

# TASMANIA MINES LIMITED

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**31 October 2012**

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

**Subject: A. September 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 102,654 tonnes of ore mined from the Kara No. 1 pit and delivered to the concentrator plant stockpiles. In addition, 219,657 tonnes of overburden was removed.

Comparative production figures are as follows:

<u>Period Ended</u>	<u>Ore Production Tonnes</u>
30 September 2012	102,654
30 June 2012	109,378
30 September 2011	82,202

**Milling Operation**

During the period, the concentrator plant treated 71,938 tonnes. A total production of 35,969 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 September 2012	5	74	35,969
30 June 2012	13	73	31,575
30 September 2011	5	73	30,882

**Australian Stock Exchange Limited – Quarterly Activities Report  
31 October 2012**

**Sales**

Sales during the period were 46,889 tonnes of dense medium magnetite iron ore fines.

Comparative sales figures are as follows:

<u>Period Ended</u>	<u>Dense Medium Magnetite Tonnes</u>	<u>Scheelite M.T.U.</u>
30 September 2012	46,889	0
30 June 2012	43,875	0
30 September 2011	46,435	0

**Exploration**

Exploration Drilling on the Kara Mine Lease continued for the July to September Quarter of 2012 with drilling beneath the Kara Nth Tungsten Deposit currently in progress. In addition exploration results for the Eastern Ridge Deposit (drilled the previous quarter) were received and collated, with resource estimation commenced. Resource Estimation for Eastern Ridge, Kara Nth and the Northern Magnetic Deposits is in progress and are expected to be available during the first Quarter 2013.

**B. 31 December 2012 – Half Year – Expected Results**

Due to the impact of significant operational issues and increased costs, the Directors estimate that the Company's net profit after tax for the half year ending 31 December 2012 may be substantially less than that for the corresponding half year to 31 December 2011.

Yours faithfully,

**Tasmania Mines Limited**



**K.J. Broadfoot**  
Company Secretary