



ACN 009 253 187

ASX QUARTERLY REPORT

for the Period Ended 30 June 2012

HIGHLIGHTS

CORPORATE - FUNDING

- **\$746,000 cash at bank at 30 June 2012**
- **\$9 million receivable should conditional Farm-in/Joint Venture agreement with Rio Tinto Exploration over Vulcan prospect Exploration Licence become unconditional**
- **Additional \$3 million possible from conditional sale to BHP Billiton of outlying tenements**

SA – VULCAN IOCGU* PROJECT

*Iron oxide-copper-gold-uranium

- **Tasman entered into a supplementary agreement with the Kokatha Uwankara Native Title Claim Group covering a significant part (about 10km²) of the high priority Vulcan IOCGU* Exploration Target.**
- **A heritage survey was conducted in mid-July 2012 pursuant to the supplementary agreement, and final results are awaited.**

SA – LAKE TORRENS OUTLYING TENEMENTS

- **Tasman conditionally agreed to sell to BHP Billiton and Billiton Olympic Dam Corporation Pty Ltd five granted Exploration Licences (ELs), and one Exploration Licence Application (ELA), located on the Stuart Shelf for a total consideration of \$3 million.**
- **These tenements are separate from Tasman's EL 4322, in relation to which Tasman and Rio Tinto Exploration Pty Ltd have entered a conditional Joint Venture, primary focussed on Tasman's Vulcan discovery.**

DETAILS

SA – VULCAN IOCGU* PROJECT (100% Tasman)

*Iron oxide-copper-gold-uranium

On 20th June 2012 Tasman Resources announced that it had entered into a supplementary agreement with the Kokatha Uwankara (KU) Native Title Claim Group (the Supplementary Agreement). This relates to a specific target area of approximately 10km² over the southern portion of the Vulcan Project area located on Exploration Licence area (EL 4322), adjoining the Olympic Dam Project area in South Australia.

EL 4322 is the subject of a conditional Farm-In Agreement and Joint Venture with Rio Tinto Exploration Pty Limited (RTX), which remains conditional upon sufficient access being secured over a reasonable portion of this target area. If this condition is satisfied, RTX would pay to Tasman the first milestone payment of \$9 million and Tasman would then undertake a 12,000 metre drilling programme.

In addition to establishing specific guidelines and procedures for heritage clearance surveys within the EL, the Supplementary Agreement and control of environmentally sensitive activities, it also creates a closer on-going relationship with greater involvement of the KU in future activities. These include employment and training opportunities, together with a framework for development of a mutually beneficial long-term arrangement that is intended to ensure protection of Aboriginal heritage.

In mid-July 2012, a heritage survey was undertaken pursuant to the Supplementary Agreement within this target area, and whilst preliminary indications were encouraging, the final outcome of this survey is currently awaited. Tasman is hopeful that a number of drill sites within the target area will be cleared for drilling.

Background to the Vulcan Project

Tasman identified Vulcan as a prime IOCGU target in 2009, based on the presence of a very large gravity anomaly, supporting magnetic and seismic anomalies and Vulcan's location close to key tectonic (structural) lineaments, which had previously been used in the original targeting of Olympic Dam by WMC in the mid-1970s. Tasman's initial discovery drill hole, VUD 001, intersected the Vulcan IOCGU system late in 2009.

Eight diamond drill holes have been completed by Tasman at Vulcan, all exhibiting IOCGU-style alteration and/or mineralisation, including copper, gold, uranium, silver, molybdenum and rare earth elements. Recent 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 Carrapateena.

Tasman has entered a conditional Joint Venture with Rio Tinto Exploration (RTX) covering the whole of EL 4322, including the Vulcan discovery. Under the joint venture, upon the conditions being satisfied, RTX will pay to Tasman the first milestone payment of \$9million and Tasman will then fund and manage an exploration programme consisting of 12,000m of drilling at Vulcan over a 12 month period.

SALE OF LAKE TORRENS OUTLYING TENEMENTS

During the quarter, Tasman Resources Ltd agreed to sell five Exploration Licences (ELs) and one Exploration Licence Application (ELA) to BHP Billiton. All six tenements are located on the Stuart Shelf in South Australia (see Figure 1).

