



(A.B.N. 96 095 684 389)

P.O. Box 7996
Gold Coast Mail Centre
Queensland 9726
AUSTRALIA

Telephone: (07) 5592 2274
Facsimile: (07) 5592 2275
Email: info@tasgold.com.au
Internet: www.tasgold.com.au

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Australian Stock Exchange
Company Announcements Office

Announcement

**MAJOR DIAMOND DRILLING PROGRAM UNDERWAY AT SMRV PROJECT,
SW TASMANIA**

TasGold's summer work program was initiated 4/1/2004, with mobilisation of equipment and personnel to the Company's main project area (the SMRV - EL's 21/99 and 20/96) and diamond drilling commenced at the Aldebaran (V34) Prospect yesterday.

The primary targets are world class mineral deposits that contain multi-million ounces of gold or equivalent, such as Barrick's high-grade gold/silver Eskay Creek deposit (Canada) and very high-value polymetallic volcanic hosted massive sulphide and gold deposits such as Rosebery/ Hellyer (Western Tasmania).

The exploration program consists predominantly of drilling, with a total of 19 core holes proposed in 6 target zones for 3795m. The program is subject to continuous review/evaluation and completion of all the holes is subject to drilling rates achieved. TasGold's own cost effective, man portable, low environmental impact, RB37 diamond drill rig is being utilised. A limited soil sampling program is also planned.

Details of the drilling program will be released in the near future and at other appropriate times as the rig progressively drills the various prospects.

Please see TasGold's website at www.tasgold.com.au and previous releases for additional information.

A handwritten signature in black ink, appearing to read "P.A. McNeil", enclosed within a rectangular box.

Tasgold Ltd
P.A. McNeil
Managing Director M.Sc.

This report is compiled by a competent person as defined in Appendix 5A of the ASX Listing Rules.