



ACN 009 253 187

## **AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT**

**3 March 2009**

### **TASMAN ISSUES TO WCP RESOURCES LTD A NOTICE OF TERMINATION OF FARMIN AGREEMENT AND A DEMAND FOR \$713,848 FOR UNPAID EXPENDITURE**

Tasman Resources Ltd ("Tasman") has today issued a notice to WCP Resources Ltd (WCP) formally terminating the Farmin Agreement entered into by Tasman with WCP on 12 February 2007 in relation to IOCGU targets on a number of Tasman's exploration licences which adjoin BHP's Olympic Dam IOCGU mine in South Australia, for failing to meet the minimum annual expenditure of \$1million as required under the agreement during the 12 months ended on 11 February 2009. WCP has admitted spending only \$286,153 during this 12 month period.

Further, in accordance with the terms of the agreement, Tasman has issued a demand for WCP to pay to Tasman the sum of \$713,848 being the shortfall in expenditure during the 12 month period.

WCP had purported to issue three notices in the week prior to 11 February 2009.

Their first notice endeavoured to invoke the force majeure provisions of the agreement 5 days before the end of the 12 month period, the second on 10 February 2009 purported to terminate WCP's sole funding obligation, and the third on 11 February claimed that WCP had met its minimum Farmin obligation of expending \$2,500,000 since the start of the Farmin Agreement, thereby having earned an 25% interest.

Tasman has disputed the validity of all three of these notices. Tasman has previously announced that it disputed the first two notices.

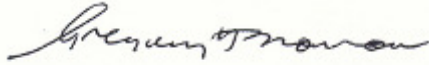
In relation to the claim in the third notice that WCP had earned an interest by expending \$2.5 million, WCP's claim is dependent upon WCP being entitled to include a 10% management fee (on top of the actual exploration costs) in calculating its expenditure.

The Farmin Agreement however does not permit any such charge for administration, and accordingly Tasman claims that:

- (i) WCP has not spent the \$2.5 million to earn its interest, and
- (ii) by virtue of the provisions of the Farmin Agreement, because of WCP's failure to meet the minimum annual expenditure, the Farmin Agreement

was automatically terminated at midnight on 11 February 2009 and all rights of WCP under the Farmin Agreement are at an end; but

- (iii) under the ongoing obligations pursuant to the Farmin Agreement, WCP still owes to Tasman the balance of the shortfall in the minimum annual expenditure (\$713,848) which Tasman has now claimed.



Greg Solomon  
Executive Chairman