



TASMAN RESOURCES NL

A.C.N. 009 253 187

**ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

CORPORATE DIRECTORY

DIRECTORS:

Gregory Howard Solomon
Douglas Howard Solomon
Guy Touzeau Le Page

COMPANY SECRETARY:

Raymond F Buscall

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SOLICITORS:

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Minter Ellison
1 King William Street
Adelaide SA 5000

AUDITORS:

Hall Chadwick
Chartered Accountants
Level 40, Bank West Tower
108 St Georges Terrace
Perth WA 6000

SHARE REGISTRY:

Advance Share Registry Services
Level 7
200 Adelaide Terrace
Perth WA 6000

STOCK EXCHANGE LISTING:

ASX Code: TAS (ordinary shares) TASO (options expiring 28 February 2006)

Quotation has been granted for all the ordinary shares and all issued options of the company on all Member Exchanges of the Australian Stock Exchange Limited.

**TASMAN RESOURCES NL ABN 85 009 253 187
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DIRECTORS' REPORT

Your directors submit the financial accounts of the company for the period ended 30 June 2004.

DIRECTORS

The names of the directors in office at any time during or since the end of the year are,

Mr Gregory H Solomon
Mr Douglas H Solomon
Mr Guy T Le Page

Directors have been in office since the start of the financial year to the date of this report.

The particulars of the qualifications and experience of each the current directors, are as follows:-

Gregory Howard Solomon LLB (Executive Chairman)

Mr Solomon is a solicitor with almost 30 years Australian and international experience in a wide range of areas including mining law, commercial negotiation (including numerous mining and exploration joint ventures) and corporate law. He is a senior partner in the Western Australian legal firm, Solomon Brothers and has held directorships of various public companies since 1984 including two mining/exploration companies.

Douglas Howard Solomon, BJuris LLB (Hons) (Non-executive)

Mr Solomon is a Barrister and Solicitor with more than 20 years experience in the areas of mining, corporate, commercial and property law. He is a partner in the legal firm, Solomon Brothers.

Guy Touzeau Le Page, B.A., B.Sc. (Hons), M.B.A., ASIA., MAusIMM (Non-Executive)

Mr Le Page is currently a corporate adviser at RM Capital Pty Ltd specialising in resources. He is actively involved in a range of corporate initiatives from mergers and acquisitions, initial public offerings to valuations, consulting and corporate advisory roles. Mr Le Page was Head of Research at Morgan Stockbroking Limited (Perth) prior to joining Tolhurst Noall as a Corporate Adviser in July of 1998. As Head of Research, Mr Le Page was responsible for the supervision of all Industrial and Resources research. As a Resources Analyst, Mr Le Page published detailed research on various mineral exploration and mining companies listed on the Australian Stock Exchange. The majority of this research involved valuations of both exploration and production assets.

Prior to entering the stockbroking industry he spent 10 years as an exploration and mining geologist in Australia, Canada and the United States. His experience spans gold and base metal exploration and mining geology and he has acted as a consultant to private and public companies. This professional experience included the production of both technical and valuation reports for resource companies. Mr Le Page holds a Bachelor of Arts, a Bachelor of Science and a Masters Degree in Business Administration from the University of Adelaide, a Bachelor of Applied Science (Hons) from the Curtin University of Technology and a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia.

PRINCIPAL ACTIVITIES

MINERAL EXPLORATION

The principal activity of the company during the financial year ended 30th June 2004 was mineral exploration. In particular, the company undertook an extensive exploration programme on numerous targets within the Lake Torrens Project Area, including geochemical sampling, numerous geophysical surveys (including gravity and electrical surveys), percussion and core drilling programmes and ongoing reviews of previous exploration data.

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**DIRECTORS' REPORT (Cont'd)
PRINCIPAL ACTIVITIES (Cont'd)**

ENERGY PROJECTS

Additionally, during the year the company established a wholly owned subsidiary, Eden Energy Pty Ltd, which applied for seven geothermal licences in South Australia over several prospective areas. It also entered into a Memorandum of Understanding with Brehon Energy plc to acquire up to 20% of the issued capital of that company, along with up to 49% of a subsidiary company, Brehon Far East Pty Ltd, which would be granted the Asian/Pacific marketing rights to the entire range of Brehon Energy's hydrogen related technology.

REVIEW OF OPERATIONS

MINERAL EXPLORATION

All of the company's mineral exploration tenements and tenement applications are located in South Australia. The primary focus is the Lake Torrens Project which covers an area of 9407 km² (comprising sixteen exploration licences and one exploration licence application as at 13/09/04).

The project area encompasses most of the area from the northern end of Lake Torrens to the southern end of Lake Eyre South. The project area is also adjacent to WMC's Olympic Dam Mining Lease and surrounding exploration licence on its northern side. The Lake Torrens Project comprises the following tenements:

- | | | |
|------------------------------|------------------------------|------------------------------|
| • EL 2642 | • EL 3006 | • EL 3175 |
| • EL 2733 | • EL 3007 | • EL 3176 |
| • EL 2772 | • EL 3109 | • EL 3177 |
| • EL 2832 | • EL 3123 (formerly EL 2507) | • EL 3209 (formerly EL 2594) |
| • EL 2988 (formerly EL 2339) | • EL 3140 (formerly EL 2543) | • ELA 67/04 |
| • EL 2989 (formerly EL 2340) | • EL 3174 | |

A further nine ELs are under application in the Central Gawler Craton covering areas considered prospective for diamond, gold and copper:

- | | | |
|-------------|-------------|--------------|
| • ELA 62/04 | • ELA 65/04 | • ELA 82/04 |
| • ELA 63/04 | • ELA 66/04 | • ELA 204/04 |
| • ELA 64/04 | • ELA 81/04 | • ELA 205/04 |

All tenements are 100% beneficially held by the company.

Exploration Targets

The Lake Torrens Project area is a large under-explored area, adjoining one of the world's major iron oxide Cu-Au-U deposits (Olympic Dam). The area is traversed by major structural zones (including the Torrens Hinge Zone, Norwest Fault and the continental lineaments G2 and G9).

Almost all of the older, potentially mineralised lithologies within the project area are masked by younger sedimentary layers and sand dunes resulting in no surface expression of potential orebodies.

Tasman has taken a multi-commodity approach in its exploration program. The preferred commodities are base-metals (especially copper, zinc and cobalt) and precious metals (gold, silver and platinum elements).

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**DIRECTORS' REPORT (Cont'd)
REVIEW OF OPERATIONS (Cont'd)
Exploration Targets (Cont'd)**

The Lake Torrens Project is considered prospective for several types of economic precious and base-metal deposits, including:

Within the Mesoproterozoic basement rocks the main exploration target is:

- Olympic Dam Type Cu-Au deposits.

Within the Adelaidean and Cambrian sediments, they include, in approximate order of importance:

- Sediment-hosted copper deposits, in particular of the Zambian Copperbelt style, or associated with diapiric brecciated structures;
- SEDEX or Mt Isa-type Zn-Pb-Ag deposits associated with pyritic, graphitic shales and dolomites.
- Mississippi-Valley-type ("MVT") lead-zinc-copper-silver mineralisation.
- Structurally-hosted gold deposits associated with large fault systems in the Adelaidean sediments.
- Carbonate-hosted willemite (zinc silicate) mineralisation similar to the deposits in the Beltana area.

Additionally, the area is prospective for diamonds with microdiamonds and kimberlite indicator minerals having been previously found in and around the project area.

Approval has been received from the South Australian Government to treat all of the tenements as one project area for the purpose of annual reporting, expenditure obligations and periodic relinquishment of portions of the tenement areas.

Additionally, the company has applied for nine Exploration licences in the central Gawler Craton, 230 km to the west of the Lake Torrens Project Area, in an area which the company considers may be prospective for diamonds, gold, copper-gold and nickel mineralisation.

EXPLORATION RESULTS

Summary

During the financial year, the company spent \$1.2 million on various exploration activities on the Lake Torrens Project Area, including:

Titan

- A detailed gravity survey together with detailed modelling of the data was completed.
- Four diamond drill holes (T13, 4, 5 and 6) were drilled and T12 was extended.
- Detailed geochemical / geological modelling and review of assay results.
- Various electrical surveys – AMT, MALM, down hole EM and MMR were conducted.

Marathon South

- Electrical survey (AMT) was conducted.

Clara St Dora

- Electrical Surveys (IP) were conducted.
- Reverse circulation percussion drilling program completed.

OK Copper Mine

- Electrical survey (gradient array IP) was conducted.
- Orientation Gravity survey

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**DIRECTORS' REPORT (Cont'd)
EXPLORATION RESULTS (Cont'd)**

Atlas

- preliminary review of nickel prospectivity completed.

