TASMAN RESOURCES NL

ACN 009 253 187

Level 40, Exchange Plaza
2 The Esplanade, Perth, Western Australia 6000
Telephone: (08) 9282 5889 Facsimile: (08) 9282 5866
Website: www.tasmanresources.com.au

AUSTRALIAN STOCK EXCHANGE ANNOUNCEMENT

EXPLORATION UPDATE
20th July 2004

LAKE TORRENS PROJECT

HIGHLIGHTS

- At Titan, two diamond drill holes testing geological and strongly conductive geophysical targets will commence in late August 2004. The availability of a suitable drilling rig has delayed the commencement of this program.
- At Marathon South (24 km northeast of Olympic Dam), a strong electrical conductor has been found in basement rocks, coincident with a distinct residual gravity anomaly and relative magnetic low. The basement is entirely untested in this area, and a drill hole to test this target is being considered.

Mineral Exploration

Titan

As previously announced, two further diamond drill holes are planned (Figure 1), targeting high-grade copper-gold mineralisation, based on encouraging electrical geophysical data (Figure 2) and Tasman's geological model. TI7 will commence about on 24th August 2004.

- TI7 will be drilled 80m southeast of TI6. Based on Tasman's geological model, the hole will follow up the higher-grade mineralised zone intersected near the top of TI6 and test coincident, conductive geophysical anomalies from AMT and MALM surveys (Figure 3).

- TI8 is to be drilled 400m east of TI4, and will test coincident residual gravity, AMT, IP and MALM geophysical anomalies, in an area of weak magnetic response. Based on Tasman's geological modelling of these systems, the coincidence of these geophysical anomalies is ideal in terms of potential high-grade mineralisation (Figure 4).

Marathon South

A single AMT geophysical traverse was completed across a residual gravity anomaly, coincident with a relative magnetic low, within a much larger (10km by 25km) regional northeast trending magnetic and gravity feature. The Waterman's Plains copper occurrence, located within the Andamooka Limestone at the top of the overlying sedimentary sequence is 2.4 km northeast along

this trend (Figure 5).

Geophysical modelling suggests that the source of the gravity anomaly at Marathon South could be an iron-rich body within the basement at a depth of about 450m to 500m. The recent AMT geophysical traverse (Figure 6) indicates that the northwestern margin of the gravity anomaly is electrically conductive, and this could be due to sulphides hosted within a modest-size, iron-oxide copper gold system (Figure 7).

Follow-up work, including possible additional geophysics, to assess this moderately dense, conductive anomaly and refine drill targeting is currently underway. Drill testing of the Marathon South area is proposed for the latter half of 2004 subject to heritage clearances and rig availability.