The total consideration is \$3.0 million, payable as \$2.925 million upon transfer of the ELs and \$75,000 upon transfer of the ELA to BHP Billiton. The sales are each subject to several conditions precedent, including satisfactory completion of due diligence by BHP Billiton, Ministerial Consent and completion of tenement transfers within 6 and 9 months, respectively.

Following satisfaction of these conditions precedent, BHP Billiton will acquire from Tasman ELs 4206, 4300, 4405, 4770 and 4857, and ELA 2011/299. The ELs and ELA cover a total area of 1,176km² and are located West, North and North East of Olympic Dam, and South East of Woomera.

The Agreements do not include Tasman's EL 4322, which relates to the Vulcan IOCGU* discovery located approximately 30km north of Olympic Dam, which is the subject of a Farm-in/Joint Venture Agreement with Rio Tinto Exploration Pty Limited.

Following detailed reassessment of these areas, Tasman concluded that although these outlying tenements contain several targets, they are believed to be deep, relatively high risk and as such, more suited to companies with far larger exploration budgets. Tasman also concluded that the \$3.0 million from the sale of the tenements fairly represents their current value.

The sale will enable Tasman to focus on its priority Vulcan IOCGU Project.

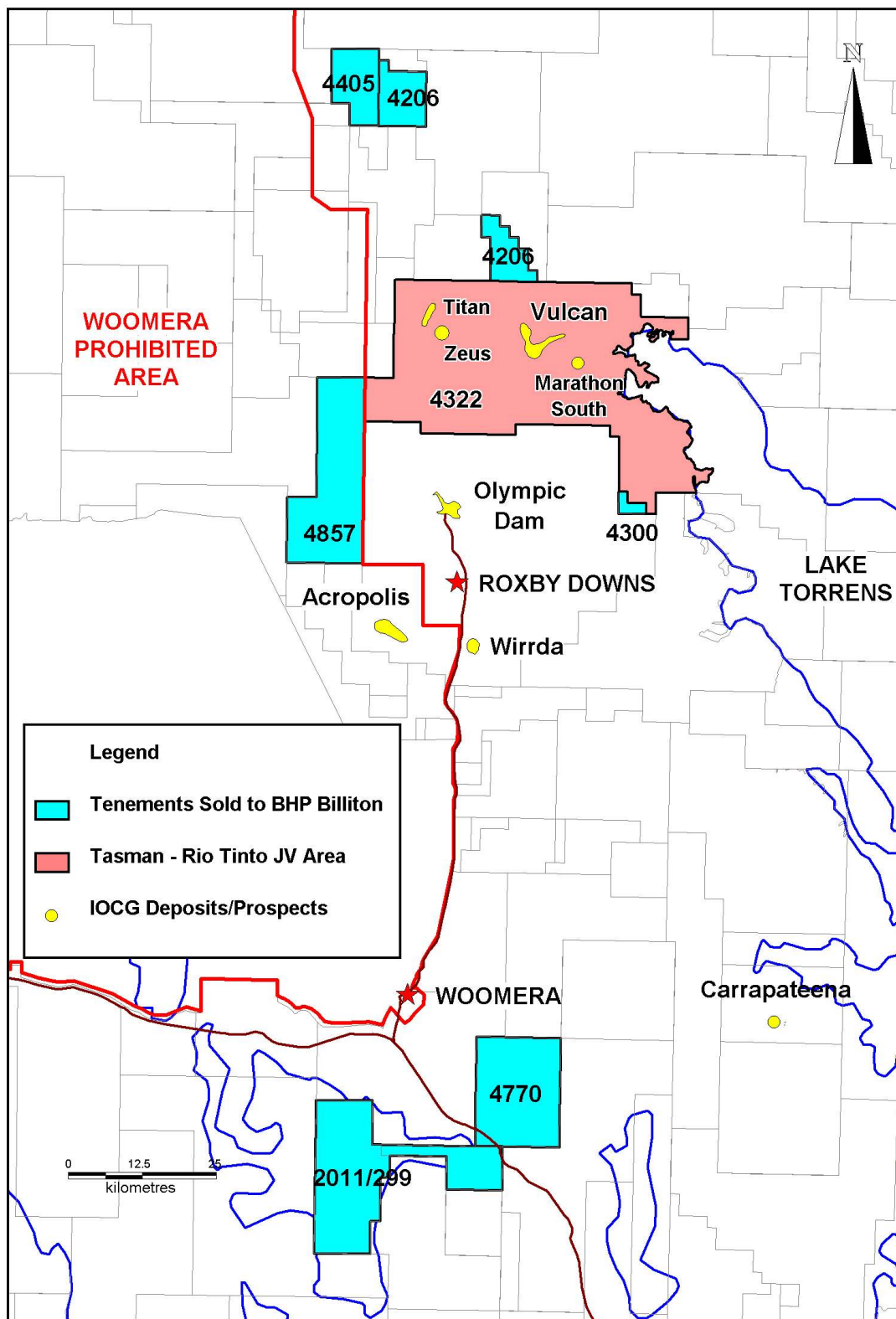
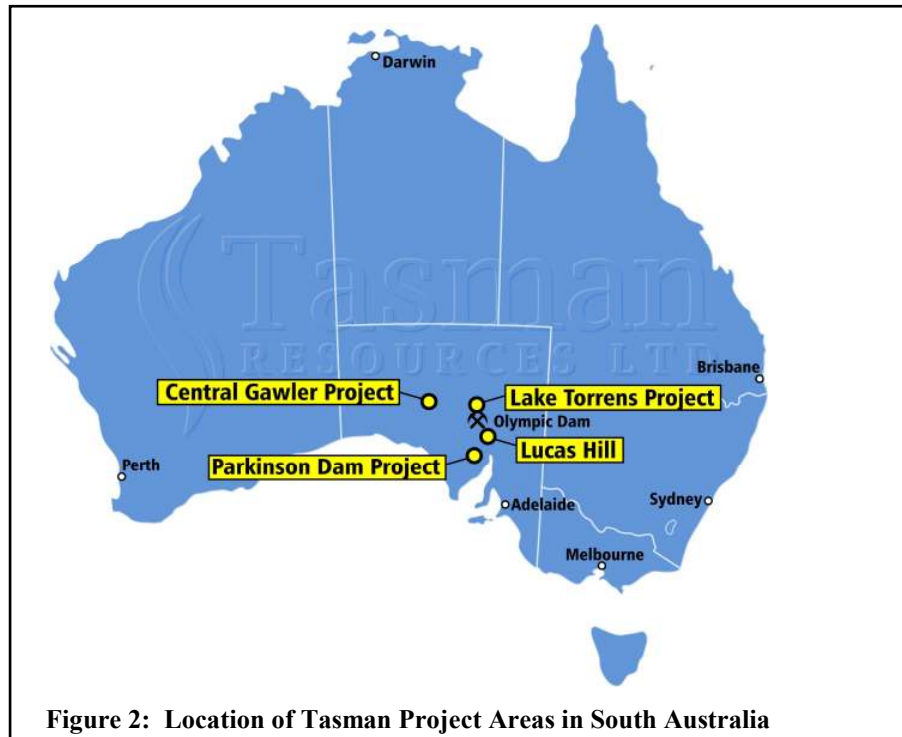


Figure 1: Plan showing Tasman’s main exploration tenements in the Lake Torrens Project. Also shown are the Olympic Dam Deposit and other nearby IOCGU prospects, including Tasman’s Vulcan prospect.

OTHER PROJECTS

Tasman has gold and base metal projects at Parkinson Dam and the Central Gawler Craton in South Australia (Figure 2).



CORPORATE

Investment in Eden Energy Ltd (EDE)

Tasman has a 22.87% interest (66,375,727 shares) in alternative energy company Eden Energy Ltd (ASX: EDE), on a fully diluted basis as at 30th June 2012. (*refer Eden Energy Ltd Quarterly Report for full details*)

- Eden is continuing in the development of its carbon/hydrogen pyrolysis project
- Eden's US and Indian subsidiaries make further Optiblend Dual Fuel Kit sales.