Diamond exploration:

- Preliminary review of the total project area was completed and various targets identified, two of which have been subsequently sampled, with further sites to be sampled.

Geochemical Data Review:

- Review of all other shallow targets completed.

DETAILED EXPLORATION RESULTS

Titan Prospect

The Titan Prospect is an iron oxide system with copper, gold and REE enrichment located 32km north of Olympic Dam. It was previously drilled by WMC in 1976 – drill holes BD1 and BD2. BD1 was extended by WMC in 1981. BD1 intersected 334m of mineralisation from a depth of 607m that averaged 0.1% Cu.

The Titan Prospect consists of two very strong magnetic and gravity anomalies. During the year, the company completed a comprehensive assessment of the geology (based on the original WMC drill holes and TI2, which was drilled by Tasman in 2003). The analysis included detailed logging, petrography, mineragraphy, SEM analysis and petrophysical analysis. The data was integrated into a major new geological modelling exercise, which produced a geological robust 3D density/magnetic susceptibility model. This model required the existence of dense, non-magnetic bodies to accurately simulate the observed gravity and magnetic fields. Additional gravity data was collected to increase the reliability and robustness of the geophysical modelling. The dense, non-magnetic bodies required by the modelling were individually up to 1.5km in length and up to 500m wide, with significant depth extents (greater than 2km). These bodies, interpreted to be haematite-rich zones, are considered to be potential hosts of economic copper/gold mineralisation. Following completion of the detailed study, four further holes (TI3-6 inclusive) were drilled. All encountered extensive alteration and mineralisation confirming the very large size of the overall mineralised system. Drill hole TI6 intercepted a zone of steep, vein-style chalcopyrite-pyrite (with trace bornite) mineralisation within a broader zone of vein and disseminated style mineralisation. Assay results from TI6 included:-

- 47m at 0.27% Cu and 0.06 g/t Au from 608m, including 5m at 1.14% Cu and 0.25g/t Au from 620m.
- Cobalt results for TI6 were also strongly anomalous underscoring the metal endowment of the Titan System. The entire basement intercept in TI6, 261m from 604m assayed 135ppm Co, with narrower zones returning higher values (e.g. 7m at 433ppm Co from 732m and 8m at 300ppm Co from 773m depth).

Hole TI3 intersected approximately 320m of younger Pandurra formation before passing through a fault and into highly altered (haematite-chlorite-magnetite-pyrite-chalcopyrite) basement with some anomalous but low-grade copper, uranium and gold values below 922m. Strongly anomalous silver values (4m at 65ppm from 919m) and Bi values (40m at 24ppm Bi, including 1m at 120ppm) were encountered within the Pandurra formation.

Following completion of the drilling programme the company undertook a very detailed review of the drill core, assays and geology, completed a semi-regional in fill gravity survey and undertook a significant amount of electrical geophysical surveys (down hole and surface). This resulted in a geological model of possible high-grade zones of mineralisation in the small part of the large Titan system where exploration has occurred to date.

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**DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)**

Titan Prospect

Highly encouraging results obtained from down-hole and surface electrical geophysical surveys produced several, highly anomalous responses from conductive (sulphidic) bodies within the basement in some cases coincident with the modelled target zones. These zones were consistent with the geological model of the Titan Prospect and also highlight potential new targets. Additionally, significant new gravity anomalies were identified by the gravity survey, in particular the Zeus Prospect immediately east of Titan.

Two new holes targeting high-grade copper $\pm$ gold mineralisation are planned based on Tasman's modelling of the Titan System and these are scheduled to be drilled towards the end of the third quarter of 2004.

Marathon South

A single AMT geophysical traverse was completed across a strong 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 2.4km northeast along this trend.

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 indicates that the north-western margin of the gravity anomaly is electrically conductive, and this could be due to sulphides hosted within an iron-oxide copper gold system.

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 second half of 2004 subject to heritage clearances and rig availability.

Clara St Dora

A limited RC percussion drilling programme was completed in the vicinity of the old high-grade Clara St Dora copper workings (120km northeast of Olympic Dam). The drilling targeted near surface high grade copper-gold mineralisation, in both along-strike and down-plunge extensions to the northwest of the main workings.

The RCP drilling program, whilst intersecting localised high grade copper mineralisation (3m at 3.6% Cu from 10m depth down hole in CSD23) adjacent to the old shaft, has not identified any substantial extensions to the historic high grade workings. However it has suggested the presence of a possible hydrothermal system with the occurrence of elevated copper, cobalt (maximum of 3m at 228ppm Co from 27m down hole in hole CSD10) and gold (maximum values of 65ppb Au in a 1m sample) in the rocks around the old mine.

Whilst there is no clear indication from the results to date that there is an economic deposit at depth, the elevated metals in the rocks remain unexplained and the presence of a deeper system remains open.

A review of the Clara St Dora area more broadly will be undertaken before further work is carried out.

OK Copper Area

Orientation gravity and IP surveys were completed over the two best prospects at OK Copper (located at the northern end of Lake Torrens, 45km northeast of Olympic Dam) to assist in understanding the nature of the mineralisation and to identify drill targets.

Distinct gravity lows were associated with the area around old workings, and the gradient array IP electrical surveys at each prospect identified broad zones of elevated chargeability which may in part be due to disseminated iron sulphides in the carbonate rocks.

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**DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)**

Diamond Exploration

During the year the company completed a desktop study on the diamond potential and prospectivity of Tasman's Lake Torrens Project area and concluded that rocks of Jurassic and older age have good potential to host diamondiferous kimberlite and lamproite intrusions that were overlooked by previous diamond explorers.

Prospective magnetic targets have been identified from a detailed review of available data. Limited loam sampling is planned to check these targets, whilst stream sediment sampling programmes for diamonds and kimberlite indicator minerals are also being considered.

Previous diamond exploration within and adjacent to the current Tasman Resources tenements found diamond indicator minerals, including diamonds, from stream sediment and loam sampling suggesting that diamond source rocks occur close by.

Important advances in diamond exploration have taken place since the Lake Torrens project area was assessed for diamonds in the past. Better geophysical surveying and processing tools; better diamond sample processing techniques encompassing finer fractions of stream sediments and loam samples; enhanced analytical techniques for geochemical analysis of outcrop areas; improved understanding of diamond exploration in Australian environments; and an expanded understanding of diamond geology together with recently published geological data and digital exploration data sets, have all combined to greatly increase Tasman's chances of locating the primary sources of the diamonds in its tenements.

All available aeromagnetic data for the project vicinity was re-processed with a focus on diamond targets. A number of highly prospective magnetic "kimberlite-like" targets were identified during this processing, and several of these are located within catchment areas with diamond indicator minerals.

In consequence of this review the company has applied for additional tenements to the west of the Lake Torrens Project Area, and since the end of the year has taken two loam samples from prospective target areas which have been submitted for assay, however at the date of this report those results have not been received.

ENERGY PROJECTS

During the year Tasman established a 100% subsidiary company, Eden Energy Pty Ltd ("Eden") (which has since changed status to Eden Energy Ltd), as the focus for a range of new 'green' energy opportunities. Eden holds or is acquiring interests in the following:

- hydrogen fuels, transport and storage;
- coal bed/coal mine methane;
- a conventional oil/gas play; and
- geothermal energy.

Since the end of the financial year, Eden has commenced raising seed capital with a view to progressing towards seeking a Stock Exchange Listing either on the ASX in Australia or on AIM in the UK.