Gregory H Solomon
Executive Chairman

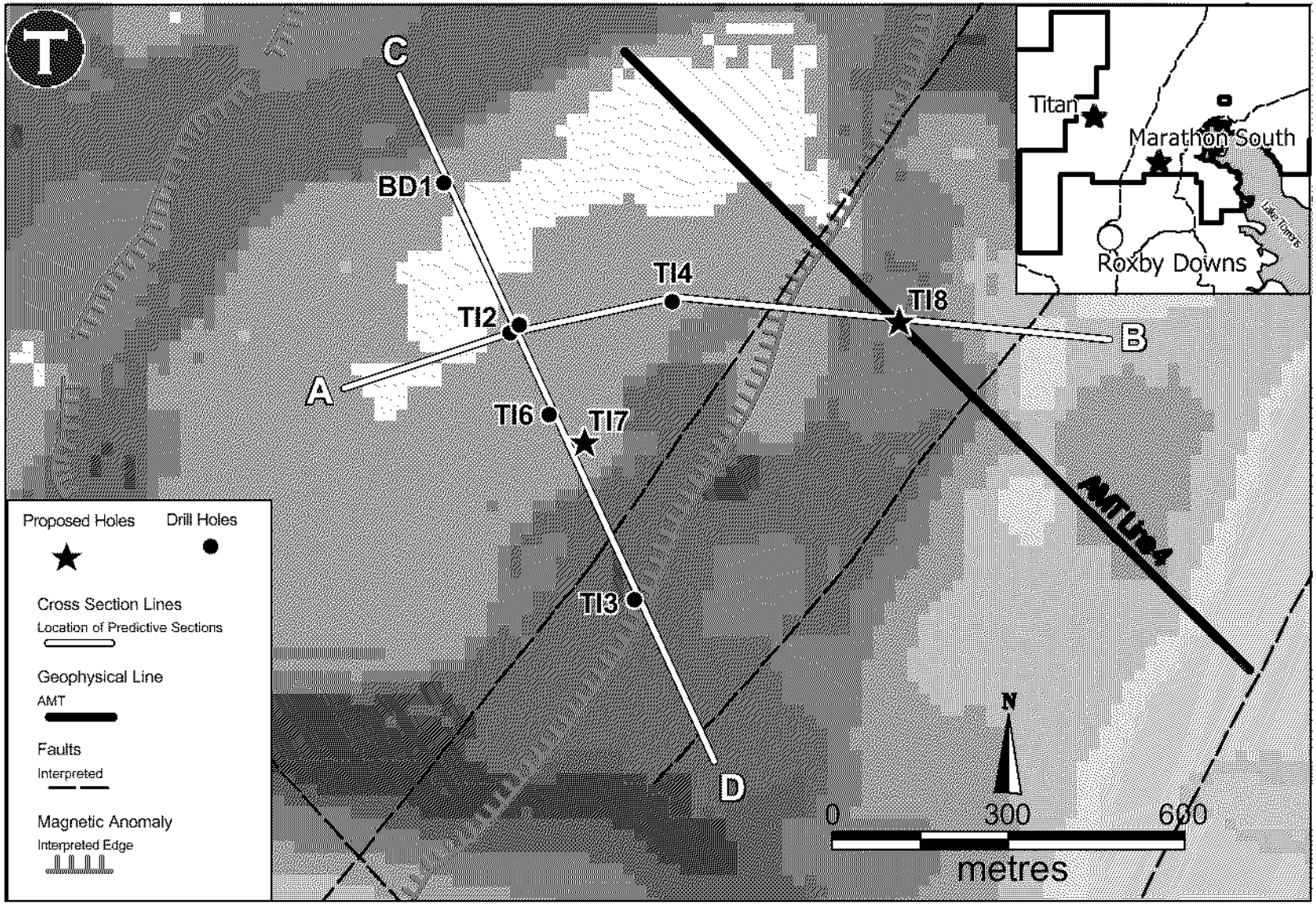

Figure 1: Titan Prospect – Residual gravity image (64 Hanning) with locations of cross sections, AMT Line 4 and planned drill holes.