Investment in Fission Energy Ltd (FIS)

Tasman has a 19% interest (25,000,000 shares) potential nickel-cobalt producer Fission Energy Ltd (ASX: FIS) as at 30th June 2012. (*refer Fission Energy Ltd Quarterly Report for full details*)

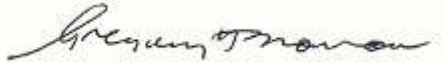
Mt Thirsty Nickel-Cobalt Project

Recent investigations of processing routes suggest that one option involving relatively low cost recovery of cobalt at the expense of some nickel recovery warrants further consideration. Test work is continuing. A limited program of aircore drilling was completed, primarily to obtain larger volumes of sample material for this test work. A composite sample will be prepared after assay results are received.

Background

Fission Energy owns 50% of the Mt Thirsty Nickel-Cobalt Project in WA, with the other 50% held by Barra Resources Limited (ASX: BAR). Mt Thirsty is located 20 kilometres north-northwest of Norseman, Western Australia. 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.

Greg Solomon

A handwritten signature in black ink, appearing to read 'Greg Solomon', is positioned below the printed name.

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

The information in this announcement, insofar as it relates to Mineral Exploration activities, is based on information compiled by Robert N. Smith and Michael J. Glasson, who are members of the Australian Institute of Geoscientists, and who have more than five years experience in the field of activity being reported on. Mr Smith and Mr Glasson are full-time employees of the company. Mr Smith and Mr Glasson have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith and Mr Glasson consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

TASMAN RESOURCES LTD

ABN

85 009 253 187

Quarter ended ("current quarter")

30 June 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to June (12 months) \$A'000
1.1	Receipts from product sales and related debtors	1,111	1,212
1.2	Payments for (a) exploration & evaluation	(157)	(1,198)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(319)	(1,156)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	6	37
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		641	(1,105)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	(47)	(1,077)
	(c) other fixed assets	(41)	(41)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	30	30
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	(100)	(100)
Net investing cash flows		(158)	(1,188)
1.13	Total operating and investing cash flows (carried forward)	483	(2,293)

Notes:

1.12 – Purchase of uranium rights to various tenements held by Tasman Resources Ltd from Fission Energy Ltd.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	483	(2,293)
1.14	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	154	2,225
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	154	2,225
	Net increase (decrease) in cash held	637	(68)
1.20	Cash at beginning of quarter/year to date	109	814
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	746	746

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	137
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Management Fees, as per agreement, were paid during the quarter to a company of which Mr GH Solomon and Mr DH Solomon are directors.
Directors Fees paid during the period.
Bona-fide re-imbursement of expenses.
Legal Fees were paid during the quarter to a firm of which Mr GH Solomon and Mr DH Solomon are partners.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

-

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	25
4.2 Development	-
4.3 Production	-
4.4 Administration	250
Total	275

- If the Rio Tinto Exploration Pty Ltd farm-in / JV agreement becomes unconditional, \$9 million funding from Rio Tinto Exploration will be received and a 12,000m 12 months drilling program will commence.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	746	109
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	746	109

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL 3739 EL 4168	Direct Direct	100% 100%	0% 0%
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference *securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	225,945,395	225,945,395		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,422,202	1,422,202	10 cents	10 cents
7.5 *Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	3,000,000 401,606 500,000 500,000	NIL NIL NIL NIL	<i>Exercise price</i> 16.875 cents 15 cents 12 cents 15 cents	<i>Expiry date</i> 20 Nov 2012 8 Feb 2013 26 May 2013 31 May 2013
7.8 Issued during quarter				
7.9 Exercised during quarter	1,300,000 238,276	NIL 238,276	10 cents 10 cents	16 April 2012 30 June 2012
7.10 Expired during quarter	22,067,369 274,804 2,000,000	22,067,369 NIL NIL	10 cents 10 cents 16 cents	30 June 2012 16 April 2012 30 June 2012
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Company secretary

Date: 31 July 2012

Print name: Aaron Gates

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.