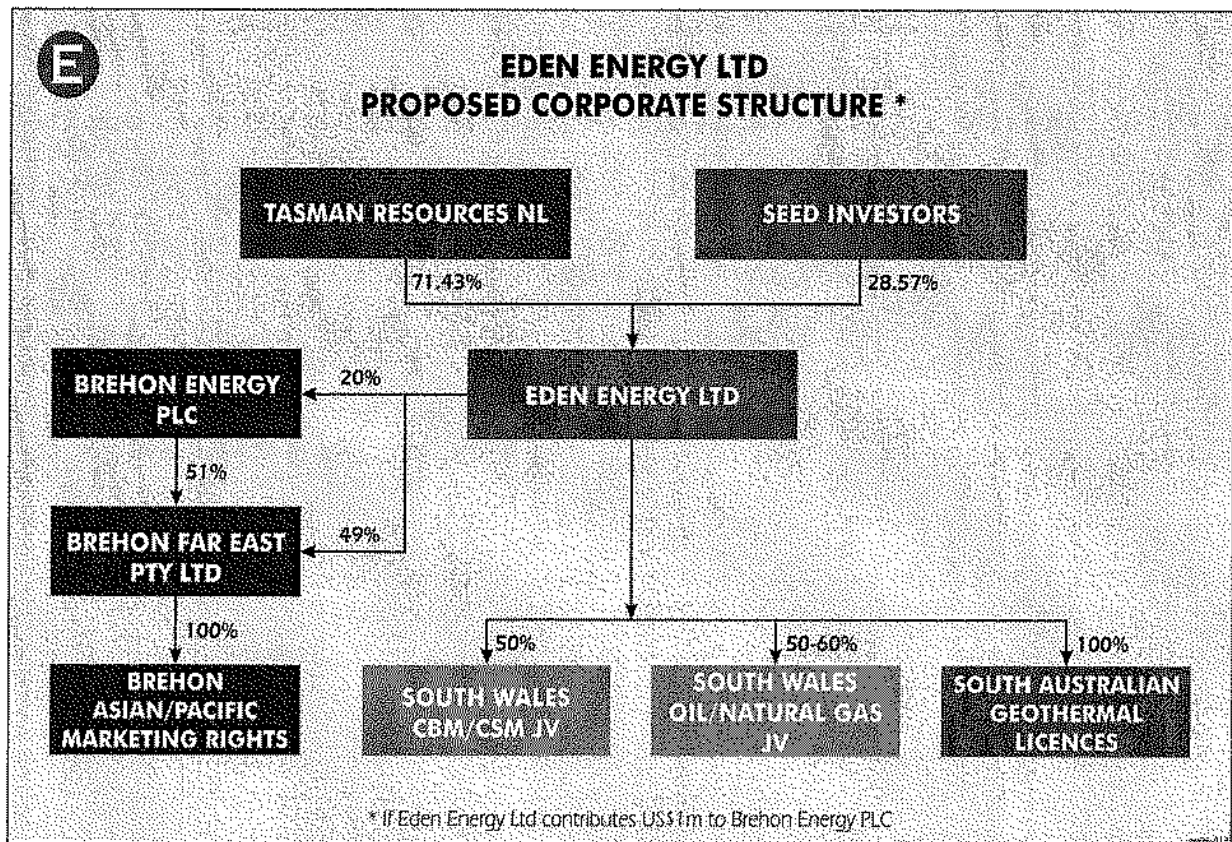
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**DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)**

Energy Projects (Cont'd)

The Tasman / Eden Relationship

The proposed corporate structure (after completion of seed capital raising) of Tasman and its subsidiary entities and their relationship to Brehon Energy plc is set out as follows:



Hydrogen & Hythane® Initiative - Summary

- Eden has signed a Memorandum of Understanding with Irish based Brehon Energy plc ("Brehon") to form a joint company known as Brehon Far-East Pty Ltd ("Brehon Far-East") in which Eden will hold 49% of the issued capital;
- Under the agreement, Eden will subscribe for up to 2.5million shares (representing 20% of the issued capital) in Brehon via the investment of US\$1,000,000 payable in monthly instalments over 9 months;
- Brehon Far-East will have the exclusive licence to market and distribute all Hydrogen and Hythane® (a mixture of methane or natural gas and hydrogen) products owned or developed by Brehon throughout Asia, Australasia and the Pacific;
- Brehon owns or has rights to a range of leading edge Hydrogen and Hythane® technologies and patents. The technologies and patents address several of the major issues facing the transition to the Hydrogen economy;

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AND CONTROLLED ENTITIES
DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)**

Hydrogen & Hythane® Initiative – Summary (Cont'd)

- The US developed Hythane® technology has been developed over the last 15 – 20 years, has been successfully trialled in a wide range of applications and is ready for full scale commercialisation particularly in rapidly expanding existing CNG vehicle markets. Brehon is in discussions in respect to sales with several substantial end users in Europe. This is seen as an immediate bridge between the current hydrocarbon economy and the future hydrogen economy;
- The use of Hythane® as a fuel in lieu of CNG/Methane alone reduces CO₂, NO_x and other greenhouse gas emissions. This in turn will give rise to significant carbon credits in countries that are signatories to the Kyoto Protocol. Formal European trading of carbon credits commences in 2005;

Brehon's Hydrogen technology which was initially developed as part of the NASA space program involves cryogenic (liquid and supercritical) storage of hydrogen and other gases. This enables far higher amounts of hydrogen to be stored in smaller sized tanks. This expertise is supplemented by a recent patent application by Brehon for a potentially significantly more efficient cryogenic storage tank. This technology has numerous applications including efficient storage for hydrogen powered motor vehicles which is currently one of the limiting factors in the transition to a Hydrogen economy. Brehon is in discussions with several leading automobile manufacturers to design and build prototype cryogenic storage tanks for their current developmental hydrogen vehicle programs.

Brehon Energy plc (Eden option to acquire 20%) / Brehon Far East P/L (Eden 49%)

Eden has signed an MOU with Irish-based Brehon Energy plc ("Brehon") to form Brehon Far-East Pty Ltd ("Brehon Far-East") in which Eden will hold 49% of the issued capital. Tasman through Eden will also subscribe for up to 2.5M shares (representing 20% of Brehon) in Brehon via the investment of US\$1.0M in instalments over nine months. Brehon Far-East will have an exclusive license to market and distribute all Hydrogen and Hythane® (a mixture of methane or natural gas and hydrogen) products owned or developed by Brehon throughout Asia, Australasia and the Pacific.

Brehon owns or has rights to a range of leading edge patented Hydrogen and Hythane® technologies that address several major issues facing the transition to the Hydrogen economy. The Hythane® technology has been successfully trialled and is ready for commercialisation particularly in the expanding CNG vehicle markets. Brehon is also in discussions in respect to sales with several substantial end users in Europe and Asia.

Background to Brehon

Brehon has entered into a contract to purchase the US trademark, US and Canadian patents and goodwill of Hythane® from Hydrogen Components Inc (established by Frank Lynch) which invented and developed Hythane®. Mr Lynch has entered into a contract with Brehon to consult exclusively to Brehon on Hythane®.

Mr. Lynch is a pioneer of the hydrogen industry and hydrogen powered vehicles, having built his first hydrogen powered car in 1972 whilst a student at UCLA.

Since then he has built or converted more vehicles and stationary generators to operate on hydrogen or a mixed hydrogen fuel than possibly any other individual in the world. He has championed hydrogen as a fuel and is widely regarded as a world expert on this issue. Additionally, through a team of world leading consultants (all of whom came out of or were associated with the NASA space program) coupled with a recently lodged patent application, Brehon has leading technology and know-how for the cryogenic storage of hydrogen.

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**DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)
Energy Projects (Cont'd)**

The Transition to the Hydrogen Economy

As a result of increasing concern that world oil production has or is about to peak, which will result in permanent long-term increases in the price of oil and natural gas, concern about dependence on Middle East oil, and increasing concern at the possible consequences of global warming, governments all over the world during the last two years have made huge commitments to fund the transition from oil and fossil fuels to a global hydrogen-based economy.

- In USA federal government initiatives for hydrogen research has been set at US\$1.2billion over five years;
- The Clean Energy States Alliance, which comprises 12 US States has committed US\$3.5billion over the next ten years on alternative energy;
- The European Union has committed Euro 2.8billion for hydrogen related expenditure over the next ten years.
- California and British Columbia have initiated Hydrogen Highway Projects which will strategically establish hydrogen service stations along highways.
- The Welsh Government has established a "Hydrogen Valley" project aimed at developing and undertaking world class research and development into renewable hydrogen and its application.
- The Western Australian Government is currently spending \$10 million on trialling three hydrogen powered buses.
- Many European, American and Japanese vehicle manufacturers are actively developing both hydrogen powered internal combustion vehicles and hydrogen powered fuel cell vehicles. Huge increases in these types of vehicles are projected over the next ten years.

Strategy

Brehon proposes to focus on the production, storage and use of alternate fuels, including Hythane®, Compressed Natural Gas (CNG) and hydrogen. Hythane® is a mixture of hydrogen and natural gas (methane) that delivers significant reductions in greenhouse and other emissions. Brehon's product strategy is to offer appropriate fuels and systems to each customer depending upon available infrastructure and market conditions. Proponents of the potential use of pure hydrogen as a primary fuel source for both internal combustion vehicles and fuel cell vehicles have not yet identified a strategy to enable the transition from a fossil fuel economy to a hydrogen economy.

Brehon believes the use of Hythane® provides this transition strategy and with the increasing possibility that global oil production has already peaked, or is close to its peak, a significant opportunity is rapidly emerging for the use of Hythane® and ultimately hydrogen on a broader scale. Additionally, significant governmental grants (particularly in Europe) and funding is available to fund the research and development and Brehon is currently making application in Wales for a grant for this purpose.

