Australian Research Council to fund its carbon nanotubes research in Eden Energy Limited.

On 9 July 2013, the Group settled its claims against Engenco Ltd for $800,000. At year end $680,000 was recorded as Other unsecured receivables, see Note 12.

On 31 July 2013, Eden Energy Ltd completed a pro-rata non-renounceable rights issue to raising $970,829 of which Tasman took up its full entitlement.

On 12 September 2013 the Group executed a Conditional Reinstatement Agreement with Shale Energy Plc for the sale of Adamo Energy (UK) Ltd, on slightly improved terms than the conditional sale agreement dated 18 June 2013.

On 18 September 2013, Eden Energy Ltd completed a placement of 37,349,416 shares at $0.011 per share to Shale Energy Plc raising $410,844.

There were no other material events occurring after the reporting date.

NOTE 30: COMMITMENTS

a. Exploration commitments:

In order to maintain current rights of tenure to exploration tenements, the company is required to perform minimum exploration work to meet the requirements specified by various State governments. It is anticipated that minimum expenditure commitments for the twelve months will be tenement rentals of $32,000 (2012: $20,000) and exploration expenditure of $510,000 (2012: $935,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 30: COMMITMENTS (CONTINUED)

b. Joint Ventures

The Group is committed to fund exploration expenditure in South Wales pursuant to a joint venture agreement in respect of conventional hydrocarbons on Petroleum Exploration and Development Licences.

NOTE 31: SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2013:

Employee Share Option Plan

The purpose of the Plan is to provide Eligible Employees with an incentive to remain with the Group and to improve the longer-term performance of the Group and its return to shareholders.

Eligible Employee means a full or part-time employee or director of the Group who is determined by the Board to be an Eligible Employee for the purposes of the Plan or any other person who is declared by the Board to be an Eligible Employee for the purposes of the Plan.

The **Exercise Price** is whichever is the greater of the following:

(a) 125% of the Market Price of a Share determined on the date of grant of an Option; or
(b) any other price determined by the Board at the time of issue.

The **Exercise Period** means, in relation to an Option, the period:

(a) commencing on the second anniversary; and
(b) ending on the fifth anniversary

of the date of grant of an Option, subject to any variation under Rule 7 or as otherwise determined by the Company at the time of grant of an Option.

The closing market price of an ordinary share of Tasman Resources Ltd on the Australian Securities Exchange at 30 June 2013 was $0.056 (30 June 2012 $0.095). The closing share market price of an ordinary share of Eden Energy Ltd on the Australian Securities Exchange at 30 June 2013 was $0.01 (30 June 2012 $0.01). Included under employee benefits expense in the statement of profit or loss or other comprehensive income is $62,738 (2012: $5,060), and relates, in full, to equity-settled share-based payment transactions.

All options granted to key management personnel are for ordinary shares in either Tasman Resources Ltd or Eden Energy Ltd, which confer a right of one ordinary share for every option held.

The Tasman options outstanding at 30 June 2013 had a exercise price of $0.125 and remaining contractual life of 0.94 years. Exercise prices range from $0.10 to $0.17 in respect of options outstanding at 30 June 2013. The Eden options outstanding at 30 June 2013 had a weighted average exercise price of $0.036, with exercise prices ranging from $0.025 to $0.20 and a weighted average remaining contractual life of 2.29 years.

Tasman's Options

	2013		2012	
	Number of Options	**Weighted Avg Exercise Price**	**Number of Options**	**Weighted Avg Exercise Price**
Outstanding at the beginning of the year	4,601,606	0.17	7,976,410	0.15
Granted	2,000,000	0.125	200,000	0.24
Exercised	(500,000)	0.12	(1,300,000)	0.10
Expired	(3,901,606)	0.16	(2,274,804)	0.15
Outstanding at year-end	2,200,000	0.135	4,601,606	0.17
Exercisable at year-end	2,200,000	0.135	4,601,606	0.17

The terms and conditions relating to the share based payments issued during the year are as follows:

- Grant date –4 July 2012
- Expiry date – 30 June 2015
- Exercise price - $0.125
- Risk-free rate – 3.25%
- Number of options – 2,000,000
- Expected dividend yield – nil
- Volatility – 73%
- Vesting date - Immediately

NOTE 31: SHARE-BASED PAYMENTS (CONTINUED)

Eden's Options

	2013		2012	
	Number of Options	**Weighted Avg Exercise Price**	**Number of Options**	**Weighted Avg Exercise Price**
Outstanding at the beginning of the year	5,066,250	0.14	6,456,764	0.19
Granted	3,375,000	0.025	331,250	0.20
Lapsed	(4,810,000)	0.14	(1,721,764)	0.31
Outstanding at year-end	3,631,250	0.036	5,066,250	0.14
Exercisable at year-end	3,631,250	0.036	5,066,250	0.14

The terms and conditions relating to the share based payments issued during the year are as follows:

- Grant date – 21 November 2012
- Expiry date – 20 November 2015
- Exercise price - $0.025
- Risk-free rate – 3.25%
- Number of options – 3,375,000
- Expected dividend yield – nil
- Volatility – 100%
- Vesting date - Immediately

NOTE 32: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The directors have become aware of a potential contingent liability arising from the treatment of Value Added Tax ("VAT") on certain UK transactions. At the date of this report the Company has been advised that the probability of a liability arising was unlikely.

The Group was owed an Aptus 100 reformer from the sale of HyRadix Inc in 2009. Subsequent to the end of the year Eden relinquished its rights in relation to this claim as part of the settlement with Engenco Ltd.

The Directors are not aware of any other contingent assets or contingent liabilities at 30 June 2013.

NOTE 33: FINANCIAL INSTRUMENTS

a. Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks and accounts payable.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

i. Liquidity Risk

Responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring cash flows.

The remaining contractual maturities of the Group and Parent entity's financial liabilities are:

	2013 $	2012 $
6 months or less	383,158	126,927
Total	383,158	126,927

ii. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, as disclosed in the balance sheet.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

b. Financial Instruments

i. **Price Sensitivity Analysis**

At 30 June 2013, the effect on equity as a result of changes in the price risk, with all other variables remaining constant would be as follows

	2013 $	2012 $
Increase in market value of available-for-sale financial assets at fair value by 10%	-	49,047
Decrease in market value of available-for-sale financial assets at fair value by 10%	-	(49,047)

At 30 June 2013, there will be no effect on profit as a result of changes in the price risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 33: FINANCIAL INSTRUMENTS CONTINUED

b. Financial Instruments (continued)

ii. **Interest Rate Risk**

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-Interest Bearing		Total	
	2013	2012	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $
Financial Assets:								
Cash and cash equivalents	3.25%	3.75%	4,054,733	746,025	-	-	4,054,733	746,025
Financial assets (fixed interest)	9.00%	-	-	-	-	-	100,000	-
Trade and other receivables	-	-	-	-	1,087,012	514,784	1,087,012	514,784
Total Financial Assets	-	-	4,054,733	746,025	1,087,012	514,784	5,241,745	1,260,809
Financial Liabilities:								
Trade and sundry payables	-	-	-	-	383,158	126,297	383,158	126,297
Total Financial Liabilities	-	-	-	-	383,158	126,297	383,158	126,297

iii. **Net Fair Values**

Aggregate net fair values and carrying amounts of financial assets and financial liabilities.