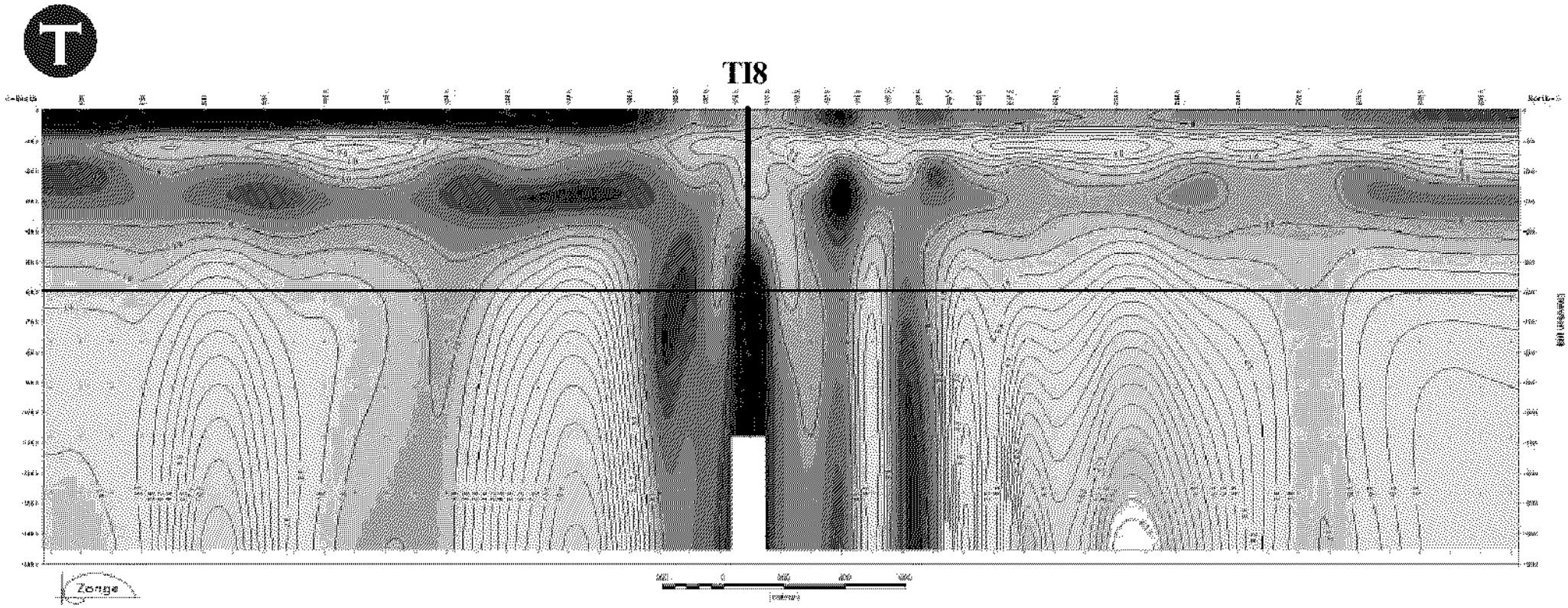

Figure 2: Titan Prospect, AMT Line 4 - 1D smooth model inversion of time series scalar TE mode AMT (Rho YX) data (combined 100m and 50m data).