Hythane®

Hythane® is a cost-efficient, highly leveraged way to introduce Hydrogen into the new energy economy and leads to the goal of the hydrogen economy for global use of a renewable zero-emission energy system.

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**DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)
Energy Projects (Cont'd)**

Hythane® (Cont'd)

Hythane® provides an immediately available bridge between fossil fuels and a hydrogen economy. Incremental amounts of hydrogen can be added to CNG up to a solution limit in excess of 75% hydrogen. Hydrogen facilitates complete combustion in CNG and significantly reduces emissions of greenhouse gases including CO₂ and NO_x. An addition of 5% hydrogen (by energy) into CNG, coupled with engine tuning to accommodate the mix, reduces CO₂ emissions by up to 20%. Further additions of hydrogen, with engine optimisation, can reduce CO₂ emissions by an overall 30 %. This will result in potentially very significant carbon credits being generated which if created in a Kyoto Protocol Signatory country could be traded in the emerging carbon credit markets.

It is proposed the distribution of Hythane® will begin where existing CNG vehicle markets exist, where there is a lack of oil but availability of CNG, and in pollution sensitive regions that value reduced emissions.

Brehon will seek to have Hythane® offered as an alternative fuel at vehicle fuelling stations in the same way that higher octane fuel is currently available.

Whilst hydrogen is more expensive than CNG, the marginal increase is projected to be offset by the benefits flowing from reduced emissions. Hythane® has been developed, emission tested, and agreed upon as the best transition strategy to the hydrogen economy.

In respect of the Hythane® market, Brehon proposes that it will provide:-

- Hythane® storage tanks (for gaseous, liquid and supercritical Hythane®).
- Hythane® fuel pumps and loading equipment.
- Equipment to be attached to engines to enable them to operate on Hythane®.
- Hythane® fuel mix.

Brehon and Brehon Far East propose to focus primarily on the marketing of Hythane® in the short term with a view to generating an early cash flow.

Hydrogen

Globally there is rapidly increasing governmental determination to reduce greenhouse gas emissions and ultimately to achieve zero emissions. Many countries are currently pushing to establish the necessary infrastructure and R&D facilities to enable this to occur. In Germany, for instance, several Hydrogen dispensing service stations are now operational and the German government has set a target of 10,000 hydrogen service stations by 2010. Iceland is currently moving towards becoming the world's first hydrogen economy. Brehon will initially concentrate on development of cryogenic storage tanks for hydrogen. Brehon recently lodged a patent application for a new cryogenic storage tank design which could potentially give Brehon a major protected worldwide advantage in this critical area of the hydrogen transition. Work on the cryogenic storage will be done both in conjunction with the Welsh Hydrogen Valley initiative, which includes the proposed establishment of a Cryogenic Research Centre, and by Brehon itself for individual customers on a prototype design and construct basis.

CNG

A significant market currently exists for CNG vehicles in many parts of the world and in addition to marketing Hythane® into these markets, Brehon proposes to develop and market lightweight CNG storage tanks for these markets.

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**DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)**

Energy Projects (Cont'd)

Technology and Products

A summary of Brehon Products in the alternative fuels, tanks and systems market which will be marketed by both Brehon and Brehon Far-East are outlined below:

The Brehon portfolio of alternate fuel products is described in the below:			
	CNG (Methane)	Hythane®	Hydrogen
Application	Cars, Trucks, Buses, Rail, Ships	Cars, Trucks, Buses	Cars initially
Fuel		Hythane®	
Tank	Methane CNG LNG light weight tanks	Hythane® Tanks SuperCritical Liquid Compressed gas	Hydrogen Tanks Supercritical Liquid Compressed gas
Fuel Systems	Refuelling Pumps	Refuelling Pumps	Refuelling Pumps
	Conversion kits	Conversion kits	
		Reliquefaction	Reliquefaction, On board systems
R&D	Light weight tanks	Advanced Hythane®	Advanced hydrogen tanks Power distribution

Markets

In addition to the advanced discussions with European car manufacturers to produce cryogenic storage tanks, and various potential Hythane® customers, Brehon has commenced discussions with potential distributors in various countries in South America, the Middle East and Asia (through Brehon Far-East).

Consultants

Brehon has secured the services of a world class team of hydrogen and cryogenic experts, all having come from or been associated with NASA's space programs over the last 40 years, which used hydrogen to fuel rockets. They provide an immense pool of knowledge and expertise which is considered critical to enable the numerous problems associated with the transition to an economical hydrogen economy to be overcome. Interestingly, without exception, all of these experts are motivated by a desire to assist wherever possible in this transition to a hydrogen economy, for the welfare of the entire planet.

South Wales JV (Eden earning 50%)

Tasman entered into a joint venture with Welsh-based Coastal Oil and Gas Limited that will give Tasman the right to acquire a 50% interest in Coal Bed Methane (CBM)/Coal Mine Methane (CMM) and Natural Gas ("NG") more than 22% of the South Wales coalfields. The Petroleum Exploration and Development License (PEDL 100) and the recently granted additional tenement together cover an area of approximately 430 km².

In addition Tasman has also entered into a JV to acquire a 50% interest (up to 60% if expenditure >£1M) in an interpreted Oil/Natural Gas target situated within Devonian age rocks beneath the South Wales coalfields.

Both of these potential gas resources are strategically located in and around a number of industrial sites that are potential end users.

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**DIRECTORS' REPORT (Cont'd)
DETAILED EXPLORATION RESULTS (Cont'd)
Energy Projects (Cont'd)**

Geothermal Exploration Licence Applications (GELA) (Eden 100%)

GEL 166, GEL 168, GEL 177 (Licences granted since 30 June 2004)
Applications GELA 167, GELA 169, GELA 175, GELA 176, new GELA lodged 24 September 2004

Eden has applied for eight geothermal licenses in South Australia. Eden's strategy will be to test the suitability of the target areas, drill test wells and, if successful, establish a power generation facility that can be used to either generate electricity or produce clean hydrogen for use as a fuel or additive to methane to produce Hythane®. It is proposed that both of these products will be marketed through the down-stream technology developed by Brehon.

During the past few years several companies have applied for, and been granted, geothermal licences in South Australia.

Geothermal energy involves drilling holes up to 4.5km in depth into hot rocks, usually granites. The heat is produced in the rocks themselves and also comes from deeper within the Earth's core. The hot rocks are fractured with high pressure water to open up a network of cracks. Water is pumped down one borehole, travels through the fractured rocks, is heated and then recovered up other boreholes. The aim is to recover water at the highest possible temperature (at least 220°C) and pass it through a heat exchanger that then generates electricity using turbines. In order for the target rocks to retain heat and be hot enough, a thick sedimentary "blanket" is needed.

Central South Australia has all of the necessary requirements for this process.

This concept is also being developed in various parts of the world where suitable geological conditions exist.

Tasman conducted a review of the area and has identified what it considers to be four very prospective areas, which are the subject of the seven Geothermal Licence Applications. One other key factor is the distance from the licence to the nearest power grid, as the further the distance the greater the cost of connecting to the grid for distributing the electricity. All of these applications were made in the name of Eden. Eden's strategy is to test the suitability of the target areas, drill test wells and, if successful, establish a power generation facility that can be used to generate electricity for sale into the grid, or else be used to produce clean hydrogen for use as a fuel or as an additive to methane to produce Hythane®, both of which are proposed to be marketed through the down-stream technology developed by Brehon.

Production of energy from geothermal licences would also produce significant tradeable carbon credits if Australia were to become a signatory to the Kyoto Protocol.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

2,083,333 ordinary fully paid shares were issued at 12 cents per applications. A commission of 6% is payable to holders of Australian financial services licences.

2,250,000 ordinary fully paid shares were issued at 10 cents per share as per applications. A commission of 6% is payable to holders of Australian financial services licences.

3,550,000 ordinary fully paid shares were issued at 10 cents per share as per applications. A commission of 6% was payable to holders of Australian financial services licences.

2,266,000 ordinary fully paid shares were issued at 12 cents per share per applications received pursuant to a prospectus dated 15 August 2001. A commission of 6% was payable to holders of Australian financial services licences.

7,970,500 ordinary fully paid shares were issued at 12 cents per share as per applications received pursuant to a prospectus dated 15 August 2001. A commission of 6% was payable to holders of Australian financial services licences.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT (Cont'd)

EVENTS SUBSEQUENT TO BALANCE DATE

On 6 August 2004 5,000,000 ordinary fully paid shares were issued at 7.5cents per applications received. A commission of 6% is payable to holders of Australian financial services licences.