	2013		2012	
	Carrying Amount $	Net Fair Value $	Carrying Amount $	Net Fair Value $
Financial Assets				
Cash and cash equivalents	4,054,733	4,054,733	746,025	746,025
Trade and other receivables	1,137,012	1,137,012	514,784	514,784
Financial assets	100,000	100,000	-	-
Available-for-sale financial assets at fair value	-	-	490,469	490,469
Investments accounted for using the equity method	-	300,000	-	400,000
	5,291,745	5,591,745	1,270,482	1,670,482
Financial Liabilities				
Trade and sundry payables	383,158	383,158	126,927	126,927
	383,158	383,158	126,927	126,927

NOTE 34: COMPANY DETAILS

The registered office of the company is:

Tasman Resources Ltd
Level 15
197 St Georges Terrace
Perth
Western Australia 6000

The principal place of business is:

Tasman Resources Ltd
Level 15
197 St Georges Terrace
Perth
Western Australia 6000

DIRECTORS' DECLARATION

In the opinion of the directors of Tasman Resources Ltd (the "Company"):

a. the financial statements and notes set out on pages 21 to 44, and the Remuneration disclosures that are contained in pages 17 to 18 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2013 and of its performance, for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

   (iii) complying with International Financial Reporting Standards as disclosed in Note 1.

b. the remuneration disclosures that are contained in page 17 to 18 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures and

c. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Gregory H Solomon
Director

Dated this 26th day of September 2013

the next solution

Independent auditor's report to the members of Tasman Resources Ltd
Report on the financial report

We have audited the accompanying financial report of Tasman Resources Ltd, which comprises the consolidated statement of financial position as at 30 June 2013, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Nexia Perth Audit Services Pty Ltd
ACN 145 447 105
Level 3, 88 William Street, Perth WA 6000
GPO Box 2570, Perth WA 6001
p +61 8 9463 2463, f +61 8 9463 2499
audit@nexiaperth.com.au, www.nexia.com.au

Opinion

In our opinion:

(a) the financial report of Tasman Resources Ltd is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001.*

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the remuneration report

We have audited the remuneration report included of the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the remuneration report of Tasman Resources Ltd for the year ended 30 June 2013, complies with Section 300A of the *Corporations Act 2001*.

NPAS

Nexia Perth Audit Services Pty Ltd

PTC Klopper

PTC Klopper
Director

Perth, 26 September 2013

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

1. **Shareholding as at 28 August 2013**

a. **Distribution of Shareholders**

Category (size of holding)	Number Ordinary
1 – 1,000	105
1,001 – 5,000	323
5,001 – 10,000	366
10,001 – 100,000	1,154
100,001 – and over	310
	2,258

b. The number of shareholdings held in less than marketable parcels at 30 June 2013 is 644.

c. The names and relevant interests of the substantial shareholders listed in the company's register as at 28 August 2013 are:

Shareholder	Number Ordinary
Arkenstone Pty Ltd	28,621,975
March Bells Pty Ltd	28,301,500

d. **Voting Rights**

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e. **20 Largest Shareholders — Ordinary Shares**

	Name	Number of Shares Held	% of Issued Capital
1.	Arkenstone Pty Ltd <G H Solomon Family Invest A/C>	22,449,927	9.909%
2.	March Bells Pty Ltd <DH Solomon Family A/C>	19,318,008	8.526%
3.	March Bells Pty Ltd <The Douglas H Solomon S/F>	8,497,000	3.750%
4.	Arkenstone Pty Ltd <The Gregory and Lee Solomon Super Fund A/C>	8,227,200	3.631%
5.	HSBC Custody Nominees (Australia) Ltd	7,688,452	3.393%
6.	Mr Lafras Luitingh	4,250,000	1.876%
7.	Kalsie Holdings Pty Ltd <Iyer Super Fund A/C>	4,000,000	1.765%
8.	Citicorp Nominees Pty Limited	3,236,429	1.428%
9.	Mr Thomas Fleet Scaife	3,200,912	1.413%
10.	Ernie Pty Ltd	2,800,000	1.236%
11.	March Bells Pty Ltd	2,356,601	1.040%
12.	Citycastle Pty Ltd	2,228,900	0.984%
13	Nirvana Now Pty Ltd <Ray Walker Family A/c>	1,991,000	0.879%
14.	Catchpole Investments Pty Ltd <Robert Catchpole Family A/C>	1,736,805	0.767%
15.	Kavel Pty Ltd <Kleemann Family A/c>	1,625,850	0.718%
15.	Lippo Securities Nominees (BVI) Ltd <Client A/C>	1,500,000	0.662%
16.	Resources & Land Management Services <Skerman Super Fund A/C>	1,408,334	0.622%
17.	Peto Pty Ltd <The 1953 Super Fund A/C>	1,361,250	0.601%
20.	Malenki Pty Ltd	1,300,000	0.574%
17.	Peto Pty Ltd <The 1953 Super Fund A/C>	1,200,000	0.530%
		100,376,668	44.304%