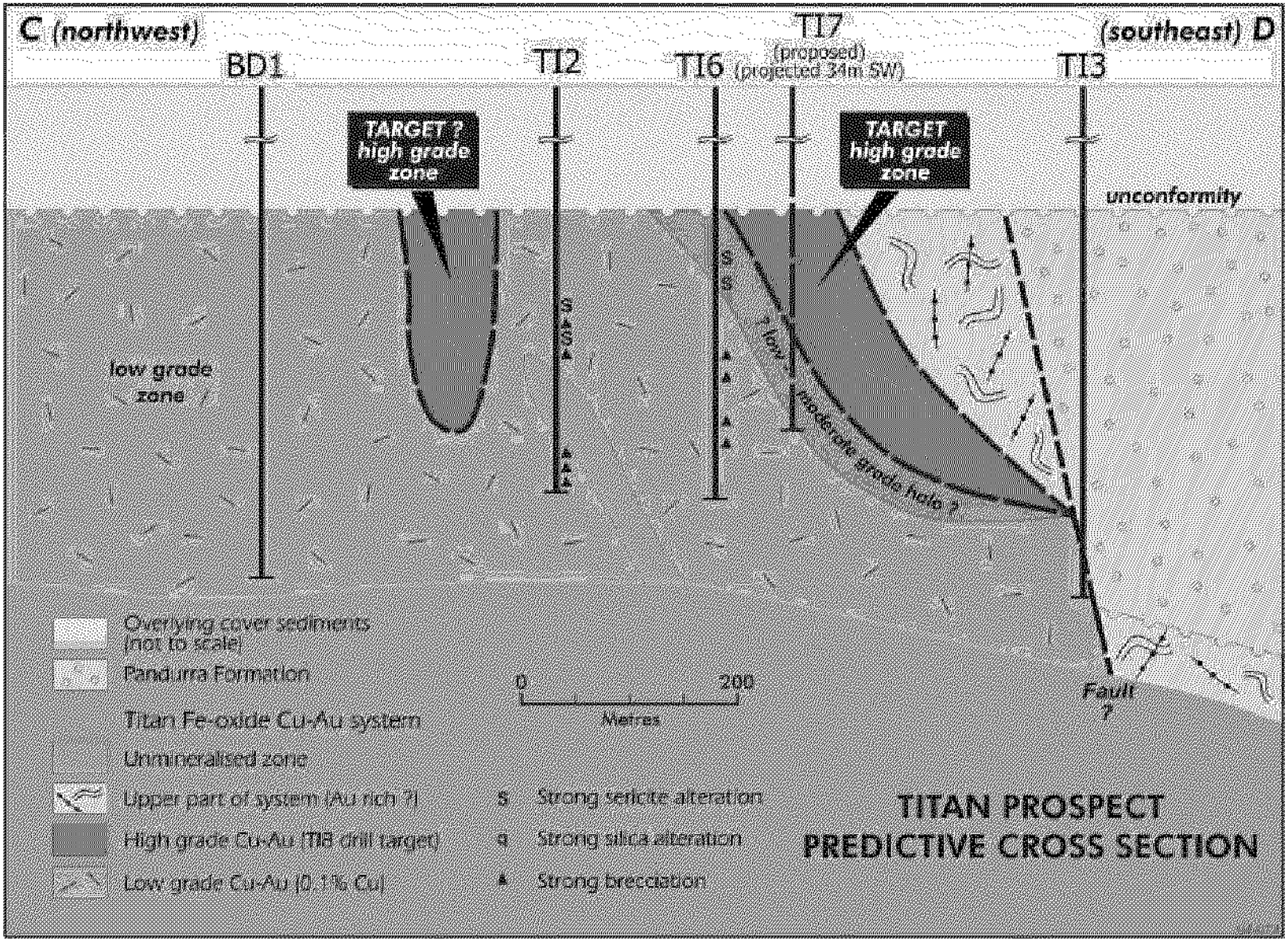

Figure 3: Titan Prospect – Cross Section C-D, showing interpreted basement geology and drill targets.