The funds will be used to provide additional working capital and to fund additional exploration and drilling on the Lake Torrens Project and the energy investments through its wholly owned subsidiary company Eden Energy Pty Ltd.

On 9 September 2004 6,100,000 ordinary fully paid shares were issued as per applications together with one free attaching option (issued under the same terms and conditions as the existing listed options, - to acquire fully paid ordinary shares at 20 cents per share on or before 28 February 2006 per share) at an issue price of 7.5 cents per share. A commission of 6% is payable to holders of Australian financial services licences.

The funds will be used to provide additional working capital for the Company to fund additional exploration and drilling on the Lake Torrens Project, and to fund the subscription for further shares in Eden Energy Ltd, the subsidiary of the Company, to fund the energy investments and finance preparation of a prospectus for Eden Energy Ltd.

Apart from the items mentioned in the Exploration Results above and the above share issues, there are no other matters or circumstance have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

ENVIRONMENTAL ISSUES

The company is the subject of environmental regulation with respect to mining exploration and will comply fully with all requirements with respect to rehabilitation of exploration sites.

FUTURE DEVELOPMENTS

The Company proposes to continue with its exploration program as detailed in the Review of Operations.

DIRECTORS SHAREHOLDINGS

The number of ordinary shares in which the directors have a relevant interest at the date of this report are as follows:-

	ORDINARY SHARES	OPTIONS TO ACQUIRE ORDINARY SHARES
GH Solomon	7,055,865	4,661,266
DH Solomon	7,174,666	4,661,267
GT Le Page	647,446	423,890

OPTIONS

No options were granted over unissued shares or interest during or since the financial year by the company to the executives as part of their remuneration package.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

No shares have been issued by virtue of the exercise of an option during the year or to the date of this report and there are 34,630,849 unissued ordinary shares for which options are outstanding at the date of this report.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT (Cont'd)

DIRECTORS' AND EXECUTIVE OFFICERS' EMOLUMENTS

The company pays directors fees to the executive chairman and to non-executive directors. The remuneration level was set at the annual general meeting of shareholders held in November 2001.

The emoluments of Directors during the financial year are shown in the following table;

	Other Benefits Paid \$	Directors Fees Paid \$	Superannuation Paid \$	Total \$
GH Solomon	157,500	120,000	10,800	288,300
GT Le Page	-	24,000	2,160	26,160
DH Solomon	-	24,000	2,160	26,160

Other Benefits include items paid and shown as related party transactions in the Notes to the Financial Statements at Note 13 (a).

MEETINGS OF DIRECTORS

During the year 14 directors' meetings were held. The number of meetings at which directors were in attendance is as follows:

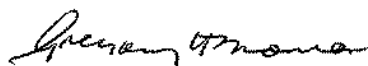
	No. of meetings held	No. of meetings attended
GH Solomon	14	14
GT Le Page	14	14
DH Solomon	14	14

INDEMNIFYING OFFICERS OR AUDITOR

During or since the end the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

During the year the company has taken out and paid the premium to insure the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

Signed in accordance with a resolution of the Board of Directors



G H Solomon
Director

Signed in Perth this 30th day of September 2004

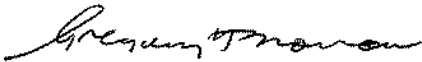
**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

DIRECTORS DECLARATION

The directors of the company declare that:

- 1 the financial statements and notes, as set out on pages 17 to 35, are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2004 and of its performance for the year ended on that date;
2. in the director's opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



G H Solomon
Director

Signed in Perth this 30th day of September 2004

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004**

		Economic Entity		Parent Entity	
		2004	2003	2004	2003
		\$	\$	\$	\$
	NOTE				
CURRENT ASSETS					
Cash Assets	5	451,940	287,827	451,940	287,827
Receivables	6	32,831	81,337	56,757	81,337
TOTAL CURRENT ASSETS		484,771	369,164	508,697	369,164
NON CURRENT ASSETS					
Property, plant and equipment	7	26,277	31,448	26,277	31,448
Exploration Expenditure	8	4,737,611	3,562,891	4,713,685	3,562,891
TOTAL NON CURRENT ASSETS		4,763,888	3,594,339	4,739,962	3,594,339
TOTAL ASSETS		5,248,659	3,963,503	5,248,659	3,963,503
CURRENT LIABILITIES					
Payables	9	147,161	304,529	147,161	304,529
TOTAL CURRENT LIABILITIES		147,161	304,529	147,161	304,529
NET ASSETS		5,101,498	3,658,974	5,101,498	3,658,974
EQUITY					
Contributed Equity	10	6,755,888	4,738,921	6,755,888	4,738,921
Accumulated losses	11	(1,654,390)	(1,079,947)	(1,654,390)	(1,079,947)
TOTAL EQUITY		5,101,498	3,658,974	5,101,498	3,658,974

The accompanying notes form part of these financial statements.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

		Economic Entity		Parent Entity	
		2004	2003	2004	2003
	NOTE	\$	\$	\$	\$
Other revenues from ordinary activities	3	33,790	52,843	33,790	52,843
Administration expenses		(595,006)	(544,212)	(595,006)	(544,212)
Depreciation expense		(13,227)	(19,566)	(13,227)	(19,566)
Loss from ordinary activities before income tax expense	4	(574,443)	(510,935)	(574,443)	(510,935)
Income tax (expense) / benefit	2	-	-	-	-
Loss from ordinary activities after income tax expense		<u>(574,443)</u>	<u>(510,935)</u>	<u>(574,443)</u>	<u>(510,935)</u>
Basic earnings per share (cents per share)	17	(0.9363)	(1.102)	(0.9363)	(1.102)

The accompanying notes form part of these financial statements.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004**

		Economic Entity		Parent Entity	
		2004	2003	2004	2003
		\$	\$	\$	\$
	NOTE	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cashflows From Operating Activities					
Payments to suppliers		(729,383)	(684,131)	(729,383)	(684,131)
Interest received		33,790	52,843	33,790	52,843
Goods and Services Tax Refunds		174,973	166,394	174,973	166,394
Net cash outflows from operating activities	16 (b)	(520,620)	(464,894)	(520,620)	(464,894)
Cash Flows From Investing Activities					
Exploration expenditure		(1,324,012)	(1,336,489)	(1,324,012)	(1,336,489)
Purchase of Property Plant & Equipment		(8,221)	(7,361)	(8,221)	(7,361)
Net cash outflows from investing activities		(1,332,233)	(1,343,850)	(1,332,233)	(1,343,850)
Cash Flows From Financing Activities					
Proceeds from issue of shares		2,058,380	587,070	2,058,380	587,070
Proceeds from issue of options		60,000	-	60,000	-
Share Issue Costs		(101,414)	(25,200)	(101,414)	(25,200)
Net cash inflows from financing activities		2,016,966	561,870	2,016,966	561,870
Net increase (decrease) in cash held		164,113	(1,246,874)	164,113	(1,246,874)
Cash at beginning of the financial year		287,827	1,534,701	287,827	1,534,701
Cash at the end of the financial year	16 (a)	451,940	287,827	451,940	287,827

The accompanying notes form part of these financial statements.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

1. Statement of Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Statements Board and the Corporations Act 2001.

The financial report covers the economic entity of Tasman Resources NL and controlled entities, and Tasman Resources NL as an individual parent entity. Tasman Resources NL is a listed company, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Principles of Consolidation

A controlled entity is any entity controlled by Tasman Resources NL. Control exists where Tasman Resources NL has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Tasman Resources NL to achieve the objectives of Tasman Resources NL. A list of controlled entities is contained in Note 20 to the financial statements.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Outside interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

(b) Income Tax

The economic entity has adopted the liability method of tax effect accounting whereby income tax expense for the period is calculated on the accounting profit after adjusting for items which, as a result of their treatment under income tax legislation, create permanent differences between that profit and the taxable income. The tax effect of timing differences which arises from the recognition in the accounts of items of revenue and expenses in periods different from those in which they are assessable or allowable for income tax purposes, are represented in the balance sheet as "future income tax benefits" or "provision for deferred income tax", as the case may be at current tax rates. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

1. Statement of Accounting Policies (Cont'd)
(c) Mining Tenements and Exploration Expenditure

Exploration and evaluation costs shown in the balance sheet represent an accumulation of net direct exploration and evaluation costs incurred by the company in relation to areas of interest for which rights of tenure are current and expected to be maintained and in respect of which :-

- (i) such costs are expected to be recouped through successful development and exploitation of each area, or alternatively, by its sale; or
- (ii) exploration and/or evaluation activities in the areas have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to the areas are continuing.

