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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

11th April 2011

Progress Report: Vulcan IOCGU* Project

*Iron oxide-copper-gold-uranium

VUD8

- **Bornite intersected in VUD 8, the last drill hole in the current program. VUD 8 intersected 180m of alteration and some mineralisation. Encouragingly, the copper-iron sulphide bornite, one of the copper minerals associated with the high grade zones of mineralization at Olympic Dam, was intersected in one part of the hole, again providing a vector to high grade mineralisation – assays are awaited.**

VUD 7

- **As reported previously, drill hole VUD 7 has intersected a very thick zone (+150m) of “classic” mineralised, hematite-rich breccias on the eastern side of the Vulcan IOCGU prospect, about 30km north of Olympic Dam.**
- **Assays received for VUD 7 confirm the result - 163m at 0.23% Cu, 0.07g/t Au, 2.4g/t Ag, 0.04kg/t U₃O₈ and 0.01% Mo (hematite-rich zone, including lower grade dykes, host rock intervals etc.) This interval includes 90m at 0.25% Cu, 0.09g/t Au, 3.0g/t Ag, 0.05kg/t U₃O₈ and 0.02% Mo.**
- **Whilst unlikely of itself to be of economic significance due to grade and depth, the intersection in VUD 7 is nevertheless significant because:**
 - **It confirms that a considerable thickness of “classic” IOCGU-style mineralized hematite-rich breccias is present at Vulcan,**
 - **The mineralogy in VUD 7 is consistent with a well defined part of the Olympic Dam zonation sequence, and clearly provides a vector to the potentially high grade parts of the Vulcan system, and**
 - **The location of VUD 7 greatly enhances the potential of the much larger, and believed to be more prospective (and as yet untested) southern portion of the prospect.**

Results

Tasman has recently completed the third hole (VUD 8) in its current program at Vulcan. A drill hole location plan is provided in Figure 1. Further drilling has been suspended at this stage to enable the encouraging results from the recent program to be properly assessed, and the next drill targets to be optimised using in particular, vectors derived from the recent holes.

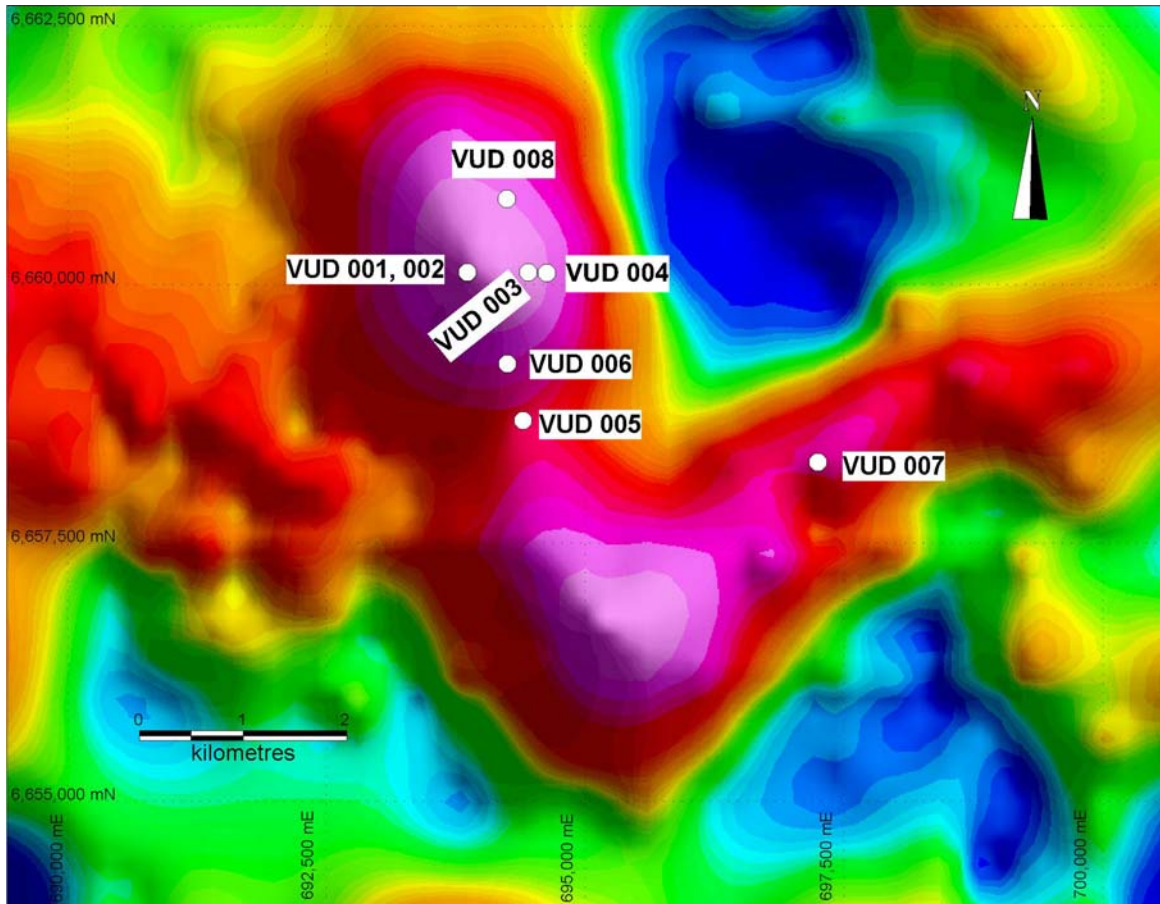


Figure 1: Vulcan residual bouguer gravity image with the location of Tasman's eight holes drilled to date. (Datum AGD 94; MGA Zone 53)

VUD 8

VUD 8 was drilled approximately 800m north-east of the discovery hole VUD 1 at 694,244mE; 6,660,826mN and was drilled vertically (see Figure 1). The hole was designed to further test the large northern section of the gravity anomaly.