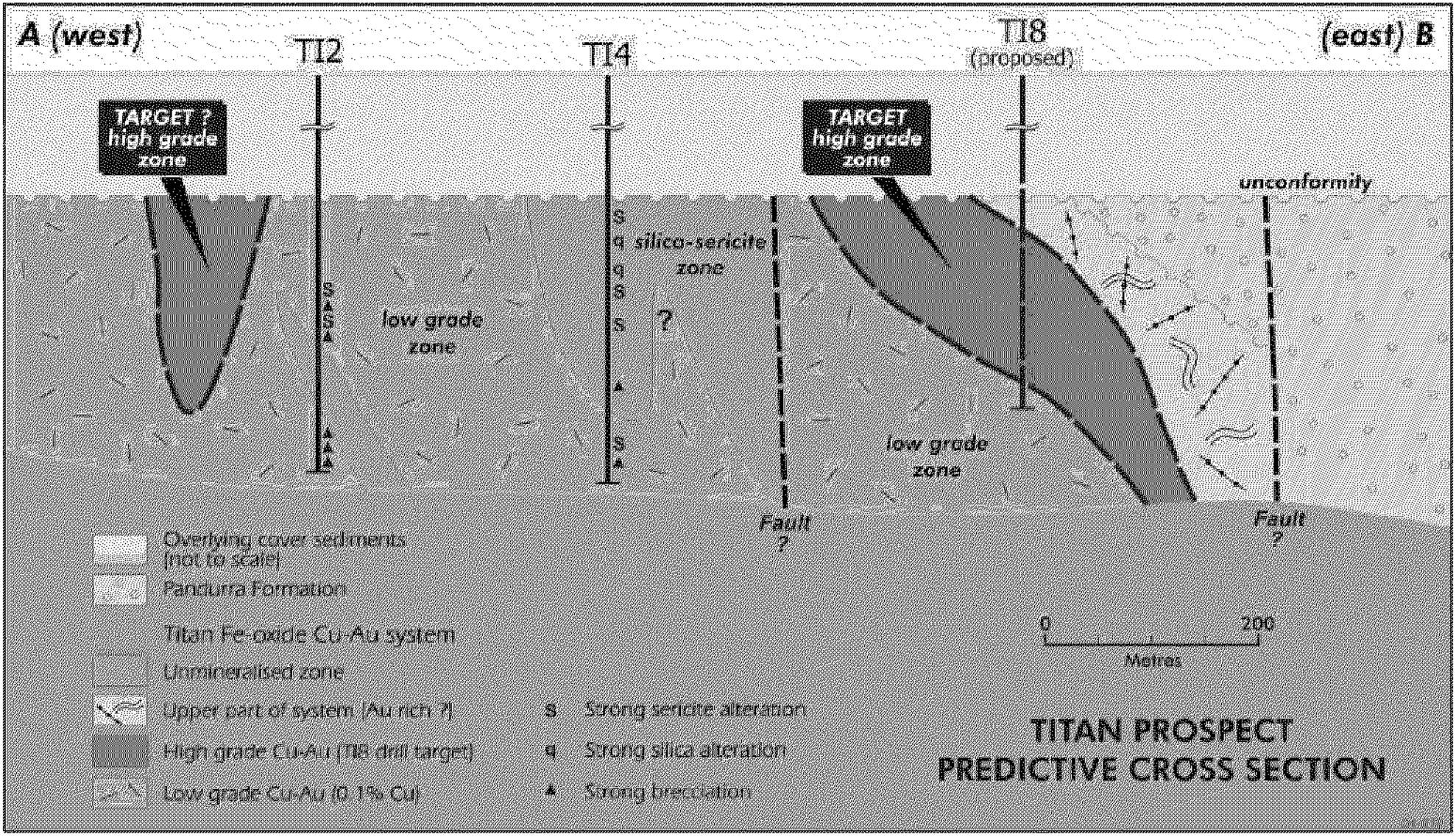

Figure 4: Titan Prospect – Cross Section A-B, showing interpreted basement geology and drill targets.

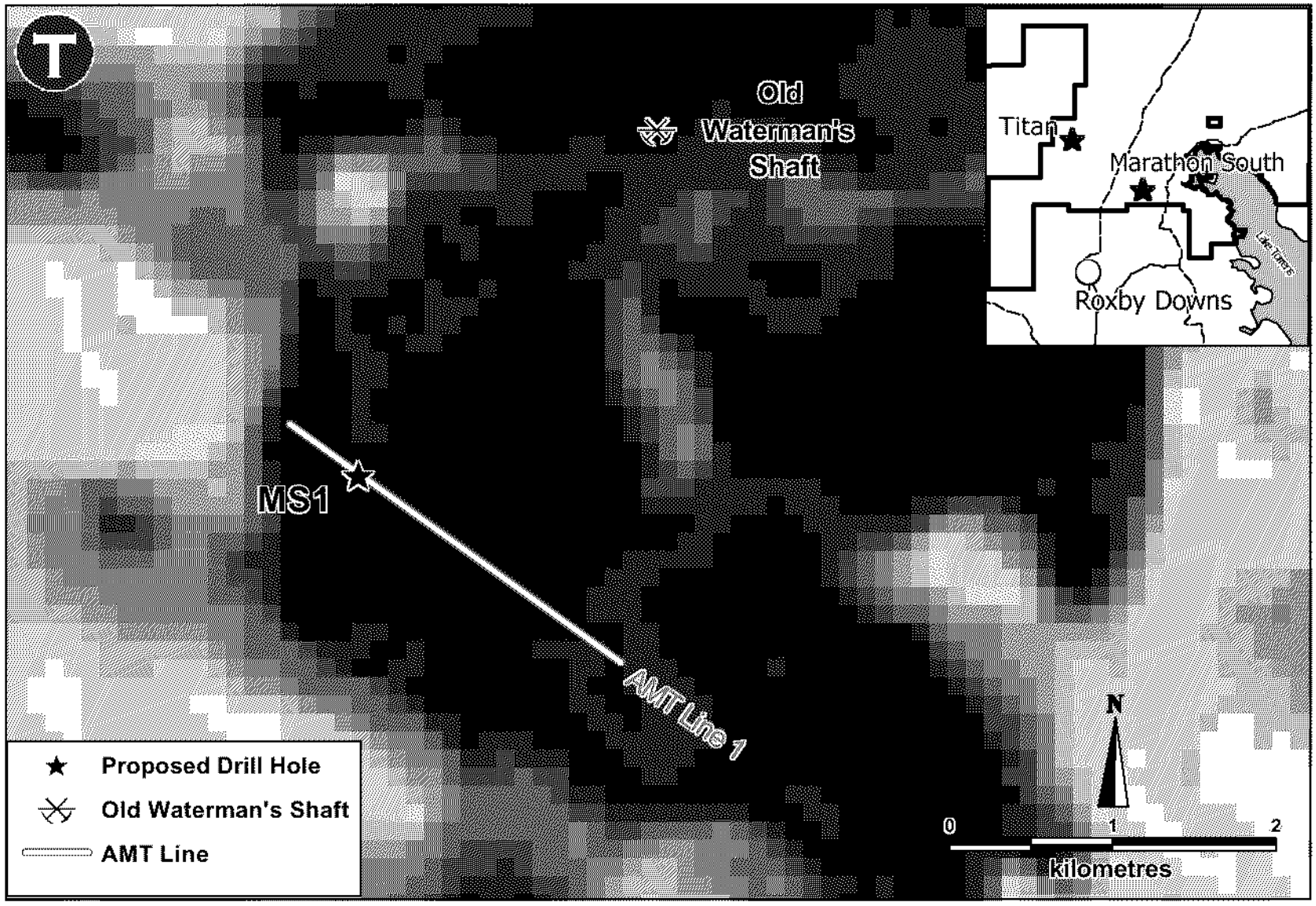

Figure 5: Marathon South Prospect; residual gravity image (128 Hanning) with locations of AMT Line and proposed drill hole.