The ultimate recoupment of costs related to the areas of interest in the exploration and evaluation phase is dependent on the successful and commercial exploitation and/or sale of the relevant areas, at amounts at least equal to book value.

Accumulated costs in relation to an abandoned area are written off in full in the year in which the decision to abandon the area is made.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for Plant and Equipment are 15-50%

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(f) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

**1. Statement of Accounting Policies (Cont'd)
International Financial Reporting Standards**

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board, effective for financial years commencing 1st January 2005.

The economic entity's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. Appropriate processes have been set in place to oversee and manage this transition to IFRS.

The directors' are of the opinion that the key differences in accounting policies that would arise from the adoption of the IFRS standards (based on standards issued to date and pending standards) are as summarised below. This summary should not be taken as an exhaustive list of all differences in accounting policies and does not include disclosure, presentation and classification differences that would affect the manner in which transactions or events are presented.

The economic entity has not quantified the potential impact of the differences discussed below. The key potential implications of the conversion to IFRS on the company/economic entity are as follows

Intangible Assets –

Intangible assets can only be revalued if there is an active market for them.

Intangible assets, which have indefinite lives will not be amortised but will be tested for impairment annually.

Impairment of Assets – Assets which have infinite lives and are not amortised should be subjected to annual impairment tests. All other assets would be subject to impairment tests only when there are indications of impairment. The recoverable amount of an asset is the higher of the net selling price in an active market and its value in use. Value in use is the net present value of the future cash flows that the asset can generate.

Income Tax – Income tax will be calculated on the "balance sheet" approach under which temporary differences are identified for each asset and liability. As tax effects follow the underlying transaction, some tax effects will be recognised in equity.

Effects of Changes in Foreign Exchange Rates – The financial statements of economic entity may be reported in more than one currency. The economic entity's integrated foreign operations can no longer be translated using the temporal method.

Exploration Expenditure – Currently an accounting standard has yet to be issued which deals with the treatment of exploration and evaluation expenditure under IFRS.

We will seek to keep the stakeholders advised as to the impact of these changes as they are studied and finalised.

(h) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
2. Income Tax				
The prima facie tax (benefit) on loss from ordinary activities before income tax is reconciled to the income tax as follows;				
Prima facie tax on loss from ordinary activities before income tax @ 30%	(172,333)	(153,281)	(172,333)	(153,281)
Tax effect of permanent differences	-	6,161	-	6,161
Expenditure incurred in exploration activities claimable under Section 122J	(352,416)	(400,947)	(345,201)	(400,947)
Future income tax benefits not recognised	524,749	548,067	517,534	548,067
Income tax expense/(benefit) attributable to loss from ordinary activities before income tax	-	-	-	-
Future income tax benefit arising from tax losses not brought to account at balance date as realisation of the benefits is not regarded as virtually certain	2,038,643	1,314,319	2,031,428	1,314,319
The benefits will only be available if:-				
(a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;				
(b) the conditions for deductibility imposed by the tax legislation continue to be complied with; and				
(c) no changes in tax legislation adversely affect the company in realising the benefit.				
3. Revenue				
Operating Activities				
- interest revenue - other persons	33,790	52,843	33,790	52,843
Total Revenue	33,790	52,843	33,790	52,843
4. Loss from Ordinary Activities				
Loss from ordinary activities before income tax has been determined after				
(a) Expenses				
Depreciation - plant and equipment	13,227	19,566	13,227	19,566
Loss on disposal of fixed assets	165	-	165	-

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Economic Entity		Parent Entity	
	2004 \$	2003 \$	2004 \$	2003 \$
5. Cash Assets				
Cash on hand	16	16	16	16
Cash at bank	451,924	287,811	451,924	287,811
	451,940	287,827	451,940	287,827
6. Receivables				
Current:				
Associated Entity Loans	-	-	23,926	-
GST Refunds	22,634	74,251	22,634	74,251
Deposit- Funds held in Trust	750	750	750	750
Bonds	5,000	5,000	5,000	5,000
Cash Advances	4,447	1,336	4,447	1,336
	32,831	81,337	56,757	81,337
7. Property, plant and equipment				
Plant and Equipment				
At cost	71,542	63,666	71,542	63,666
Accumulated depreciation	(45,265)	(32,218)	(45,265)	(32,218)
Balance at end of year	26,277	31,448	26,277	31,448
Total Property plant and equipment	26,277	31,448	26,277	31,448

(a) MOVEMENTS IN CARRYING AMOUNTS

Movement in carrying amounts for plant and equipment between the beginning and the end of the current financial year

	PLANT AND EQUIPMENT	TOTAL	PLANT AND EQUIPMENT	TOTAL
Balance at beginning of the year	31,448	43,652	31,448	43,652
Additions	8,221	7,362	8,221	7,362
Disposals	(165)	-	(165)	-
Depreciation Expense	(13,227)	(19,566)	(13,227)	(19,566)
Carrying amount at the end of the year	26,277	31,448	26,277	31,448

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
8. Exploration Expenditure				
Costs carried forward in respect of areas of interest in:				
- Exploration and evaluation phases	4,737,611	3,562,891	4,713,685	3,562,891
Total exploration expenditure	4,737,611	3,562,891	4,713,685	3,562,891

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of respective mining areas. The company's exploration tenements include areas subject to Native Title Claims. As a result mining and exploration activities may be subject to exploration and mining restrictions or compensation payments. At the date of this report Work Area Clearance Agreements which enable initial exploration to occur have been finalised with 3 of the 4 native title claimant groups (and the 4th is being negotiated). However the directors are unable to quantify the financial impact of any future claims.

9. Payables				
Current:				
Creditors and accruals	147,161	304,529	147,161	304,529

10. Contributed Equity				
Ordinary shares fully paid	Note			
66,752,515	10 (a)	6,695,888	4,738,921	6,695,888
(2003 - 48,632,682)				4,738,921
Options	10 (b)	60,000	-	60,000
34,630,849 (2003				-
30,630,849)				
		6,755,888	4,738,921	6,755,888
				4,738,921

**(a) Movements in
Contributed Equity
During the Year**

Ordinary shares fully paid

Opening balance

(2003 44,211,682)

	No.				
	48,632,682	4,738,921	4,177,051	4,738,921	4,177,051
Issue of shares - prior year		-	587,070	-	587,070

(i) 03 Jul 2003	2,083,333	250,000	-	250,000	-
(ii) 11 Sep 2003	2,250,000	225,000	-	225,000	-
(iii) 04 Nov 2003	3,550,000	355,000	-	355,000	-
(iv) 04 Nov 2003	2,266,000	271,920	-	271,920	-
(v) 12 Nov 2003	7,970,500	956,460	-	956,460	-
Less share issue costs		(101,413)	(25,200)	(101,413)	(25,200)

Closing Balance	66,752,515	6,695,888	4,738,921	6,695,888	4,738,921
(2003 48,632,682)					

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
10. Contributed Equity (Cont'd)				
(i) On 3 July 2003 2,083,333 ordinary fully paid shares were issued at 12 cents per share on application for shares.				
(ii) On 11 September 2003 2,250,000 ordinary fully paid shares were issued at 10 cents per share on application for shares.				
(iii) On 4 November 2003 3,350,000 ordinary fully paid shares were issued at 10 cents per share on application for shares.				
(iv) On 4 November 2003 2,266,000 ordinary fully paid shares were issued at 12 cents per share on application for shares.)				
(v) On 12 November 2003 7,970,500 ordinary fully paid shares were issued at 12 cents per share on application for shares.				

(b) Options

**Movements in Contributed
Equity During the Year**

No.

**Options expiring 28
February 2006**

Opening balance (2003 30,630,849)	30,630,849	-	-	-	-
Issue of options - prior year	-	-	-	-	-
(i) 04 Jun 2004	4,000,000	60,000	-	60,000	-
Closing Balance (2003 30,630,849)	34,630,849	60,000	-	60,000	-

No shares have been issued by virtue of the exercise of an option during the year or to the date of this report and there are 34,630,849 unissued ordinary shares for which options are outstanding at the date of this report.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
11. Accumulated Losses				
Accumulated losses at the beginning of the financial year	(1,079,947)	(569,012)	(1,079,947)	(569,012)
Net loss for the year	(574,443)	(510,935)	(574,443)	(510,935)
Accumulated losses at the end of the financial year	(1,654,390)	(1,079,947)	(1,654,390)	(1,079,947)

12. Segmental Information

- (i) Geographical
The company operated only in Australia.
- (ii) Business
The company operated in the area of mineral exploration.