2. **Unlisted Options as at 31 August 2013**

Name	Date of Expiry	Exercise Price	Number under Option	Number of holders
Other	1 November 2013	0.24	200,000	2
ESOP	30 June 2014	0.125	2,000,000	2
			2,200,000	4

TENEMENT SCHEDULE

Table 1: Tasman Resource Tenement Schedule

State	Licence Type	Number	% Interest	Locality	Location
SA	EL	4770	100	Lucas Hill	Approximately 25 km south of Woomera
SA	EL	4206	100	White Cliff	Approximately 70 km NNW of Andamooka
SA	EL	4405	100	Fergusson Hill	Approximately 120km northwest of Andamooka
SA	EL	4300	100	Andamooka	Immediately ENE of Andamooka
SA	EL	4857	100	Todds Dam	Approximately 45 km west of Andamooka
SA	EL	4322	100	Andamooka North	Approximately 140 km northwest of Leigh Creek
SA	EL	4475	100	Iron Knob	Approximately 50 km WSW of Port Augusta
SA	EL	5151	100	Wildingi Claypan	Approximately 95 km southwest of Coober Pedy
SA	EL	4868	100	Galaxy Tank	Approximately 85 km southwest of Coober Pedy

Table 2: Eden Energy Ltd Tenement Schedule

Country/State	Licence Type	Number	% Interest	Holder	Locality
SA	PEL	183[1]	100	Eden Energy Ltd	Marree
SA	PELA	240	100	Eden Energy Ltd	Marree
Wales, UK	PEDL	100	50	Adamo Energy (UK) Ltd	Pencoed - Port Talbot
Wales, UK	PEDL	148	50	Adamo Energy (UK) Ltd	Upper Neath Valley
Wales, UK	PEDL	149	50	Adamo Energy (UK) Ltd	Lower Neath Valley
Wales, UK	PEDL	212	100	Adamo Energy (UK) Ltd	Neath
Wales, UK	PEDL	214	50	Adamo Energy (UK) Ltd	Swansea
Wales, UK	PEDL	215	50	Adamo Energy (UK) Ltd	Neath
Wales, UK	PEDL	216	50	Adamo Energy (UK) Ltd	Cowbridge
Wales, UK	PEDL	217	50	Adamo Energy (UK) Ltd	Cowbridge
Wales, UK	PEDL	218	50	Adamo Energy (UK) Ltd	Pontypridd
Wales, UK	PEDL	219	50	Adamo Energy (UK) Ltd	Cowbridge
Wales, UK	PEDL	220	50	Adamo Energy (UK) Ltd	Pontypridd
England, UK	PEDL	226	50	Adamo Energy (UK) Ltd	Bristol
England, UK	PEDL	227	50	Adamo Energy (UK) Ltd	Bristol
England, UK	PEDL	228	50	Adamo Energy (UK) Ltd	Bristol
England, UK	PEDL	249	50	Adamo Energy (UK) Ltd	Ayleshan
England, UK	PEDL	250	50	Adamo Energy (UK) Ltd	Ayleshan
England, UK	PEDL	251	50	Adamo Energy (UK) Ltd	Deal
England, UK	PEDL	252	50	Adamo Energy (UK) Ltd	Deal

[1] - The financial commitments on this tenement has been suspended at Eden's request

Level 15, 197 St Georges Terrace
Perth, Western Australia 6000

Phone: +61 8 9282 5889
Fax: +61 8 9282 5866
Email: mailroom@tasmanresources.com.au
Web: www.tasmanresources.com.au