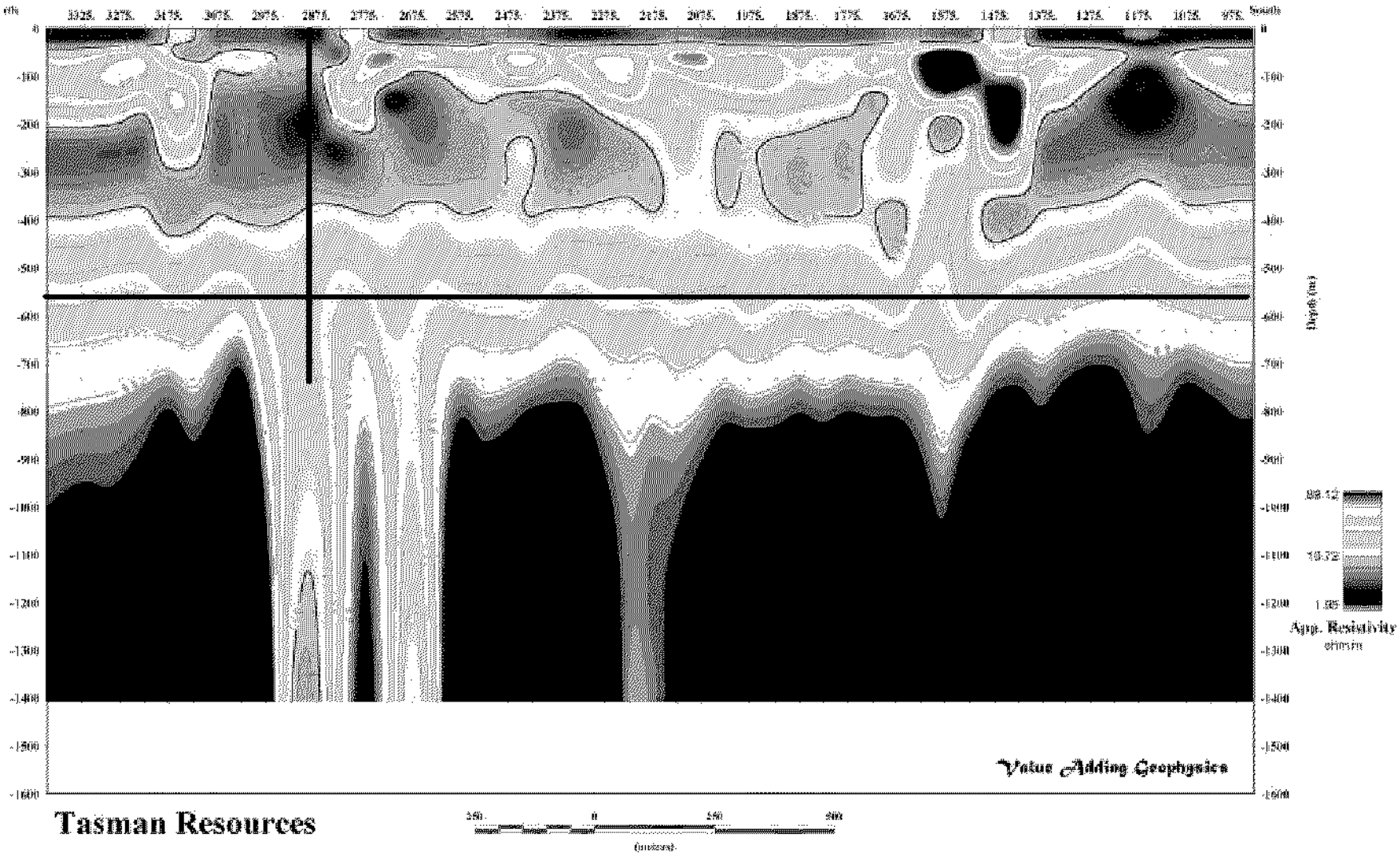

Figure 6: Marathon South, AMT line 1 - 1D smooth model inversion of time series corrected scalar TE mode (Rho YX) data (50m data).