13. Related Party Transactions

Transactions with related parties, unless otherwise stated, are at normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

(a) Director related parties

Management and administration fees paid to Princebrook Pty Ltd, a company in which Mr GH Solomon and Mr DH Solomon have an interest	157,500	157,500	157,500	157,500
Legal and professional fees to Solomon Brothers, a firm of which GH Solomon and Mr DH Solomon are partners.	8,500	-	8,500	-
Professional fees and commissions paid to RM Capital Pty Ltd, a company in which Mr GT Le Page is a director and shareholder.	54,755	-	54,755	-
Professional fees paid to GT Le Page, a company in which Mr GT Le Page is a director and shareholder.	1,000	-	1,000	-

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

13. Related Party Transactions

- (b) The number of ordinary shares in which the directors have a relevant interest at the 30 June 2004 are:

	Opening Balance	Ordinary Shares acquired during the year	Ordinary Shares disposed of during the year	Closing Balance
GH Solomon	6,875,865	-	-	6,875,865
DH Solomon	6,824,666	300,000	-	7,124,666
GT Le Page	577,779	-	-	577,779

- (c) The number of options to acquire ordinary shares in which the directors have a relevant interest at the 30 June 2004 are:

	Opening Balance	Options acquired during the year	Options disposed of during the year	Closing Balance
GH Solomon	4,661,266	-	-	4,661,266
DH Solomon	4,661,267	-	-	4,661,267
GT Le Page	423,890	-	-	423,890

14. COMMITMENTS

Exploration Commitments

The company has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the company subject to the company being able to raise sufficient additional capital. In accordance with an agreement with Primary Industries and Resources SA that the total minimum commitments on the existing tenements is \$1,300,000 for the calendar year 2004 and that a minimum of 30% of the combined tenement area is surrendered in the calendar year 2004. These commitments have not been provided for in the accounts. In part these commitments can be satisfied by time spent by officers of the company on activities related to the exploration tenements.

Other Commitments

The company, through Eden Energy Ltd, has entered into the following commitments: -

- I. To subscribe for up to 2.5 million shares of the issued capital of Brehon Energy plc by the investment of US\$1,000,000 over 9 months.
- II. To fund exploration expenditure in South Wales pursuant to the joint Venture with Coastal Oil and Gas Limited in respect of coal bed methane, coal mine methane and conventional hydrocarbons on two Petroleum Exploration and development Licences covering an area of 430km². The estimated aggregate expenditure if these proceed is in the order of £2-2.5 million over 3-5 years.

These full commitments are dependent upon Eden Energy Ltd raising capital to meet these obligations.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

15. DIRECTORS AND EXECUTIVES' REMUNERATION

(a) Parent Entity Directors

Mr GH Solomon	Executive Chairman
Mr DH Solomon	Director – Non Executive
Mr GT Le Page	Director – Non Executive

(b) Parent Entity Directors' Remuneration

2004	Primary				Post Employ ment	Equity	Other	Total
	Salary Fees & Commis sions	Superan nuation Contribut ions	Cash Bonus	Non- Cash Benefits	Superan nuation	Options		
Mr GH Solomon	120,000	10,800	-	-	-	-	-	130,800
Mr DH Solomon	24,000	2,160	-	-	-	-	-	26,160
Mr GT Le Page	24,000	2,160	-	-	-	-	-	26,160
	168,000	15,120	-	-	-	-	-	183,120

2003	Primary				Post Employ ment	Equity	Other	Total
	Salary Fees & Commis sions	Superan nuation Contribut ions	Cash Bonus	Non- Cash Benefits	Superan nuation	Options		
Mr GH Solomon	120,000	10,800	-	-	-	-	-	130,800
Mr DH Solomon	6,000	360	-	-	-	-	-	6,360
Mr GT Le Page	24,000	2,160	-	-	-	-	-	26,160
Mr WS Yeaman	8,000	10,720	-	-	-	-	-	18,720
	158,000	24,040	-	-	-	-	-	182,040

(c) Remuneration – Options

There were no options issued during the year as part of remuneration to directors or executives.
Refer to Note 13 for further disclosures on directors remuneration.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
16. NOTES TO THE STATEMENTS OF CASH FLOWS				
(a) Reconciliation of Cash				
For the purpose of this statement of cash flows, cash includes:-				
(i) cash on hand and in at call deposits with banks or financial institutions, net of bank overdrafts; and				
Cash at the end of the year is shown in the balance sheet as:				
Cash at Bank and on hand	451,940	287,827	451,940	287,827
	451,940	287,827	451,940	287,827
(b) Reconciliation of the operating loss after income tax to the net cash flow used in operations				
Operating loss after income tax	(574,443)	(510,935)	(574,443)	(510,935)
Non-cash flows in operating loss				
Depreciation	13,227	19,566	13,227	19,566
Loss on Disposal of Assets	165	-	165	-
Changes in assets and liabilities				
Decrease(Increase) in receivables	3,855	18,945	3,855	18,945
Increase(Decrease) in creditors and accruals	36,576	7,530	36,576	7,530
	(520,620)	(464,894)	(520,620)	(464,894)

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

		Economic Entity		Parent Entity	
		2004	2003	2004	2003
		\$	\$	\$	\$
17. EARNINGS PER SHARE					
(a)	Reconciliation of Earnings to Net Loss				
	Operating loss	(574,443)	(510,935)	(574,443)	(510,935)
	Earnings used in the calculation of basic EPS	(574,443)	(510,935)	(574,443)	(510,935)
(b)	Weighted average number of ordinary shares on issue used in calculation of basic earnings per share	61,351,521	46,355,371	61,351,521	46,355,371
(c)	As at 30 June 2004 the company had 34,630,849 options on issue exercisable at 20 cents per share on or before 28 February 2006. These options are not considered to be potential ordinary shares for the calculation of dilutive earnings per share. Dilutive earnings per share has not been disclosed as its calculation does not show an inferior view of the earnings performance to that shown by the basic earnings per share.				

18. EVENTS SUBSEQUENT TO BALANCE DATE

On 6 August 2004 5,000,000 ordinary fully paid shares were issued at 7.5cents per applications received. A commission of 6% is payable to holders of Australian financial services licences. The funds will be used to provide additional working capital and to fund additional exploration and drilling on the Lake Torrens Project and the energy investments through its wholly owned subsidiary company Eden Energy Pty Ltd.

On 9 September 2004 6,100,000 ordinary fully paid shares were issued as per applications together with one free attaching option (issued under the same terms and conditions as the existing listed options, - to acquire fully paid ordinary shares at 20 cents per share on or before 28 February 2006 per share) at an issue price of 7.5 cents per share. A commission of 6% is payable to holders of Australian financial services licences.

The funds will be used to provide additional working capital for the Company to fund additional exploration and drilling on the Lake Torrens Project, and to fund the subscription for further shares in Eden Energy Ltd, the subsidiary of the Company, to fund the energy investments and finance preparation of a prospectus for Eden Energy Ltd.

Apart from the matters as disclosed under exploration results in the directors report there are no other matters or circumstance which have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

	Economic Entity		Parent Entity	
	2004	2003	2004	2003
	\$	\$	\$	\$
19. AUDITORS REMUNERATION				
Amounts, received or due and receivable by auditors for:				
- auditing the accounts	5,050	5,050	5,050	5,050
- other services	1,000	1,000	1,000	1,000

20. CONTROLLED ENTITIES

In May 2004 a company named Eden Energy Pty Ltd was incorporated in Australia as a wholly owned subsidiary of Tasman Resources NL. The paid up capital of Eden Energy Pty Ltd is \$1.00.

