



FLINDERS
Resources
TSXV - FDR



TASMAN
METALS LIMITED
TSXV - TSM
OTCQB - TASIF

News Release

June 21, 2016

Tasman and Flinders Sign Definitive Arrangement Agreement

Vancouver, Canada - Tasman Metals Ltd. ("**Tasman**") (TSXV:TSM) (Frankfurt:T61) (OTCQB:TASIF) and Flinders Resources Limited (TSXV: FDR) ("**Flinders**") jointly announce that further to the news release dated May 11, 2016, they have signed a definitive arrangement agreement (the "**Agreement**") whereby Flinders will acquire through a statutory plan of arrangement (the "**Arrangement**") all of the outstanding shares of Tasman (the "**Tasman Shares**"). Under the terms of the Arrangement, Tasman shareholders will receive 0.5 of a Flinders common share (a "**Flinders Share**") for each Tasman Share.

Holders of outstanding stock options, warrants and compensation options exercisable to acquire Tasman Shares will be entitled to receive, upon exercise of such securities, for the same aggregate consideration, 0.5 of a Flinders Shares in lieu of each Tasman Share otherwise issuable.

Upon completion of the Arrangement, the current management team of Flinders will manage the affairs of the resulting issuer.

The Agreement, which will be available shortly on SEDAR under each of Flinders' and Tasman's profiles, contains customary representations, warranties and covenants by each party.

The Arrangement is subject to a number of customary closing conditions including, but not limited to, receipt of all court and regulatory approvals as well as approval by the shareholders of Tasman.

It is anticipated that Tasman will hold a special meeting of shareholders on August 10, 2016 (the "**Tasman Meeting**") to consider the Arrangement. An Information Circular containing detailed disclosure on the Arrangement will be mailed to Tasman shareholders shortly and will be available on Tasman's website and under Tasman's profile on SEDAR.

The Arrangement will require the approval of 66⅔% of the votes cast on the Arrangement resolution by Tasman shareholders present in person or by proxy at the Tasman Meeting voting as a single class, together with minority approval in accordance with Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*.

This announcement is for informational purposes only and does not constitute an offer to purchase, a solicitation of an offer to sell the shares or a solicitation of a proxy.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

On behalf of the Board of Tasman Metals Ltd. On behalf of the Board of Flinders Resources Ltd.

"Mark Saxon"

Mark Saxon, President & CEO

"Blair Way"

Blair Way, President & CEO

The TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange), nor the Frankfurt Stock Exchange accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Statements.

Certain statements found in this release may constitute forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "**Forward Looking Statements**"). Forward-looking statements reflect the speaker's current views with respect to future events and financial performance and include any statement that does not directly relate to a current or historical fact. Such statements reflect the current risks, uncertainties and assumptions related to certain factors including, without limitations, the successful completion of the Arrangement, the implementation of the Norra Karr preliminary feasibility study, competitive factors, general economic conditions, customer relations, uncertainties related to the availability and costs of financing, changes in corporate goals, unexpected expenditures, the ability of Flinders to identify and close suitable acquisitions, unexpected geological conditions, success of future development initiatives, imprecision in mineral resource estimates, ability to obtain necessary permits and approvals, relationships with vendors and strategic partners, the interest rate environment, governmental regulation and supervision, seasonality, technological change, changes in industry practices, changes in world metal markets, changes in equity markets, environmental and safety risks, and one-time events. Should any one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described herein. Forward-looking statements cannot be guaranteed and actual results may vary materially due to the uncertainties and risks, known and unknown, associated with such statements. Shareholders and other readers should not place undue reliance on "forward-looking statements," as such statements speak only as of the date of this release.

The Woxna project has not defined a mineral reserve and the previous preliminary economic assessment (PEA) on Woxna dated October 29, 2013, was superseded by Flinders' current mineral resource technical report dated May 11, 2015. As the Woxna facility is not in production but remains on a production ready status, any future decision to recommence mining at Woxna will not be based on a preliminary economic assessment demonstrating the potential viability of mineral resources or feasibility study of mineral reserves demonstrating economic and technical viability. As a result, there is increased uncertainty and risk of economic and technical failure associated with such production decisions. These risks, among others, include areas that would be analyzed in more detail in a preliminary economic assessment or feasibility study, such as applying economic analysis to resources or reserves and more

detailed metallurgy. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing or other relevant issues.