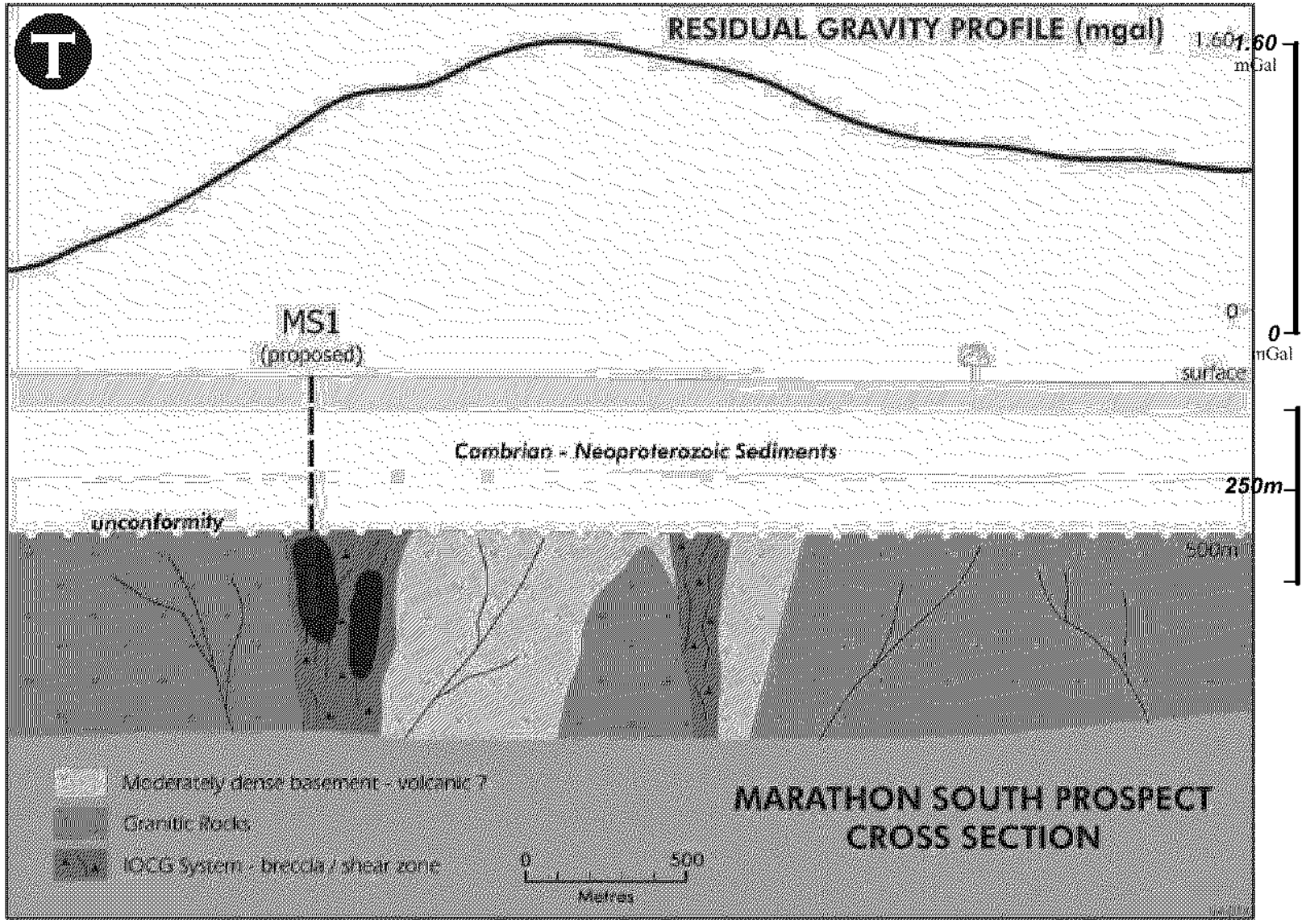

Figure 7: Marathon South – Residual Gravity Profile and Interpretive Cross Section with proposed drill hole