

TASMANIA MINES LIMITED

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30 July 2012

The Manager
Australian Stock Exchange Limited
GPO Box 100A
Hobart TAS 7001

Subject: June 2012 – Quarterly Activities Report

Dear Sir,

General

During the quarter, production of Dense Medium Magnetite for use in Coal Washeries continued.

Mining

Mining from Kara No. 1 continued during the period with 109,378 tonnes of ore mined from the Kara No. 1 pit and delivered to the concentrator plant stockpiles. In addition, 330,422 tonnes of overburden was removed.

Comparative production figures are as follows:

<u>Period Ended</u>	<u>Ore Production Tonnes</u>
30 June 2012	109,378
31 March 2012	98,530
30 June 2011	60,528

Milling Operation

During the period, the concentrator plant treated 63,150 tonnes. A total production of 31,575 tonnes of dense medium magnetite was achieved.

Comparative production figures are as follows:

<u>Period Ended</u>	<u>Scheelite Produced Tonnes</u>	<u>WO3 Content %</u>	<u>Dense Medium Magnetite Produced Tonnes</u>
30 June 2012	13	73	31,575
31 March 2012	5	73	35,110
30 June 2011	7	73	30,966

**Australian Stock Exchange Limited – Quarterly Activities Report
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Sales

Sales during the period were 43,875 tonnes of dense medium magnetite iron ore fines.

Comparative sales figures are as follows:

Period Ended	Dense Medium Magnetite Tonnes	Scheelite M.T.U.
30 June 2012	43,875	0
31 March 2012	36,399	0
30 June 2011	38,662	1,530

Exploration

Exploration drilling commenced on the Eastern Ridge tungsten deposit during the first quarter of 2012 and continued through the second quarter. The program consists of a combination of infill drillholes and exploration drillholes. A further three holes for 442m were completed during the quarter. Some assay results are still pending. A full report will be made when the results are received and assessed.

Yours faithfully,
Tasmania Mines Limited



K.J. Broadfoot
Company Secretary