VUD 8 hit basement altered and mineralised rocks (part of the Vulcan IOCGU system) at a depth of 899.75m and was terminated at 1079.5m, still in the IOCGU system. Mineralisation was seen throughout the hole, particularly within the upper section, where in addition to chalcopyrite and pyrite, minor bornite (copper-iron-sulphide) was recognized. Assays are not yet available.

The presence of bornite is considered particularly encouraging. It indicates, by analogy with the key sulphide zoning patterns and grade distributions seen at Olympic Dam, that there is potential to find the upper parts of the sulphide zoning sequence, and hence higher grade mineralisation elsewhere within the Vulcan system.

It should be noted that the high grade copper mineralisation within the Olympic Dam deposit predominately comprises bornite and chalcocite. This is distributed across the deposit in many separate zones of varying size, that in most cases adjoin lower grade areas of mineralisation (predominately chalcopyrite- pyrite) and in some cases areas of little mineralisation.

VUD 7

Tasman previously announced that drill hole VUD 7, (697,250mE 6,658,280mN, Figure 1) had intersected altered basement volcanics at 847m followed by a thick zone of “classic” IOCGU-style mineralised hematite-rich breccias between 1065m and the bottom of the hole at 1227.8m.

Mineralisation consists of disseminated pyrite (iron sulphide) and chalcopyrite (copper-iron sulphide), hosted within a breccia composed of fine grained black to steely-grey hematite, with lesser carbonate minerals and quartz. Near the bottom of the hole the pyrite-chalcopyrite mineralisation weakens and host rock clasts become quite abundant. Assay results received for VUD 7 are provided in Table 1.

Tasman previously noted that whilst the intersection in VUD 7 is over at least 150m, it is unlikely of itself to be of economic significance owing to the anticipated grades and the considerable depth. The results are, however, considered to be a major exploration breakthrough:

- VUD 7 confirms that Vulcan hosts mineralisation of the same style, and of comparable thickness to that which makes up a very large portion of the nearby Olympic Dam IOCGU deposit.
- VUD 7 is located in the previously undrilled eastern “limb” of the Vulcan prospect, a significant distance from the other parts of the prospect as defined by the geophysical anomaly and the earlier drill holes. It seems likely that mineralisation may extend considerably further east north-east from VUD 7 (Figure 1).
- VUD 7 considerably enhances the potential of the much larger, and believed to be more prospective (and as yet untested) southern portion of the prospect which is interpreted to be at a slightly shallower depth. This southern target is located where the two key structural trends in the prospect (north north-west and east north-east) intersect, and is a very large and strong gravity anomaly (Figure 1). Until Aboriginal heritage issues over this area are resolved, Tasman will continue to focus on the northern and eastern sections of the Vulcan system.

From (m)	To (m)	Thickness (m)	Cu (%)	Au (g/t)	Ag (g/t)	U ₃ O ₈ (kg/t)	Mo (%)	Fe (%)
1064.95	1227.8	162.85	0.23	0.08	2.4	0.04	0.01	23.7
Including								
1118	1208	90.00	0.25	0.09	3.0	0.05	0.02	26.8

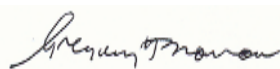
Table 1: Summary of assay results for VUD 7. Drill core for assay was halved by diamond sawing, and analysis was performed by a combination of fire assay/solvent extraction and flame AAS, ICP optical emission and mass spectrometry. Averages were calculated by weighting by sample length and density.



Figure 2: Close-up photo of typical hematite breccia from VUD 7. Hematite is dark grey, sulphides (pyrite and chalcopyrite) are yellow/silverish and the other minerals are carbonate (probably siderite), quartz and feldspar. (NQ Core – approx. 50mm diameter).

Future Program

- Fully assess results from recent drilling, including refinement of geophysical model and dating of selected samples from Vulcan system.
- Select new drill targets based on vectors from recent drilling results. Until aboriginal heritage issues over the highest priority southern target area are resolved Tasman will continue to focus on the northern and eastern sections of the Vulcan system.



Greg Solomon
Executive Chairman

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

The information in this announcement, insofar as it relates to Mineral Exploration activities, is based on information compiled by Robert N. Smith and Michael J Glasson who are members of the Australian Institute of Geoscientists, and who have more than five years experience in the field of activity being reported on. Mr Smith and Mr Glasson are full-time employees of the company. Mr Smith and Mr Glasson have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith and Mr Glasson consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.