21. SUPERANNUATION

All employees are entitled to varying benefits on retirement, disability or death and the end benefit is determined by the accumulation of contributions and earnings of the fund and various options within the fund available to each employee. The company makes contributions to the funds at the rate of 9% of gross salaries and wages. These contributions are legally enforceable in Australia.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

22. FINANCIAL INSTRUMENTS

(a) TERMS, CONDITIONS, AND ACCOUNTING POLICIES

The company's accounting policies, including the terms and conditions of each class of financial assets, financial liability and equity instrument, both recognised and unrecognised at balance date, are as follows;

RECOGNISED FINANCIAL INSTRUMENTS	STATEMENT OF FINANCIAL POSITION NOTES	ACCOUNTING POLICIES	TERMS & CONDITIONS
(i) Financial Assets			
Cash	5	Cash represents cash on hand and at bank with financial institutions. All cash is carried at nominal amounts.	
Receivables - Other	6	Receivables are carried at nominal amounts.	
(ii) Financial Liabilities			
Trade creditors and accrued expenses	9	Liabilities are recognised for amounts to be paid in the future for goods and services, received whether or not billed to the company.	Trade liabilities are normally settled on 30 day terms.
(iii) Equity			
Ordinary shares	10	Ordinary share capital is recognised at the amount paid-up.	Details of shares issued are set out in note 10

2004

FINANCIAL INSTRUMENT	FLOATING INTEREST RATE 0-1 YEAR	NON- INTEREST BEARING 0-1 YEAR	TOTAL	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE
(i) Financial Assets				
Cash	451,940	-	451,940	4.30%
Receivables Trade & other	-	32,831	32,831	N/A
Total Financial Assets	451,940	32,831	484,771	
(ii) Financial Liabilities				
Trade creditors and accrued expenses	-	147,161	147,161	N/A
Total Financial Liabilities	-	147,161	147,161	

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

22. FINANCIAL INSTRUMENTS (Cont'd)

2003

FINANCIAL INSTRUMENT	FLOATING INTEREST RATE 0-1 YEAR	NON- INTEREST BEARING 0- 1 YEAR	TOTAL	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE
(i) Financial Assets				
Cash	287,827	-	287,827	4.30%
Receivables Trade & other	-	81,337	81,337	N/A
Total Financial Assets	287,827	81,337	369,164	
(ii) Financial Liabilities				
Trade creditors and accrued expenses	-	304,528	304,528	N/A
Total Financial Liabilities	-	304,528	304,528	

(b) NET FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The aggregate net fair values of financial assets and financial liabilities, at the balance date, are approximated by their carrying value as represented in the Statement of Financial Position.

(c) CREDIT RISK EXPOSURES

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provision for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

23. EMPLOYEE BENEFITS

Employees Share Option Plan

THE PLAN

The purpose of the Plan is to provide Eligible Employees with an incentive to remain with the Company and to improve the longer-term performance of the Company and its return to shareholders. It is intended that the Plan will enable the Company to retain and attract skilled and experienced Eligible Employees and provide them with the motivation to make the Company more successful.

Eligible Employee means a full or part time employee or a director of the Company or of associated bodies corporate of the Company who is determined by the Board to be an Eligible Employee for the purposes of the Plan or any other person who is declared by the board to be an Eligible Employee for the purposes of the Plan;

The Exercise Price is whichever is the greater of the following:

- (a) 125% of the Market Price of a Share determined on the date of grant of an Option;
- (b) 20 cents; or
- (c) any greater price determined by the Board at the time of issue,

The Exercise Period means, in relation to an Option, the period:

- (a) commencing on the second anniversary; and
- (b) ending on the fifth anniversary,

of the date of grant of an Option, subject to any variation under rule 7 or as otherwise determined by the Company at the time of grant of an Option.

No options have been issued under this plan.

The Directors were issued options in May 2001 under the same terms and conditions for those which are listed on the Australian Stock Exchange. The movements in holdings of the Directors are shown at Note 13 (c).

No options have been exercised.

The closing share market price of an ordinary share of Tasman Resources NI on the Australian Stock Exchange at 30 June 2004 was \$0.175 (30 June 2003 \$0.125)

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITY**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
TASMAN RESOURCES NL**

SCOPE

The financial report and directors' responsibility.

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Tasman Resources NL (the company) and the consolidated entity, for the year ended 30 June 2004. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

AUDIT APPROACH

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

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INDEPENDENCE

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

AUDIT OPINION

In our opinion, the financial report of Tasman Resources NL is in accordance with:

- a. the Corporations Act 2001, including:
 - i. giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2004 and of their performance for the year ended on that date; and
 - ii. complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- b. other mandatory professional reporting requirements in Australia.

INHERENT UNCERTAINTY REGARDING CARRYING VALUE OF CAPITALISED ACQUISITION AND EXPLORATION COSTS

Without qualification in the opinion expressed above, attention is drawn to the carrying value of mining tenements and exploration expenditure carried forward as referred to in Note 8, is dependent upon the company's rights to tenure of the areas of interest, the results of future exploration and the recoupment of costs through successful development and exploration of the areas of interest, or alternatively by their sale at amounts at least equal to book value.



HALL CHADWICK
CHARTERED ACCOUNTANTS



MAURICE ANGHIE
PARTNER

Dated at PERTH this 30th day of September 2004

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

CORPORATE GOVERNANCE STATEMENT

Corporate Governance

The Board comprises at least three directors and not more than six. During the year directors' fees were paid to the Chairman and the non-executive directors. The remuneration level was set at the annual general meeting held in November 2001.

The Board comprises directors with an appropriate range of qualifications and expertise.

The Board meets on a regular basis and follows meeting guidelines set down to ensure all directors are made aware of, and have available all necessary information, to participate in an informed discussion on all agenda items.

The Board members identify risks and opportunities and seek assistance from the Company Financial Officers, and where applicable, the other directors and the Company's legal advisors.

Directors have the right, in connection with their duties and responsibilities as directors to seek independent professional advice at the company's expense. Prior approval from the Chairman is required but will not be unreasonably withheld.

The Board of Directors is responsible for the corporate governance of the company. The Board guides and monitors the business affairs of TASMAN RESOURCES NL on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board's Responsibilities:

- Reviews the financial performance on a monthly basis.
- Acts on behalf of and is accountable to the shareholders.
- Identifies business risks and considers actions to manage these risks.
- Seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations.

The Board's Accountability:

- The Board believes that budgets are necessary and monitoring performance against budgets is beneficial.
- The Board receives reports from external auditors and deals with the points raised therein.
Follow up action is taken if considered necessary.
- The Board does consider composition of the board and management when circumstances change.

Audit Committee

The company did not maintain an audit committee during the year as the directors and the Company Secretary make up the entire management team within the company.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Shareholding

Number of Shareholders

1,204

Distribution of Shareholders Number

No. of Ordinary Shares	Shareholders
1 - 1,000	15
1,001 - 5,000	180
5,001 - 10,000	253
10,001 - 100,000	635
100,001 - and over	121

Marketable Parcels

The number of shares held in less than marketable parcels is 204.

Substantial Shareholders

Ordinary shares

Total issued shares at 14 September 2004	77,852,515
March Bells Pty Ltd	7,007,999
Arkenstone Pty Ltd	6,889,199

Voting Rights

Subject to any rights or restrictions for the time being attached to any classes of Shares (at present there are none), at meetings of shareholders of the Company

- (a) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote: and
- (c) on a poll, every person present who is a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid shares, shall have such number of votes as bears the same proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited).

Restricted Securities

At the date of listing there were 16,633,991 shares and 18,555,088 options placed in escrow to be released at various dates.

All restricted securities were released by 18 December 2003 and therefore there are no restricted securities as at the date of this report.

**TASMAN RESOURCES NL ABN 85 009 253 187
AND CONTROLLED ENTITIES**

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

20 Largest Shareholders - Ordinary Shares

Name	Ordinary Fully Paid Shares	% Held of Issued Ordinary Capital
1. March Bells Pty Ltd	7,007,999	9.002%
2. Arkenstone Pty Ltd	6,889,199	8.849%
3. JP Morgan Nominees Australia Ltd	2,500,000	3.211%
4. Ekstein & Ekstein Investments Pty Ltd	1,500,000	1.927%
5. K & V Lamb Pty Ltd	1,389,873	1.785%
6. Invia Custodian Pty Limited <Protea A/c>	1,333,333	1.713%
7. Elinora Investments Pty Ltd	1,333,333	1.713%
8. Peto Pty Ltd <1953 Super Fund A/c >	924,007	1.187%
9. Tascoast Pty Ltd <The Gulabovski Family A/c>	885,982	1.138%
10. RBC Global Services Australia Nominees Pty Limited <MLCI A/c>	807,446	1.037%
11. Stanley Management & Investments Pty Ltd	700,000	0.899%
12. McGougan BJ	699,500	0.898%
13. Williams International Investment Corporation Pty Ltd	650,000	0.835%
14. Kirch Investments Pty Ltd	645,000	0.828%
15. Gray PR	577,779	0.742%
16. Deloitte Management Pty Ltd <Strategic Capital S/F A/C>	534,626	0.687%
17. Fergus R	525,000	0.674%
18. Wisevest Pty Ltd	500,000	0.642%
19. Clarke RS <Dubiety Fund A/c>	500,000	0.642%
20. Watson BJ	500,000	0.642%
	30,403,079	39.052%

Confirmation of Expenditure

The company confirms that any cash on hand at the time of admission to the listing on the Stock Exchange has been used in accordance with the expenditure program as per the prospectus dated 15 August 2001.